Constitution of Coast2Bay Housing Group Limited

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Constitution

Coast2Bay Housing Group Limited

1 Preliminary

1.1 Name of Company

The name of the Company is Coast2Bay Housing Group Limited.

1.2 Nature of the Company

(a) The Company is a not for profit public company limited by shares.

(b) The liability of the members is limited.

1.3 Actions Authorised under the Law and Compliance with the Law

Where the Law authorises or permits a company to do any matter or thing if so authorised by its constitution, the Company is and shall be taken by this rule to be authorised or permitted to do that matter or thing, despite any other provisions of this Constitution.

2 Objects

2.1 Primary object

The primary object for which the Company is established is to provide innovative and sustainable Housing solutions for persons experiencing poverty, particularly persons in very low income households, people with complex and specific needs and people in disadvantaged target groups.

2.2 Further objects

The further objects for which the Company is established are:

(a) to be a public benevolent institution in terms of item 4.1.1 of the table in s30-45 of the *Income Tax Assessment Act 1997* (Cth);

(b) to be a charitable institution in terms of item 1.1 of the table in s50-5 of the *Income Tax Assessment Act 1997* (Cth);

(c) to relieve poverty by providing affordable Housing services to people who are in need, including members of low income households;

(d) to provide a range of Housing models, Housing assistance, products and services to meet the varying and changing needs of the Company and disadvantaged members of the community;

(e) to provide cost effective, efficiently managed and well maintained Housing as part of the delivery of timely, quality client services;

(f) to provide quality living environments and Housing forms that reflect appropriate cultural values, energy efficiency and ecologically sustainable development, cost effectiveness and access to community and retail services, transport and employment opportunities;

(g) to develop and support a variety of consumer participation choices that offer meaningful involvement for the community and tenants in the management of the Company's services;

(h) to work with existing local communities, businesses, other service providers, charities and all spheres of government to develop an integrated, coordinated and cooperative approach to address Housing issues; and

(i) to undertake such other activities that are incidental and supportive of the primary object.

3 Purpose, conduct and dealings

3.1 Shareholder Engagement

The Shareholders will, in conjunction with the Directors, develop effective Shareholder Engagement policies and practice that support broad community input into the activity of the Company.

3.2 Conduct of Company's operations

Each Shareholder (insofar as it lawfully can do so) must exercise its powers in relation to the Company to ensure that:

(a) the Company carries out the objects of the Company as set out in this rule 2 in a proper and efficient manner in accordance with sound business practice; and

(b) the Company complies with all its obligations under the Constitution;

(c) it avoids any conflict of interest in its role as Shareholder.

3.3 Company dealings

The Company must transact all of its business on arm's length terms unless all the parties concerned are Group Companies.

4 Income and property

4.1 Application of income and property

(a) Subject to rule 4.1(b), the profits (if any) or other income and property of the Company must be applied solely towards the promotion of the objects of the Company in rule 2, and no portion of it may be paid or transferred, directly or indirectly, to any member of the Company whether by way of dividend, bonus or otherwise.

(b) Nothing in rule 4.1(a) prevents any payment in good faith by the Company of:

(i) reasonable and proper remuneration to any member for any services actually rendered or real property or goods supplied to the Company in the ordinary and usual course of business;

(ii) the payment or reimbursement of out-of-pocket expenses incurred by a member of the Company on behalf of the Company where the amount payable does not exceed an amount previously approved by the Directors of the Company;

(iii) reasonable and proper rent for premises leased by any member of the Company to the Company;

(iv) payment to any member, being a solicitor, accountant or other person engaged in any profession, for all usual professional or other charges for work done by that person or that person's firm or employer, where the provision of the service has the prior approval of the Directors and where the amount payable is approved by the Directors and is not more than reasonable payment for the service; or

(v) interest on money borrowed from members of the Company.

5 Shares

5.1 Issue of shares and options

(a) Subject to the Law and any rights and restrictions attached to a class of shares, the Company may:

(i) allot and issue unissued shares; and

(ii) grant options over unissued shares,

on any terms, at any time and for any consideration, as the Directors resolve.

(b) The powers of the Company under rule 5.1(a) may only be exercised by the Directors.

(c) Unless the Directors resolve otherwise, the total aggregate number of shares on issue at any one time must not exceed 25 shares.

5.2 Issue of redeemable preference shares

Subject to the Law, any preference shares may be issued on the terms that they are, or at the option of the Company, are liable to be redeemed and otherwise on such terms and in such manner as the Company determines before the issue.

5.3 Variation of classes and class rights

Subject to the Law and the terms of issue of shares in a particular class, the Company may:

(a) vary or cancel rights attached to shares in that class; or

(b) convert shares from one class to another,

by:

(c) a special resolution passed at a meeting of members holding shares in that class; or

(d) the written consent of members who are entitled to at least 75% of the votes that may be cast in respect of shares of that class.

5.4 Brokerage and Commission

(a) The Company may exercise the powers to pay brokerage or commission conferred by the Law in the manner provided by the Law.

(b) The brokerage or commission may be satisfied by:

(i) the payment of cash;

(ii) the allotment of fully or partly paid shares; or

(iii) partly by the payment of cash and partly by the allotment of fully or partly paid shares.

5.5 Recognition of Third Party Interests

(a) Except as required by law, the Company shall not recognise a person as holding a share on any trust.

(b) Whether or not it has notice of the rights or interests concerned, the Company is not bound to recognise:

(i) any equitable, contingent, future or partial interest in any share or unit of a share; or

(ii) any other right in respect of a share,

except an absolute right of ownership of the member or as otherwise provided by this constitution or by law.

5.6 Register of Debenture Holders: Suspension

If at any time the Company has issued debentures and keeps a register of debenture holders, the Company may close its register of debenture holders during a period or periods not exceeding in aggregate 30 days in any calendar year.

5.7 Rights of shares

Each share:

(a) is a 'Class A' share;

(b) must be issued at a price of $1 per share (**Subscription Amount**);

(c) must be issued as fully paid;

(d) carries the right to receive notice of and to attend and vote at general meetings of the Company; and

(e) does not carry the right to receive a dividend or participate in the income, profits or surplus assets of the Company.

5.8 Transfer of share

Any share transfer must be approved by ordinary resolution of the Shareholders and the transferee must meet the eligibility criteria in rule 6.

5.9 Issue of shares

(a) The Shareholders, by ordinary resolution, may resolve to cause the Company to issue one or more further shares to any person satisfying the criteria in rule 6.

(b) Upon the Shareholders passing a resolution to cause the Company to issue one or more shares, the Board must issue those shares to that person if (and only if) that person pays the Subscription Amount.

5.10 Tenant Representative Group Share

(a) The Tenant Representative Group is the beneficial owner of the Tenant Representative Group Share.

(b) The Tenant Representative Group Shareholder Trustee elected by the Tenant Representative Group in accordance with rule 31(f) must:

(i) be recorded on the register of members of the Company as the legal holder of the Tenant Representative Group Share; and

(ii) hold the Tenant Representative Group Share on trust for the Tenant Representative Group.

(c) The Tenant Representative Group Shareholder Trustee must provide written evidence of his or her appointment if requested by the Company.

(d) The Tenant Representative Group Shareholder Trustee may exercise all or any of the powers of a Shareholder.

(e) If at any time there is no Tenant Representative Group Shareholder Trustee appointed, the Tenant Representative Group Share shall automatically transfer to the Chairman and the Chairman will be appointed as the interim Tenant Representative Group Shareholder Trustee until a new Tenant Representative Group Shareholder Trustee is appointed in accordance with rule 31(f).

6 General eligibility criteria for Shareholders

6.1 Eligibility criteria

(a) Each Shareholder must satisfy the following general eligibility criteria:

(i) must be:

(A) an organisation; or

(B) a representative or trustee of a particular group and not an individual in his or her personal capacity; and

(ii) must have an interest in the promotion, support, development and/or management of Housing services, including community Housing services and affordable Housing.

(b) Each Shareholder, other than the Tenant Representative Group Shareholder Trustee, must be a Not for Profit Organisation that falls into one of the following categories:

(i) a community managed housing organisation;

(ii) a religious or charitable organisation;

(iii) a housing or building industry organisation;

(iv) a community welfare service agency;

(v) an academic body;

(vi) a peak body for Housing; or

(vii) any other category as approve by ordinary resolution of the Shareholders from time to time.

7 Share certificates

(a) Unless the Directors otherwise determine, a person whose name is entered as a member in the register of members is entitled without payment to receive a certificate in respect of the member's shares.

(b) The Company is not bound to issue more than one certificate in respect of a share or shares held jointly by several persons.

(c) Delivery of a certificate for a share to one of several joint holders is sufficient delivery to all of the joint holders.

8 Form of share certificates

Any certificate for shares shall be in a form that the Directors from time to time decide and must contain details of:

(a) the name of the Company and the state in which it is registered;

(b) the class of the shares; and

(c) the amount paid and unpaid on the shares.

9 Worn out or defaced share certificates

(a) Subject to rule 9(b), the provisions of the Law with respect to certificates which are lost or destroyed shall apply to certificates which are worn out or defaced. The Directors may exercise all the powers in relation to certificates, which are lost, destroyed, worn out or defaced as are exercisable by the Company or its Directors under the Law in relation to certificates that are lost or destroyed.

(b) The Company:

(i) shall issue a certificate in replacement of a worn out or defaced certificate only if the Directors have not resolved not to issue further share certificates, and if the certificate to be replaced is received by the Company for cancellation and is cancelled; and

(ii) may require the payment of any amount as the Directors determine in connection with the issue of a replacement certificate.

10 Lien on shares

10.1 Lien on Shares

(a) The Company has a first and paramount lien on every share for:

(i) any amount due and unpaid in respect of the share which has been called or is payable at a fixed time (whether presently payable or not);

(ii) all amounts that the Company may be called on by law to pay in respect of the share.

(b) The Directors may at any time exempt a share wholly or in part from the provisions of this rule.

10.2 Exercise of Lien

(a) Subject to rule 10.2(b), the Company may sell any shares on which the Company has a lien, in the manner that the Directors think fit. However, the sale can only be to a person who is or is entitled to be a Shareholder under this Constitution.

(b) A share on which the Company has a lien shall not be sold unless:

(i) a sum in respect of which the lien exists is payable; and

(ii) at least 14 days before the date of the sale, the Company has given to the registered holder of the share a notice in writing demanding payment of the sum.

10.3 Completion of Sale

(a) For the purpose of giving effect to a sale of shares under lien pursuant to rule 10.2, the Directors may authorise a person to do everything necessary to transfer the shares sold to the purchaser of the shares.

(b) The Company must register the purchaser as the holder of the shares comprised in any transfer, after which the validity of the sale may not be impeached by any person, and the purchaser is not bound to see to the application of the purchase money.

(c) The title of the purchaser to the shares is not affected by any irregularity or invalidity in connection with the sale.

(d) The remedy of any person aggrieved by any sale shall be in damages only and against the Company exclusively.

10.4 Application of Proceeds of Sale

The proceeds of a sale made under a lien pursuant to rule 10.2 shall be applied by the Company in payment of the part of the amount in respect of which the lien exists as is presently payable. Any residue shall (subject to any like lien for sums not presently payable that existed on the shares before the sale) be paid to the person entitled to the shares immediately prior to the sale.

11 Call on shares

11.1 Directors' Power to Make Calls

(a) The Directors may make calls on the members in respect of any money unpaid on the shares of the members (whether on account of the nominal value of the shares or by way of premium) which is not by the terms of issue of those shares made payable at fixed times.

(b) Each member shall, on receiving at least 14 days' notice specifying the time or place of payment, pay to the Company at the time and place so specified the amount called on the member's shares.

(c) The Directors may revoke or postpone a call.

11.2 Making calls

(a) A call may be required to be paid by instalments.

(b) A call is made at the time when the resolution of the Directors authorising the call is passed.

(c) The non-receipt of a notice of a call by, or the accidental omission to give notice of a call to, any member shall not invalidate the call.

11.3 Liability of Joint Holders for Calls

The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.

11.4 Interest on Unpaid Amounts

If a sum called or otherwise payable to the Company in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment of the sum to the time of actual payment at a rate determined by the Directors but not exceeding the Prescribed Rate together with expenses incurred by the Company by reason of non-payment, but the Company may waive payment of that interest wholly or in part.

11.5 Fixed Sums Taken to be Called

Any sum that, under the terms of issue of a share, becomes payable on allotment or at a fixed date (whether on account of the nominal value of the share or by way of premium) shall, for the purposes of this constitution, be taken to be a call duly made and payable on the date on which under the terms of issue the sum becomes payable and, if not paid when due, all the provisions of this constitution relating to payment of interest and expenses, forfeiture or otherwise apply as if that sum had become payable by virtue of a call duly made and notified.

11.6 Differentiation Between Holders

The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

11.7 Prepayments of Calls

(a) The Directors may accept from a member the whole or a part of the amount unpaid on a share even if that amount has not been called.

(b) The Directors may authorise payment by the Company of interest on the whole or any part of an amount accepted under rule 11.7(a) until the amount becomes payable, at a rate, not exceeding the Prescribed Rate, which is agreed between the Directors and the member paying the sum.

12 Transfer of shares

12.1 Transferability of Certificated Shares

(a) No share may be transferred except in accordance with this Constitution.

(b) In respect of a share transfer, subject to this constitution and the Law, the transfer must be by instrument in writing, in any form authorised by the Law or in any other form that the Directors approve.

(c) A transferor of shares remains the holder of the shares transferred until the transfer is registered.

12.2 Registration of Transfers

(a) The following documents must be lodged for registration at the registered office of the Company or the location of the relevant share register:

(i) the instrument of transfer;

(ii) the certificate (if any) for the shares; and

(iii) any other information that the Directors may require to establish the transferor's right to transfer the shares, including compliance with rule 12.1(a).

(b) The Directors may waive compliance with rule 12.2(a)(ii) on receipt of satisfactory evidence of loss or destruction of the certificate.

12.3 Restriction on transferability

The Directors must decline to register any transfer of a share unless the requirements of rules 12.1 and 12.2 have been complied with.

12.4 Suspension of Transfers

The registration of transfers of shares may be suspended at any time and for any period as the Directors from time to time decide. The aggregate of those periods shall not exceed 30 days in any calendar year.

13 Forfeiture of shares

13.1 Liability to Forfeiture

(a) If a member fails to pay a call or instalment of a call on or before the day appointed for payment of the call or instalment, the Directors may, at any time afterwards while any part of the call or instalment remains unpaid, serve a notice on the member requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued and all expenses of the Company incurred as a result of the non-payment.

(b) The notice must:

(i) specify another day (not earlier than 14 days after the date of service of the notice) on or before which and a place at which the payment required by the notice is to be made; and

(ii) state that, if payment is not made at or before the time specified, the shares in respect of which the call was made are liable to be forfeited.

13.2 Surrender of Shares

(a) Subject to law, the Directors may accept the:

(i) surrender of any fully paid share by way of compromise of any question as to the proper registration of the holder or in satisfaction of any payment due to the Company; and

(ii) gratuitous surrender of any fully paid share.

(b) Any share surrendered under rule 13.2(a) may be disposed of in the same manner as a forfeited share.

13.3 Power to Forfeit

If the requirements of a notice served under rule 13.1 are not complied with, any share in respect of which the notice has been given may at any time afterwards, but before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.

13.4 Powers of Directors

(a) If the Directors so determine, a forfeited share may be sold or otherwise disposed of on the terms and in the manner that the Directors think fit but only to a person who is or is entitled to be a Shareholder in accordance with this Constitution and, at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.

(b) Any residue from the proceeds of sale of a forfeited share, after satisfaction of any calls or instalments due and unpaid and accrued interest and expenses in respect of that share, shall be paid to the person entitled to that share at the time of the forfeiture, to the successors or assigns of the person or as the person directs.

13.5 Consequences of Forfeiture

A person whose shares have been forfeited:

(a) ceases to be a member in respect of the forfeited shares at the time and on the date of the passing of the Directors' resolution approving the forfeiture;

(b) has no claims or demands against the Company in respect of those shares;

(c) has no other rights incident to the shares except the rights that are expressly provided by the Law or saved by this constitution; and

(d) remains liable to pay to the Company all money that, at the date of forfeiture, was payable by the person to the Company in respect of the shares, including, if the Directors think fit, interest from the date of forfeiture at the Prescribed Rate on the money for the time being unpaid. The Directors may, but shall not be obliged to, enforce the payment of the money or any part of the money for which the member is liable as they think fit.

13.6 Notice of Forfeiture

(a) Notice of the resolution of forfeiture shall be given to the member in whose name the share was registered immediately before the forfeiture and an entry of the forfeiture and its date shall be made immediately in the register.

(b) The provisions of rule 13.6(a) are directory only and the validity of any forfeiture is not affected in any way by any omission to give the notice or to note the entry.

13.7 Evidentiary Matters

Without prejudice rule 13.6, a statement in writing by a Director or a secretary of the Company to the effect that:

(a) a share in the Company has been duly forfeited on a date specified in the statement; or

(b) a particular sum is payable by a member or former member to the Company as at a particular date in respect of a call or instalment of a call (including interest),

is prima facie evidence of the facts set out in the statement as against all persons claiming to be entitled to the share and against the member or former member who remains liable to the Company under rule 13.5.

13.8 Transfers after Forfeiture and Sale

(a) The Company may:

  (i) receive the consideration (if any) given for a forfeited share on any sale or disposition of the share; and

  (ii) effect a transfer of the share in favour of the person to whom the share is sold or disposed of.

(b) On the completion of the transfer, the transferee must be registered as the holder of the share and is not bound to see to the application of any money paid as consideration.

(c) The title of the transferee to the share is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the share.

13.9 Fixed Amounts Taken to be Calls

The provisions of this constitution relating to forfeiture apply in the case of non-payment of any sum that, under the terms of issue of a share, becomes payable at a fixed time, as if that sum had become payable by virtue of a call duly made.

14 Control of the Company

14.1 The Board

(a) The Board will be responsible for the overall direction and control of the management of the Company and the formulation of the policies to be applied in carrying out the objects of the Company in rule 2.

(b) Subject to the Constitution and to any statutory requirement, no matters need to be referred to the Shareholders.

(c) Without limiting the generality of rule 14.1(a), the Board may exercise all the powers of the Company:

(i) to borrow money, to charge any property or business of the Company or all or any of its uncalled capital; and

(ii) to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.

14.2 Special Shareholder approval

The Company must not undertake any of the following and the Shareholders must procure that no action is taken or resolution passed by the Company in respect of the following, without the approval of a resolution passed at a general meeting by at least 75% of the votes cast by Shareholders entitled to vote on the resolution (special resolution):

(a) (**Constitution**) any amendment to the Constitution other than those amendments referred to in rule 14.3;

(b) (**Devolution of power**) any contract or arrangement which involves the transfer or delegation of all or a substantial part of the management or control of the Company to any person (other than the Board);

(c) (**Auditors**) the appointment of and any change in the Auditors;

(d) (**Director Remuneration**) approving the remuneration framework for Directors.

14.3 Unanimous Shareholder approval

The Company must not undertake any of the following and the Shareholders must procure that no action is taken or resolution passed by the Company in respect of the following without the unanimous approval of the Shareholders:

(a) (**change in Not-for-Profit status**) any change to the not for profit status of the Company;

(b) (**primary object**) any change to the primary object of the Company in rule 2.1.

15 Proceedings of Members

15.1 Written resolutions of Members

(a) While the Company has only one member, the Company may pass a resolution by that member signing a record in writing of that resolution.

(b) The Company may pass a resolution without a meeting of the members in accordance with the Law.

15.2 Who can call meetings of Members

(a) Any 3 or more Directors may convene a general meeting of the Company.

(b) The same 3 Directors who convene a general meeting may cancel that meeting by notice in writing to all members, except that a meeting convened on the requisition of a member or members shall not be cancelled without the consent of that member or those members.

(c) The Directors may postpone a general meeting or change the place at which it is to be held by notice not later than 72 hours prior to the time of the meeting to all persons to whom the notice of meeting (the first notice) was given. The postponing notice shall specify the place, date and time of the meeting. The meeting shall be taken to be duly convened under the first notice.

(d) The Directors must call and arrange to hold a general meeting on the request of members made in accordance with the Law.

(e) The members may call and arrange to hold a general meeting as provided in the Law.

15.3 Notice of General Meetings

(a) Each notice convening a general meeting shall contain the information required by the Law and shall specify the place, the day and the hour of the meeting and state the general nature of the business to be transacted at the meeting.

(b) The non-receipt of a notice convening a general meeting by, or the accidental omission to give notice to, any person entitled to receive notice does not invalidate the proceedings at or any resolution passed at the meeting.

15.4 Business of General Meetings

Unless all members are present as Members Present and agree otherwise, no business shall be transacted at any general meeting except as set out in the notice of meeting.

15.5 Quorum

(a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(b) A quorum of members at a general meeting comprises members representing not less than 51% of:

   (i) all members entitled to vote at the meeting; and

(ii) all members holding ordinary shares and entitled to vote at the meeting.

15.6 If Quorum not Present

If a quorum is not present within 30 minutes after the time appointed for the meeting:

(a) where the meeting is convened on the requisition of members, the proposed meeting shall be dissolved;

(b) in any other case:

(i) the meeting stands adjourned to a day and at a time and place as the Directors decide or, if no decision is made by the Directors, to the same day in the next week at the same time and place;

(ii) notice of the day, the time and the place of the adjourned meeting must be given to all members not less than 2 Business Days before the day of the meeting; and

(iii) if at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the Members Present shall constitute a quorum and may transact the business for which the meeting was called.

15.7 Chair of Meetings

(a) Subject to rule 15.7(b), the chair of Directors shall preside as chair at every general meeting.

(b) Where a general meeting is held and:

(i) there is no chair of Directors; or

(ii) the chair of Directors is not present within 15 minutes after the time appointed for the meeting or does not wish to act as chair of the meeting,

the Members Present shall elect one of their number to be chair of the meeting.

(c) The chair is entitled to vote but has no casting vote at a meeting of members.

15.8 Adjournments

(a) The chair of a meeting shall if so directed by any meeting at which a quorum is present adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(b) When a meeting is adjourned, notice of the adjourned meeting shall be given as in the case of an original meeting.

15.9 Voting at General Meetings

(a) Any resolution to be considered at a general meeting shall be decided on a show of hands, unless a poll is demanded whether before or after the declaration of the result of the show of hands.

(b) Unless a poll is so demanded, a declaration by the chair that a resolution has on a show of hands been carried or lost and an entry to that effect in the minutes of the meeting shall be taken as conclusive evidence of the fact without the need to show the number or proportion of the votes recorded in favour of or against the resolution.

(c) A poll for a resolution may be demanded by at least 5% of Members Present and entitled to vote on the resolution. The demand for a poll may be withdrawn.

(d) A poll may not be demanded on the election of a chair or on a resolution for adjournment.

15.10 Procedure for Polls

(a) A poll, when demanded, shall be taken in the manner and at the time the chair directs.

(b) The result of the poll shall be a resolution of the meeting at which the poll was demanded.

(c) The demand for a poll shall not prevent a meeting from continuing for the transaction of any business other than that on which a poll has been demanded.

15.11 Representation and Voting of Members

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) at meetings of members or classes of members, each member entitled to attend and vote may attend and vote in person or by proxy, or attorney and (where the member is a body corporate) by representative;

(b) on a show of hands, every Member Present having the right to vote at the meeting has one vote; and

(c) on a poll, every Member Present having the right to vote at the meeting has one vote for each fully paid share.

15.12 Joint Holders

Where more than one joint holder votes, the vote of the holder whose name appears earliest in order in the register of members shall be accepted to the exclusion of the others whether the vote is given personally, by attorney or by proxy.

15.13 Restriction on Voting Rights - Unpaid Amounts

A member is not entitled to attend or vote at a general meeting unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid.

15.14 Objections to Qualification to Vote

(a) An objection to the qualification of a person to vote may be raised only at the meeting or adjourned meeting at which the vote objected to is tendered.

(b) Any objection shall be referred to the chair of the meeting, whose decision shall be final.

(c) A vote allowed after an objection shall be valid for all purposes.

15.15 Appointment of Proxies

(a) A member entitled to cast 1 vote may appoint 1 proxy. A member entitled to cast 2 or more votes may appoint not more than 2 proxies. A proxy need not be a member.

(b) If a member appoints 2 proxies, neither proxy is entitled to vote on a show of hands.

(c) A member may not appoint an Independent Chair (whether acting as chair of the meeting or not) as a proxy.

15.16 Form of Proxy

(a) An instrument appointing a proxy must:

(i) be in writing under the hand of the appointor or of the appointor's attorney duly authorised in writing; or

(ii) if the appointor is a corporation, be either under seal or under the hand of a duly authorised officer or attorney.

(b) A proxy may vote as the proxy thinks fit on any motion or resolution in respect of which no manner of voting is indicated.

(c) An instrument appointing a proxy may be in any form that the Directors may accept or stipulate.

(d) If an instrument appointing 2 proxies does not specify the proportion of the member's voting rights each proxy is entitled to represent, each proxy shall exercise the proportion of voting rights specified by the Law.

(e) Despite rule 15.12, where an instrument of proxy is signed by all of the joint holders of any shares, the votes of the proxy so appointed must be accepted in respect of those shares to the exclusion of any votes tendered by a proxy for any one of those joint holders.

15.17 Lodgement of Proxies

(a) For an instrument appointing an attorney to act on behalf of a member at all meetings of the Company (or at all meetings for a specified period) to be effective the following documents must be received by the Company not less than 48 hours (or any shorter period as the Directors may permit) before the commencement of the meeting or adjourned meeting at which the attorney proposes to vote:

(i) the power of attorney or a certified copy of that power of attorney; and

(ii) any evidence that the Directors may require of the validity and non-revocation of that power of attorney.

(b) For the purposes of this rule, the Company receives these documents when they are received at any of the following:

(i) the Company's registered office; or

(ii) a place, fax number or electronic address specified for the purpose in the notice of meeting.

15.18 Validity of Proxies

(a) A vote exercised in accordance with the terms of an instrument of proxy, a power of attorney or other relevant instrument of appointment is valid despite:

(i) the previous death, unsoundness of mind, liquidation, administration or incapacity of the principal;

(ii) the revocation of the instrument (or of the authority under which the instrument was executed) or the power; or

(iii) the transfer of the share in respect of which the instrument or power is given,

if no notice in writing of the death, unsoundness of mind, liquidation, administration or incapacity, revocation or transfer has been received by the Company at its registered office not less than 48 hours (or any shorter period as the Directors may permit) before the commencement of the meeting, or adjourned meeting at which the instrument is used or the power is exercised.

(b) A proxy is not revoked by the principal attending and taking part in the meeting, unless the principal actually votes at the meeting on the resolution for which the proxy is proposed to be used.

(c) A proxy is revoked if the proxy becomes an Independent Chair.

15.19 Where Proxy is Incomplete

(a) Subject to rule 15.19(b), no instrument appointing a proxy is treated as invalid merely because it does not contain:

(i) the address of the appointor or of a proxy;

(ii) the proxy's name or the name of the office held by the proxy; or

(iii) in relation to any or all resolutions, an indication of the manner in which the proxy is to vote.

(b) Where the instrument does not specify the name of a proxy, the instrument is taken to be in favour of the chair of the meeting unless the chair is an Independent Chair in which case the proxy is treated as invalid.

15.20 Right of Officers and Advisers to Attend General Meeting

(a) A Director who is not a member shall be entitled to be present and to speak at any general meeting.

(b) A secretary who is not a member shall be entitled to be present and, at the request of the chair, to speak at any general meeting.

(c) Any other person (whether a member or not) requested by the Directors to attend any general meeting shall be entitled to be present and, at the request of the chair, to speak at that general meeting.

15.21 Meeting at more than one place

(a) A meeting of members may be held in 2 or more places linked together by any technology that:

(i) gives the members as a whole in those places a reasonable opportunity to participate in proceedings;

(ii) enables the chairperson to be aware of proceedings in each place; and

(iii) enables the members in each place to vote on a show of hands and on a poll.

(b) If a meeting of members is held in 2 or more places under rule 15.21(a):

(i) a member present at one of the places is taken to be present at the meeting; and

(ii) the chairperson of that meeting may determine at which place the meeting is taken to have been held.

16 Directors and officers

16.1 Number of Directors

(a) The minimum number of Directors (including any Chairman) is 5.

(b) The maximum number of Directors (including any Chairman) at any time is 9.

(c) Where the number of Directors at any time falls below the specified minimum, the Board must not act, except to fill the vacancies up to the minimum number specified.

16.2 Retirement of Directors

(a) Subject to rule 16.4, the Directors are elected at the annual general meeting of the Company and hold office until the third annual general meeting following their election where he or she must retire from office, and subject to rule 16.2(c), may be nominated for re-election.

(b) A retiring Director retains office until the dissolution or adjournment of the meeting at which the retiring Director retires.

(c) A Director who has held office for three terms under rule 16.2(a) must retire at the annual general meeting at the end of his or her third term and is not eligible for re-election, unless otherwise resolved by members at an annual general meeting.

(d) Rule 16.2(c) does not apply to any Director in office on the date of the adoption of the Constitution. Those Directors, must retire from office:

(i) if they were first appointed to fill a casual vacancy by the Board, at the tenth annual general meeting after their appointment; or

(ii) if they were first appointed by the members in a general meeting, at the ninth annual general meeting after their appointment, and are not eligible for re-election unless resolved by shareholders at an annual general meeting.

16.3 Election of Directors

Elections take place as follows:

(a) two Shareholders, being entitled to vote at a general meeting of the Company, may nominate a person to serve as a Director;

(b) no person is eligible for election as a Director unless the nominee gives written consent;

(c) the nomination and consent must be given to the Company at its registered address at least 25 days before the meeting;

(d) the candidates' names (in alphabetical order) and the nominating Shareholders' names must be forwarded to Shareholders with the notice of annual general meeting;

(e) at the annual general meeting each Shareholder is entitled to cast a vote 'for' or 'against' the appointment of a named candidate for a vacant position for which they have nominated;

(f) in the case:

  (i) where the number of candidates is equal to or less than the number of available positions, each candidate must be appointed by a separate ordinary resolution of the Shareholders; and

  (ii) where the number of candidates exceeds the number of available positions, Shareholders are entitled to cast a vote 'for' or 'against' the appointment of each named candidate and the candidates receiving the highest number of votes 'for' are elected, in progressive order, until all vacant positions are filled; and

(g) if there are insufficient nominations for required positions to comply with rule 16.1, the Chairman may seek the nomination of candidates at the annual general meeting.

16.4 Casual vacancies

(a) The Board has power to appoint a qualified person as a Director either to fill a casual vacancy among the Board or as an addition to the existing Directors but so that the total number of Directors elected under rule 16.3 and appointed under this rule must not exceed 9.

(b) Any person appointed under this rule holds office until the next annual general when an election must be held to fill the vacancy. Any person appointed under this rule is eligible for election at that general meeting if nominated in accordance with rule 16.

16.5 Criteria for Directors

(a) A Director must be supportive of the objects of the Company in rule 2.

(b) All Directors must be natural persons.

(c) A person is ineligible to be elected as a Director if they are:

  (i) an employee of the Company;

(ii) a Tenant; or

(iii) an officer or employee of a Government Entity or an entity owned by a Government Entity.

16.6 Skills criteria

(a) The Board may recommend for adoption by the Shareholders a 'skills based criteria' selection policy for Directors as a means of identifying the necessary skills and qualifications to be represented on the Board.

(b) The Board may recommend to Shareholders one or more persons for nomination as Directors under rule 16.3 if the Board determines that such persons meet the skills based criteria adopted under rule 16.6(a). Shareholders are not obliged to nominate any person recommended by the Board under this rule.

16.7 Chairman

(a) The Directors shall (by majority) resolve to appoint one of the existing Directors to be the Chairman of the Board for such term (not exceeding 3 years) as they see fit, or until the Chairman either:

(i) dies;

(ii) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;

(iii) resigns, by notice in writing from the Chairman to the Company;

(iv) is removed as Chairman by the Shareholders (by majority), by notice in writing to the Chairman and to the Company;

(v) ceases to be a Director (but a Director who is re-appointed promptly after they resign or after the previous term of their appointment expires will be taken not to have ceased to be a Director for the purposes of this rule); or

(vi) is absent without the consent of the Board from meetings of the Board held during a continuous period of 3 months.

(b) Subject to the Constitution, a person whose term as Chairman expires may be reappointed as Chairman.

(c) Where a meeting of the Board is held and:

(i) a Chairman has not been appointed as provided by rule 16.7(a); or

(ii) the Chairman is not present at the time appointed for holding the meeting or does not wish to act as chairman for the meeting,

the Directors present at that meeting may appoint one of their number to chair that meeting.

16.8 Secretary

(a) The Company must have at least one secretary.

(b) The Board may, at any time, appoint any person, whether or not a Director, as secretary and terminate the appointment of a secretary.

(c) A secretary holds office on terms and conditions, as to remuneration and otherwise, as the Board determines.

(d) The role of the company secretary includes maintaining the directors' register, maintaining the minutes and other records of general meetings, directors meetings and circular resolutions.

17 Vacation of office

17.1 Resignation

A Director may resign from the Board by written notice delivered to the secretary. The resignation takes effect when the notice is received by the secretary, or on a later date specified in the notice.

17.2 Removal

(a) A Director may be removed from office by ordinary resolution of the Shareholders at a general meeting of the Company convened in accordance with rule 15.2. At the meeting the Director must be given the opportunity to present his or her case orally or in writing.

(b) A Director removed under rule 17.2(a) retains office until the dissolution or adjournment of the general meeting at which the he or she is removed.

17.3 Vacation of office

(a) In addition to the circumstances prescribed by the Law, ACNC Legislation, and the Constitution (as applicable), the office of a director becomes vacant if the Director:

(i) becomes insolvent under administration, suspending payment to creditors, or compounding with or assigning the Director's estate for the benefit of creditors;

(ii) becomes a person of unsound mind or is a patient under laws about mental health, or whose estate is administered under laws about mental health;

(iii) is absent from meetings of the Board for three consecutive calendar months without leave of absence from the Board where the Board has not, within 14 days of having been served by the Secretary with a notice giving particulars of the absence, resolved that leave of absence be given;

(iv) resigns from office by written notice to the Company;

(v) is removed from office under the Law, ACNC Legislation or any other relevant legislation; or

(vi) is prohibited from being a director by reason of the operation of the Law, ACNC Legislation, or any other relevant legislation; and

(b) A Director who vacates office under rule 17.3 is not to be taken into account in deciding the number of Directors to retire by rotation under rule 16.2 at any annual general meeting.

18 Powers of Directors

18.1 Management

Subject to the Law and the Constitution, the business of the Company shall be managed by the Directors.

18.2 Appointment of Attorneys

(a) The Directors may, by power of attorney, appoint any person to be the attorney of the Company for the purposes, with the powers, authorities and discretions vested in or exercisable by the Directors for any period and subject to any conditions as they think fit.

(b) Any appointment under rule 18.2(a) may be made on terms for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

18.3 Committees and delegates

(a) The Directors may delegate any of their powers (including this power to delegate) to a committee of Directors, a Director, an employee of the Company or any other person.

(b) The Directors may revoke or vary any power delegated under rule 18.3(a).

(c) A committee or delegate must exercise the powers delegated in accordance with any directions of the Directors.

(d) The exercise of a delegated power by the committee or delegate is as effective as if the Directors exercised the power.

(e) Rule 19 applies with the necessary changes to meeting of a committee of Directors.

18.4 Negotiable Instruments

All negotiable instruments of the Company shall be executed by the persons and in the manner the Directors decide from time to time.

19 Proceedings of the Board

19.1 Timing and notice of Board meetings

(a) The Directors must meet at least quarterly, or more frequently as required by a majority by number of Directors.

(b) Unless otherwise agreed by a majority by number of Directors, at least 5 Business Days' notice must be given to each Director of all meetings of the Board, except if:

    (i) the Director receiving less notice waives such requirement; or

    (ii) a resolution is signed by the requisite number of Directors after the giving (or waiving by each of them) of any requisite notice for such a written resolution.

(c) Where any Director is for the time being outside of Australia, no notice need be given to that Director.

19.2 Passing of resolutions and voting

(a) Subject to rule 14, decisions are taken by simple majority vote of Directors present and entitled to vote.

(b) Subject to this rule, each Director participating in the meeting has one vote.

(c) The Chairman is entitled to vote but has no casting vote.

19.3 Resolution in writing

(a) A resolution in writing of which notice has been given to all Directors and which is signed by all the Directors entitled to vote on the resolution is as valid and effectual as if it had been passed at a meeting of the Board. It may consist of several documents in the same form each signed by one or more of the Directors.

(b) A document produced by mechanical or electronic means under the name of a Director with their authority is deemed to be a document in writing signed by that Director.

19.4 Meetings by technology

(a) For the purposes of the Law, Directors meetings may be called or held by:

(i) video;

(ii) telephone;

(iii) electronic mail;

(iv) any other technology which permits each Director to communicate with every other participating Director; or

(v) any combination of the technologies described above,

unless a Director declines to consent to the use of such technology where such action would have the effect under the Law that such technology could not be utilised.

(b) Where the Directors are not all in attendance at one place and are holding a meeting using technology and each Director can communicate with the other Directors:

(i) the participating Directors are, for the purposes of every other provision of the Constitution concerning meetings of the Directors, taken to be assembled together at a meeting and to be present at that meeting;

(ii) the meeting will be taken to be held at the place agreed to by the participating Directors so long as at least one participating Director is physically present at that place; and

(iii) all proceedings of those Directors conducted in that manner are as valid and effective as if conducted at a meeting at which all of them were present.

19.5 Quorum for Board meetings

(a) The quorum for Board meetings is half the number of Directors appointed to the Board at that time (if a fraction, rounded up to the next highest whole number). A Director who is not entitled to vote for any reason, is not counted when reckoning the quorum in respect of any relevant item of business.

(b) A quorum must be present at the time each item of business is considered.

19.6 Interested Directors

(a) A Director is not disqualified by the Director's office from contracting with the Company or any Related Entity in any capacity by reason of holding of the office of Director.

(b) In relation to a contract or arrangement in which a Director has a material personal interest:

(i) the fact that the Director signed the document evidencing the contract or arrangement will not in any way affect its validity;

(ii) a contract or arrangement made by the Company or any Related Entity with a Director may not be avoided merely because the Director is a party to the contract or arrangement or otherwise interested in it; and

(iii) the Director will not be liable to account to the Company for any profit derived in respect of the contract or arrangement merely because of the Director's office or the fiduciary relationship it entails.

(c) Subject to rule 19.6(d), a Director who has a material personal interest in a matter that relates to the affairs of the Company must give the other Directors notice of his or her interest.

(d) A Director with a material personal interest in a matter that relates to the affairs of the Company is not required to give notice in the following circumstances:

(i) if all of the following conditions are met:

(A) the Director has already given notice of the nature and extent of the interest and its relation to the affairs of the Company;

(B) if a person who was not a Director at the time the notice was given is appointed as a Director, the notice is given to that person; and

(C) the nature or extent of the interest has not materially increased above that disclosed in the notice; or

(ii) if the Director has given a standing notice of the nature and extent of the interest in accordance with the Law and that standing notice is still effective in relation to the interest; or

(iii) as otherwise permitted under the Law.

(e) Notices of material personal interest given by Directors must:

(i) give details of the nature and extent of the Director's interest and the relation of the interest to the affairs of the Company;

(ii) be given at a Directors' meeting as soon as practicable after the Director becomes aware of their interest in the matter; and

(iii) be recorded in the minutes of the Directors' meeting at which the notice is given.

(f) A Director who has a material personal interest in a matter that is being considered at a Directors' meeting must not be present while the matter is being considered at the meeting or vote on the matter, except in the following circumstances:

(i) if the material personal interest is a matter that is not required to be disclosed under this rule or under the Law; or

(ii) if the Directors who do not have a material personal interest in the matter have passed a resolution that:

(A) identified the Director, the nature and the extent of the Director's interest in the matter and its relation to the affairs of the Company; and

(B) states that those Directors are satisfied that the interest should not disqualify the Director from voting or being present; or

(iii) as otherwise permitted under the Law.

(g) Nothing in this rule affects the duty of a Director:

(i) who holds any office or possesses any property whereby, directly or indirectly, duties or interests might be created in conflict with the Director's duties or interests as a Director, to declare at a meeting of Directors, the fact and the nature, character and extent of the conflict; or

(ii) to comply with the Law.

19.7 Defects in appointment

(a) All acts done by any meeting of the Directors, committee of Directors, or person acting as a Director are as valid as if each person was duly appointed and qualified to be a Director or a member of the committee.

(b) Rule 19.7(a) applies even if it is afterwards discovered that there was some defect in the appointment of a person to be a Director or a member of a committee or to act as a Director or that a person so appointed was disqualified.

20 Powers of the Board

20.1 Delegation

The Directors may delegate any of their powers in accordance with the Law.

20.2 Committees

(a) The Board may delegate any of its powers to a committee or committees consisting of such number of them and/or other persons as the Board thinks fit. A committee may consist of one person.

(b) The Board may constitute committees as either special purpose or as standing committees.

(c) A committee to which any powers are delegated must exercise the powers delegated in accordance with any direction of the Board.

(d) A power exercised by a committee and in accordance with any relevant direction of the Board, is taken to have been exercised by the Board.

(e) The Chairman may be a member of a committee comprising more than one person and is entitled to vote.

(f) The Chairman will preside as chair at every committee meeting at which the Chairman is present as a committee member unless the committee members present appoint another of their number to act as chair of a particular meeting or all meetings of that committee.

(g) A committee must regulate its meetings in the same manner (or as nearly as the circumstances allow) as required for meetings of the Board.

(h) Except in the case of a committee of one person, the quorum for a committee meeting is 2 and the quorum need only be present when the meeting proceeds to business.

(i) Minutes of all the proceedings and decisions of every committee must be made, entered and signed in the same manner in all respects as minutes of proceedings of the Board are required by the Law to be made, entered and signed.

20.3 Appointment of officers and employees

The Board may appoint one or more persons (other than a Director) as chief executive officer, chief operating officer, chief financial officer or general manager (howsoever called) and may determine the tenure, remuneration and terms of employment for those appointees.

21 Other officers

(a) The Directors may from time to time:

  (i) create any other position or positions in the Company with the powers and responsibilities as the Directors may from time to time confer; and

  (ii) appoint any person to any position or positions created under rule 21(a).

(b) The Directors at any time may terminate the appointment of a person holding a position created under rule 21(a) and may abolish the position.

22 Seals and executing documents

22.1 Seals and their use

(a) The Company may have a common seal. If the Company has a common seal it may also have a duplicate common seal.

(b) A Seal may be used only by the authority of the Directors, or of a committee of the Directors authorised by the Directors to authorise the use of the Seal. Every document to which the Seal is affixed shall be signed by:

(i) 2 Directors; or

(ii) a Director and a secretary (or another person appointed by the Directors to countersign that document or a class of documents in which that document is included).

(c) This rule does not limit the ways in which the Company may execute a document.

23 Inspection of records

(a) The Directors may authorise a member to inspect books of the Company to the extent, at the time and places and under the conditions, the Directors consider appropriate.

(b) A member (other than a Director) does not have the right to inspect any document of the Company except as provided by law or as authorised by the Directors.

24 Notices

24.1 Notices Generally

(a) Any member who has not left at or sent to the registered office, a place of address or an electronic mail address (for registration in the register) at or to which all notices and documents of the Company may be served or sent is not entitled to receive any notice.

(b) A notice may be given by the Company to any member by:

(i) serving it on the member personally;

(ii) sending it by post to the member or leaving it at the member's address as shown in the register or the address supplied by the member to the Company for the giving of notices;

(iii) serving it in any manner contemplated in this rule 24.1(b) on a member's attorney as specified by the member in a notice given under rule 24.1(c);

(iv) fax to the fax number supplied by the member to the Company for the giving of notices; or

(v) transmitting it electronically to the electronic mail address given by the member to the Company for giving notices.

(c) A member may, by written notice to the secretary left at or sent to the registered office, require that all notices to be given by the Company or the Directors be served on the member's attorney at an address specified in the notice.

(d) Notice to a member whose address for notices is outside Australia shall be sent by airmail, fax or electronic mail.

(e) Where a notice is sent by post, service of the notice shall be taken to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected:

(i) in the case of a notice of a meeting, on the day after the date of its posting; and

(ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

(f) Where a notice is sent by fax or electronic transmission, service of the notice is taken to be effected by properly addressing and sending or transmitting the notice and to have been effected on the day it is sent.

(g) A notice may be given by the Company to a person entitled to a share in consequence of the death or bankruptcy of a member:

(i) by serving it on the person personally;

(ii) by sending it by post addressed to the person by name or by the title of representative of the deceased or assignee of the bankrupt or by any like description at the address (if any) within Australia supplied for the purpose by the person;

(iii) if such an address has not been supplied, at the address to which the notice might have been sent if the death or bankruptcy had not occurred;

(iv) by sending a fax to the fax number supplied by the person to the Company;

(v) if such a fax number has not been supplied, to the fax number to which the notice might have been sent if the death or bankruptcy had not occurred; or

(vi) by transmitting it to the electronic mail address supplied by the person to the Company.

24.2 Notices of General Meeting

(a) Notice of every general meeting shall be given:

(i) in the manner authorised by rule 24.1(b);

(ii) subject to rule 25(a), to every member and to each Director;

(iii) to every person entitled to a share in consequence of the death or bankruptcy of a member who, but for death or bankruptcy, would be entitled to receive notice of the meeting; and

(iv) to the auditor of the Company.

(b) No other person is entitled to receive notice of general meetings.

25 Joint holders

(a) Joint holders of a share shall give to the Company notice of a single address for the purpose of all notices given by the Company under rule 25(c) in respect of that share.

(b) Where the Company receives notice under rule 25(a), the giving of notice to the address so notified shall be deemed given to all joint holders of the relevant share.

(c) Where joint holders of a share fail to give notice to the Company in accordance with rule 25(a), the Company may give notice to the address of the joint holder whose name first appears in the register.

26 Winding up

26.1 Winding up

Subject to rule 26.2, if on the winding up or dissolution of the Company by any means and for any reason, there remains any property, after the satisfaction of all the Company's debts and liabilities, the property must not be paid to or distributed among the members but must be given or transferred to:

(a) one or more institutions (whether or not a member or members of the Company) nominated by the State of Queensland acting through the Department of Housing:

(i) having objects similar to the objects of the Company; and

(ii) whose constitution prohibits the distribution of its or their income and property to an extent at least as great as that imposed on the Company under rule 2; and

(iii) which is endorsed as a deductible gift recipient pursuant to the *Income Tax Assessment Act 1997* (Cth); or

(b) if there are no institutions meeting the requirements of rule 26.1(a), to one or more other institutions (whether or not a member or members of the Company) nominated by the State of Queensland acting through the Department of Housing, the objects of which are charitable and which is endorsed as a deductible gift recipient pursuant to the *Income Tax Assessment Act 1997* (Cth).

26.2 National Regulatory System for Community Housing Winding Up Requirements

(a) In this rule, "Community Housing Asset", "Corresponding Law", "Housing Agency", "Participating Jurisdiction" and "Registered Provider" have the same meanings as in the *Housing Act 2003* (Qld) or any Act in substitution for it.

(b) Despite rule 26.1, each Community Housing Asset remaining after satisfaction of the company's liabilities must be transferred as follows:

(i) Each remaining Community Housing Asset of the company in Queensland must be transferred under Section 37H(2)(a) of the *Housing Act 2003* (Qld) (or any new section which replaces this Section); and

(ii) Each remaining Community Housing Asset of the company located in a Participating Jurisdiction must be transferred under the Corresponding Law of that Participating Jurisdiction to:

(A) The Housing Agency in the Participating Jurisdiction;

(B) Another Registered Provider in the Participating Jurisdiction; or

(C) Another entity as prescribed under the Corresponding Law."

26.3 Amendments

That the Company sign any document required to give effect to such amendment as authorised by law.

27 Indemnity

27.1 Indemnity and Insurance

(a) To the extent permitted by law and without limiting the powers of the Company, the Company must indemnify each person who is, or has been, a Director or secretary of the Company against any liability which results from facts or circumstances relating to the person serving or having served as a Director, secretary in relation to the Company:

(i) other than:

(A) a liability owed to the Company or a Related Entity;

(B) a liability for a pecuniary penalty order under section 1317G or a compensation order under section 1317H; or

(C) a liability that is owed to someone (other than the Company or a Related Entity) and did not arise out of conduct in good faith;

(this rule 27.1(a)(i) does not apply to a liability for legal costs)

(ii) other than for legal costs incurred in defending an action for liability if the costs are incurred:

(A) in defending or resisting civil proceedings in which the person is found to have a liability for which they could not be indemnified under rule 27.1(a)(i)(A); or

(B) in defending or resisting criminal proceedings in which the person is found guilty; or

(C) in defending or resisting proceedings brought by ASIC or a liquidator for a court order if the grounds for making the order are found by the Court to be established; or

(D) in connection with proceedings for relief to the person under the Law in which the Court denies the relief.

Rule 27.1(a)(ii)(C) does not apply to costs incurred in responding to actions brought by ASIC or a liquidator as part of an investigation before commencing proceedings for the court order.

(b) To the extent permitted by law and without limiting the powers of the Company, the Directors may authorise the Company to, and the Company may enter into any:

(i) documentary indemnity in favour of; or

(ii) insurance policy for the benefit of,

a person who is, or has been, a Director, secretary, auditor, employee or other officer of the Company or of a subsidiary of the Company, which indemnity or insurance policy may be in such terms as the Directors approve and, in particular, may apply to acts or omissions prior to or after the time of entering into the indemnity or the policy.

(c) The benefit of each indemnity given in rule 27.1(a) continues, even after its terms or the terms of this rule are modified or deleted, in respect of a liability arising out of acts or omissions occurring prior to the modifications or deletion.

28 Gift fund

(a) At all times while the Company is:

(i) a public benevolent institution in terms of item 4.1.1 of the table in s30-45 of the *Income Tax Assessment Act 1997* (Cth); or

(ii) endorsed as a deductible gift recipient pursuant to the *Income Tax Assessment Act 1997* (Cth),

the Company will establish and maintain a separate gift fund solely for the promotion of the objects of the Company in rule 2 and otherwise in accordance with requirements of the *Income Tax Assessment Act 1997* (Cth).

(b) The name of the gift fund will be 'The Coast2Bay Housing Group Gift Fund' or any other name determined by the Directors from time to time.

(c) The following amounts must be credited to the gift fund:

(i) all gifts of money or property made for the principal purpose of the Company, including testamentary gifts and gifts that are not tax deductible for the donor;

(ii) distributions from other charities or deductible gift recipients (if made for the principal purpose of the Company);

(iii) the whole amount of deductible contributions made to a fundraising event staged to raise funds for the principal purpose of the Company; and

(iv) money received because of these gifts and deductible contributions, including proceeds from the sale of gifted property, and investment returns from money or property that continues to be part of the gift fund.

(d) Amounts that are not gifts or deductible contributions are not to be credited to the gift fund including:

(i) receipts from sponsorships or commercial activities; and

(ii) proceeds of raffles, charity auctions, dinners and the like where the proceeds are not deductible contributions.

(e) During any period while the Company is required to maintain a gift fund under rule 28(a), the Directors shall establish rules for the operation of the gift fund and at any time may vary, modify , revoke or replace those rules in whole or in part in their absolute discretion.

(f) Upon whichever is the earlier of:

(i) the winding up or dissolution of the Company;

(ii) the winding up or dissolution of the gift fund; or

(iii) when the endorsement of the Company as a deductible gift recipient is revoked;

all money, investments and property then forming the separate gift fund and remaining after the payment of all debts, expenses and liabilities properly payable out of the gift fund, shall be applied in accordance with rule 26 above (as if, in the case of rules 28(f)(ii) and 28(f)(iii), the Company has been wound up or dissolved).

29 Foundations

(a) At all times while the Company is:

(i) a public benevolent institution in terms of item 4.1.1 of the table in s30-45 of the *Income Tax Assessment Act 1997* (Cth); or

(ii) endorsed as a deductible gift recipient pursuant to the *Income Tax Assessment Act 1997* (Cth),

the Company may establish and maintain a separate Foundation solely for the promotion of the purpose for which that foundation was established.

(b) The name of a Foundation will be determined by the Directors from time to time.

(c) The Directors shall establish rules for the operation of a Foundation (**Foundation Rules**) and at any time may vary, modify, revoke or replace those rules in whole or in part in their absolute discretion.

(d) The following amounts must be credited to a Foundation:

(i) all gifts of money or property made for the principal purpose of the Foundation, including testamentary gifts and gifts that are not tax deductible for the donor;

(ii) distributions from other charities or deductible gift recipients (if made for the principal purpose of the Foundation);

(iii) the whole amount of deductible contributions made to a fundraising event staged to raise funds for the principal purpose of the Foundation; and

(iv) money received because of these gifts and deductible contributions, including proceeds from the sale of gifted property, and investment returns from money or property that continues to be part of the Foundation.

30 Financial information

30.1 Financial information

The Company must provide to each Shareholder as soon as practicable (and in any event not later than 120 days after the end of each financial year), copies of the audited balance sheet and profit and loss account of the Company (on a consolidated basis if the Company has Subsidiaries) and annual report.

31 Tenant Representative Group

(a) On a person becoming a Tenant, that person will be eligible to be a member of the Tenant Representative Group.

(b) A person that is eligible under rule 31(a) to become a member of the Tenant Representative Group must given notice to the Company that they wish to become a member of the Tenant Representative Group and the Company must record that person as a member on the Register of the Tenant Representative Group effective from the date of the notice.

(c) A person ceases to be a member of the Tenant Representative Group if the person:

(i) ceases to be a Tenant; or

(ii) gives notice to the Company at any time requesting that their name be removed from the Register of the Tenant Representative Group.

(d) A person may give notice to the Company requesting that their name be entered on the Register of the Tenant Representative Group if it was previously removed under rule 31(c)(ii).

(e) The Company must, in respect of the Tenant Representative Group:

(i) encourage the involvement of Tenants in the planning and management of their Housing;

(ii) in consultation with the Tenant Representative Group Shareholder Trustee, develop a participation policy for Tenants ;

(iii) assist Tenants to form the Tenant Representative Group to represent the interests of Tenants in their dealings with the Company (**Tenant Participation Policy**);

(iv) pay the cost of establishment of the Tenant Representative Group and pay or contribute to the ongoing costs of management of the Tenant Representative Group;

(v) provide office space outside commercial hours to enable the Tenant Representative Group to hold meetings;

(vi) consult with the Tenant Group Representative Shareholder Trustee on a regular basis and as set out in the Tenant Participation Policy; and

(vii) take the reasonable views of the Tenant Representative Group into account in the management of the Company to the extent that they are not inconsistent with the Objects.

(f) The Tenant Representative Group Shareholder Trustee must be elected by the members of the Tenant Representative Group:

(i) in accordance with any policy or procedures adopted by the Board for the nomination and election of the Tenant Representative Group Shareholder Trustee; or

(ii) if no policy or procedure has been adopted by the Board under rule 31(f)(i), by a majority of members of the Tenant Representative Group present, in person or by proxy, at a meeting to be held within 3 months of the end of each financial year or at such other time if there is no person appointed as the Tenant Representative Group Shareholder Trustee.

(g) The Tenant Representative Group Shareholder Trustee may be removed:

(i) by a majority of members present, in person or by proxy, at a meeting of the Tenant Representative Group; or

(ii) by written notice signed by a majority of members of the Tenant Representative Group.

32 Interpretation

32.1 Definitions

The following definitions apply in this constitution unless the context requires otherwise:

Term	Definition
ACNC Legislation	means the Australian Charities and *Not-for-profits Commission Act 2012* (Cth) and the *Australian Charities and Not-for-profits Commission Regulation 2013* (Cth).
ASIC	means Australian Securities and Investment Commission.
Auditors	means the auditors of the Company.
Board	means the Directors of the Company or those of them who are present at a meeting of the Directors at which there is a quorum.
Business Day	means a day other than a Saturday, Sunday or public holiday within the Sunshine Coast.
Company	means Coast2Bay Housing Group Limited, the company to which this Constitution applies.
Director	means a person appointed or elected to the office of director of the Company and includes any alternate director duly acting as a director.
Foundation	means a type of charitable trust established by the Company in compliance with rule 29.
Foundation Rules	has the meaning set out in rule 29(c).
Government Entity	means any national, state, local, regional, territorial or municipal government, agency or instrumentality that exercises an executive or legislative power, or any company or statutory corporation that is wholly owned by a Government Entity.
Housing	means residential accommodation by way of a house, duplex, home unit, boarding house, hostel or other means.

Term	Definition
Law	means the *Corporations Act 2001*(Cth) and the *Corporations Regulations 2001* (Cth).
Members Present	means, in connection with a meeting, the member present in person at the venue or venues for the meeting or by proxy, by attorney and, where the member is a body corporate, by representative.
Not for Profit Organisation	means an organisation that is not carried on for the purpose of profit or gain to its individual members and is, by the terms of its constituent documents, prohibited from making any distribution, whether in money, property or otherwise, to its members.
Prescribed Rate	means, at a relevant time, the overdraft bank rate for overdrafts in excess of $100,000 published by Commonwealth Bank of Australia or its successor (the Bank), or if such rate is no longer published, the rate which the principal officer of the Bank in Queensland for the time being states to be the indicator rate most closely resembling that original indicator rate.
Register of the Tenant Representative Group	means the register maintained by the Company of the Tenants comprising the Tenant Representative Group.
Related Entity	has the meaning given to Related Body Corporate in the Law but includes any entity and a trust. In relation to a shareholder which is a government department, statutory corporation or government owned corporation of the Queensland Government, it means any other government department, statutory corporation or government owned corporation of the Queensland Government.
Replaceable Rules	means all or any of the replaceable rules contained in the Law from time to time and includes any replaceable rule that was or may become, a provision of the Law.
Seal	means any common seal or duplicate common seal of the Company.
Shareholder	means any person holding one or more shares in the Company at a relevant time, including the Shareholders prior to the time that they acquire their shares.
Tenant	means a person that is an approved occupant in any property owned or managed by the Company in connection with its Objects.
Tenant Representative Group Share	means the share in the Company that is held by the Tenant Representative Group Shareholder Trustee on trust for the Tenant Representative Group.
Tenant Representative Group	means all Tenants who are from time to time listed on the Register of the Tenant Representative Group.
Tenant Representative Group Shareholder Trustee	means the person appointed as the trustee of the Tenant Representative Group for the purpose of holding the Tenant Representative Group Share on trust for the Tenant Representative Group.

32.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

(a) A gender includes all genders.

(b) Singular includes plural and conversely.

(c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(d) A reference to a paragraph or sub-paragraph is to a paragraph or sub-paragraph, as the case may be, of the rule or paragraph, respectively, in which the reference appears.

(e) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it, and all regulations and statutory instruments issued under it.

(f) Division 10 of Part 1.2 of the Law applies in relation to this constitution as if it is an instrument made under the Law.

(g) Except in so far as a contrary intention appears in this constitution, an expression has, in a provision of this constitution which relates to a particular provision of the Law, the same meaning as in that provision of the Law.