



THE CONSTITUTION  
OF  
THE NORTH COAST  
COMMUNITY HOUSING COMPANY  
LTD

*8<sup>th</sup> Edition: November 2009*

1<sup>st</sup> edition October 1983  
2<sup>nd</sup> amended May 1996  
3<sup>rd</sup> amended October 1996  
4<sup>th</sup> amended December 1998  
5<sup>th</sup> amended December 2002  
6<sup>th</sup> amended July 2005  
7<sup>th</sup> amended May 2007

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NEW SOUTH WALES

**The Constitution of  
The North Coast Community Housing Company**

**Preambles**

1. The name of the Company is **THE NORTH COAST COMMUNITY HOUSING COMPANY LIMITED**.
2. Deliberately Omitted
3. The objects for which the Company is established are:
  - (a) To create long term, secure affordable housing opportunities for the people in our community who find it difficult to compete in the private rental market.
  - (b) To give the community the opportunity of participating in the management and fulfilling of the objectives of the Company at a local level.
  - (c) To facilitate the expedition of the objective described in Clause 3 (a), by construction, head lease, purchase or any other means thought fit by the Company.
  - (d) To encourage participation of the tenants in the Tenant Council of the Company.
  - (e) To attract funding from other sources and to enable the raising of loans and the entering of joint venture projects to achieve the objectives of the Company.
  - (f) To negotiate, lobby and encourage all providers of housing within the region to recognise the need areas identified by the Company.
4. The powers in the Corporations Law together with those powers set out below shall apply to the Company: The following powers in addition to those contained in the Corporations Law shall apply to the Company:
  - (a) To undertake and execute any trusts, the undertaking whereof may seem desirable either gratuitously or otherwise.
  - (b) To appoint either with or without remuneration agents, attorneys under power of attorney or other persons or corporations under power of attorney or otherwise in Australia or elsewhere to carry out and complete all or any of the objects of the Company and to arrange, conduct or manage the businesses of the Company or any matter or concern whatsoever, in which the Company is now or may from time to time be or become or be about to become interested or concerned with the same as or more limited powers than the Directors of the Company have and from time to time revoke or cancel such appointment and authorities and to remove and, if thought desirable, reappoint such agents, attorneys or other persons or corporations

and determine their powers and to appoint any persons, company or corporation as the attorney or attorneys, agent or agents of the Company in any part of the world with full powers to do all such acts, matters and things as may be thought necessary and expedient in the interests of the Company and to delegate such power of appointment to any person or persons, Company or Corporation and from time to time revoke such appointment.

- (c) To insure any employee of the Company against risk or accident in the course of their employment by the Company and to effect insurance for the purpose of indemnifying the Company in respect of claims by reason of any such risk or accident and to pay premiums on such insurance.
- (d) To insure to protect and indemnify members of the Company or employees or voluntary workers against loss of damage by the fraud, breach of trust or misconduct of their servants, agents or others acting on their behalf, and to guarantee and provide security for the fidelity and good conduct of persons filling or about to fill offices or appointments and situations of trust or confidence and to pay premiums on such insurance.
- (e) To insure against claims upon the Company for injuries to the persons and property or third parties caused by its property or by others for whom it is responsible and to pay premiums on such insurance.

To insure all NSW State Government owned properties managed by the Company and all properties owned by the Company against fire, third party, storm, tempest, malicious damage and public liability and to pay all premiums on such insurance.

To establish and maintain a Gift Fund – called The North Coast Community Housing Gift Fund for the purpose of creating long term, secure affordable housing opportunities for the people in our community who find it difficult to compete in the private rental market. The target group for assistance is derived from needs analysis and laid down in the Company policy which may change from time to time.

- 5. The objects stated in Clause 3 hereof shall be independent main objects and the said objects and the powers contained in the Corporations Law and Clause 4 hereof shall be in no way limited or restricted by reference to or inference from the terms of any other object or power or the name of the Company.
- 6. The liability of members is limited by guarantee. The financial limit to a member's liability shall be the membership joining fee
- 7. The income and property of the Company, whensoever derived shall be applied towards the promotion of the objects of the Company as set forth in this Constitution; and no portion therefore shall be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Company.

Provided that nothing herein shall prevent the payment in good faith, of reasonably and proper remuneration to any officer or servant of the Company, or to any member of the Company in return for services actually rendered to the Company, nor prevent the payment of interest at a rate not exceeding interest at

the rate for the time being charged by the company's bank on overdrawn accounts on money lent, or reasonable rent for premises demised or let by any member of the Company and provided that a director of the Board or governing body of the Company shall be entitled to receive reasonable and proper remuneration for professional services rendered by them for the Company pursuant to a contract of services expressly approved by a resolution of the Board or governing body in respect of which the director of the Board or governing body who is a party to such a contract shall not have voted; but otherwise no director of the Board or governing body of the Company shall receive remuneration or other benefit in money or money's worth from the Company except approved fees, repayment of out-of-pocket expenses and interest at the rate aforesaid on money lent or reasonable and proper rent for premises demised or let to the Company.

8. Every member of the Company undertakes to contribute a sum, of no more than \$2.00, to the assets of the Company, if the Company is wound up while the person is a member, or within one year after the person ceases to be a member, for the payment of debts and liabilities of the Company contracted before the person ceased to be a member, and of the cost, charges and expenses of winding up and for the adjustment of the rights of the contributions among themselves.
9. If upon the winding up or dissolution of the Company there remains after satisfaction of all its debts and liabilities any property whatsoever, the assets and income of the organisation shall be applied solely in furtherance of its above mentioned objects and no portion shall be distributed directly or indirectly to the members of the organisation except as a bona fide compensation for services rendered or expenses incurred on behalf of the organisation provided that in the event of the organisation being wound up, any surplus assets remaining after the payment of the organisations liabilities shall be transferred to another organisation in Australia which is a public benevolent institution for the purposes of any Commonwealth taxation Act and shall be recognised by the Commonwealth Commissioner of Taxation as a public benevolent institution pursuant to Sec 40-45 Item 4.1.1 of the Income Tax Assessment Act 1997. If The North Coast Community Housing Gift Fund is wound up or if the endorsement of The North Coast Community Housing Company as a Deductible Gift Recipient is revoked, any surplus assets of The North Coast Community Housing Gift Fund remaining after the payment of any liabilities attributable to it shall be transferred to a fund, authority or institution to which income tax deductible gifts can be made.
10. True accounts shall be kept of the sums of money received including grant money received from Government Departments and expended by the Company, and the manner in respect of which such receipt and expenditure takes place and of the property, credits, and liabilities of the Company; and subject to any reasonable restrictions as to time and manner of inspecting the same that may be reimbursed in accordance with the regulations of the Company for the time being in force, shall be open to the inspection of the members. Once at least every year, the accounts of the Company shall be examined by one or more properly qualified auditor or auditors who shall report to the members in accordance with the provisions of the Corporations Law. In addition the accounts and records shall be in keeping with limitations, restrictions and practices stipulated in the funding agreement between the Company and the New South Wales Government Department responsible for issuing grant monies to a Registered Community Housing Provider.

## **Interpretation**

11. In this Constitution:

“AGM” means Annual General Meeting;

“The Act” means the Corporations Act 2001;

“The Company” means The North Coast Community Housing Company Limited;

“Board” means the Board of Directors;

“General Manager” means the person appointed as the General Manager of the Company or the Chief Executive Officer however described;

“The Seal” means the common seal of the Company;

“Secretary” means any person appointed to perform the duties of a Secretary of the Company and includes an Honorary Secretary;

“State” means the State of New South Wales;

“Member” means any person subscribing to the Constitution of the Company and any person accepted to the Company by the Board;

“Policy Manual” means the collective policies of the Company as presented to and approved by the Board from time to time.

Expressions referred to in writing shall, unless the contrary intention appears, be construed as including references to printing, lithography and other mode of representing or reproducing words in a visible form;

Words or expressions contained in these articles shall be interpreted in accordance with the provisions of the Act as in force at the date at which these articles become binding on the Company.

The company adopts the following ‘Replaceable Rules’ as outlined under Section 135 of the Corporations Act 2001;

Replaceable Rules 2, 3, 5, 8, 10, 17, 19, 22, 23, 25, 26, 27, 28, 32, and 33

The replaceable rules will be amended in this constitution with any change to the Act affecting those rules without the need for the company to pass a motion endorsing those changes.

12. The Company is established for the purposes set out in clause 3 of this Constitution.

## **Membership**

13. The subscribers to the Constitution and such other persons as the Board shall admit to membership in accordance with these articles shall be members of the Company.

14. The number of members with which the Company proposes to be registered is one thousand (1000), but the Board may from time to time register an increase of members.
15. There shall be two classes of membership of the company:
  - (a) Tenant Members – being those people who live in housing managed by the Company
  - (b) Ordinary Members – being people who reside in Australia but who are not Tenant Members of the Company; and each of whom must demonstrate to the Board’s satisfaction in accordance with Clause 17 that they have a legitimate interest in the Company’s operations and affairs and also that they meet the Board’s relevant skills criteria as may be prescribed from time to time.
16. Every application for Ordinary membership of the Company shall be proposed by one and seconded by another member of the company. The application for membership shall be made in writing, signed by the applicant and his/her proposer and seconder, addressed to the Company Secretary, and shall be in such form as the Board from time to time prescribes.
17. At the next meeting of the Board after the receipt of any application for Ordinary membership, such application shall be noted by the Board, and then referred to its Credentialing Sub-Committee who shall thereupon recommend the admission or rejection of the application according to the skills criteria set down by the Board at that time. The decision of the Credentialing Sub-Committee to either accept or reject such application will be considered by the Board at its next meeting. The Board will thereupon determine the final admission or rejection of the application. The criteria for Ordinary Membership shall be laid down by the Board of Directors and will vary from time to time. The Board must notify each applicant of its decision and upon request will consider giving reason as to why membership has been denied.
18. When an application has been accepted for Ordinary membership the Secretary shall forthwith send to the applicant written notice of his/her acceptance and a request for payment of first annual subscription. Upon payment of same the applicant shall become an Ordinary member of the Company, provided nevertheless that if such payment not be made within two calendar months after the date of the notice, the Board may in its discretion cancel its acceptance of the applicant for membership of the Company.
19. All tenants who hold a current Tenancy Agreement with the company shall automatically be admitted as Tenant Members of the company effective from the date of commencement of their tenancy and upon payment of a one off joining fee, such as the Company in general meetings shall from time to time prescribe prescribed.
20. Notwithstanding clause 19, all tenants have the right to decline their automatic membership of the company if they so choose.
21. The annual subscription payable by Ordinary Members of the Company shall be such as the Company in general meetings shall from time to time prescribe.

22. All annual subscriptions shall become due and payable on 1st July in every year.

### **Cessation of Membership**

23. If a subscription of an Ordinary Member shall remain unpaid for a period of two calendar months after it becomes due then the member may, after notification of the default, by resolution of the Board be debarred from all privileges of membership. The Board may reinstate the member on payment of all arrears if the Board thinks fit to do so. These arrears must be remedied within six months from the date of notice of default. If these are not remedied within the specified time then membership will automatically lapse on the due date.
24. A member may at any time, by giving notice in writing to the Secretary, resign their membership of the Company, but shall continue to be liable for any annual subscription and all arrears due and unpaid at the date of their resignation and for all other moneys due by them to the Company.
25. Tenant Membership of the Company will cease automatically upon termination of the Tenant Member's Tenancy Agreement, but shall be eligible for Ordinary Membership subject to Clauses 16 and 17.

### **Disciplining of Members**

26. (a) Where the Board is of the opinion that a member of the Company:
- (i) has persistently refused or neglected to comply with a provision or provisions of these rules; or
  - (ii) has persistently and willfully acted in a manner prejudicial to the interests of the Company, the Board may, by resolution:
    - (1) expel the member from the Company; or
    - (2) suspend the member from membership of the Company for a specified period.
- (b) A resolution of the Board under Clause 26 (a) is of no effect unless the Board, at a meeting held not earlier than 14 days and not later than 40 days after service on the member of a notice under Clause 26 (c), confirms the resolution in accordance with this Rule.
- (c) Where the Board passes a resolution under Clause 26 (a), the Secretary shall, within seven (7) days of the date of the resolution, cause a notice in writing to be served on the member:
- (i) setting out the resolution of the Board and the grounds on which it is based;
  - (ii) stating that the member may address the Board at a meeting to be held not earlier than 14 days and not later than 40 days after service of the notice;
  - (iii) stating the date, place and time of that meeting; and
  - (iv) informing the member that the member may do either or both of the following:
    - (1) attend and speak at that meeting;
    - (2) submit to the Board at or prior to the date of that meeting written representation relating to the resolution.

- (d) At a meeting of the Board held as referred to in Clause 26 (c), the Board shall:
  - (i) give the member an opportunity to make oral representations;
  - (ii) give due consideration to any written representations submitted to the Board by the member at or prior to the meeting; and
 by resolution determine whether to confirm or to revoke the previous resolution.
- (e) Where the Board confirms a resolution under Clause 26 (d), the Secretary shall, within 7 days after that confirmation, by notice in writing inform the member of the fact and of the member's right of appeal under Clause 27.
- (f) A resolution confirmed by the Board under Clause 26 (d) does not take effect:
  - (i) until the expiration of the period within which the member is entitled to appeal against the resolution, where the member does not exercise the right of appeal within the period; or
  - (ii) where within that period the member exercises the right of appeal, unless and until the Company confirms the resolution pursuant to Clause 27 (b) (ii).

**Appeals against decisions of the Board under Clause 26.**

- 27. (a) A member of the Company has the right to appeal any decision of the Board made under Clause 26 (d) of these Rules, provided that the appeal is:
  - (i) lodged with the Secretary within 14 days of the member's receipt of the notice served under Clause 26 (e); and
  - (ii) is in writing.
- (b) An appeal against a decision of the Board will be disallowed if the member:
  - (i) fails to comply with the conditions specified in Clause 27 (a); or
  - (ii) the Board confirms its decision at a meeting of the Board held not earlier than 21 days after service on the member of a notice under Clause 26 (e).
- (c) Should an appeal against a decision made under Clause 26 be disputed, an External Independent Conciliator such as the Community Justice Centre or Housing Appeals Committee shall be contacted to hear the appeal subject to Clause 27 (b) (i). The decision of the External Independent Conciliator shall be binding on the Company and the Appellant.

**Disputes**

- 28. Any dispute arising between members (in their capacity as members of the company, whether an ordinary member, tenant member or a director of the company) will be dealt with in accordance with the Policy of the company as accepted by the Board which may be amended from time to time.

## **General Meetings**

### **Annual General Meeting - Holding Of**

29. With the exception of the first Annual General Meeting of the Company, the Company shall, at least once in each calendar year and within the period of 5 months after the expiration of each financial year of the Company, hold an Annual General Meeting of its members.

### **Annual General Meeting - Calling of and Business At**

30. (a) The Annual General Meeting of the Company shall, subject to the Act and to Clause 29, be convened on such a date at such a place and time as the Board resolves.
- (b) In addition to any other business that may be transacted at an Annual General Meeting, business shall be:
- (i) confirmation of the minutes of the last preceding Annual General Meeting and of any Special General Meeting held since that meeting;
  - (ii) to receive from the Board reports on the activities of the Company during the last preceding financial year;
  - (iii) election of Board members of the Company pursuant to Clauses 39 and 39A and
  - (iv) the appointment of the auditor; and
  - (v) the fixing of the auditor's remuneration.
- (c) An Annual General Meeting must be specified as such in the notice convening it.
- (d) Notice of the AGM shall be given at least 21 days prior to the date of such meeting.

### **Special General Meeting - Calling Of**

31. (a) The Board shall, on the requisition in writing of not less than 5% of the members of the Company, convene a Special General Meeting of the Company.
- (b) A requisition of members for a Special General Meeting:
- (i) shall state the purpose or purposes of the meeting;
  - (ii) shall be signed by the members making the requisition;
  - (iii) shall be lodged with the Secretary; and
  - (iv) may consist of several documents in a similar form, each signed by one or more of the members making the requisition.
- (c) If the Board fails to convene a Special General Meeting to be held within one (1) month after the date of which a requisition may be received, ten (10) members may convene a Special General Meeting to be held not later than three (3) months after that date.

- (d) A Special General Meeting, convened by ten (10) members as referred to in Clause 31 (c), shall be convened as nearly as is practicable in the same manner as general meetings are convened by the Board, and any member who thereby incurs expense is entitled to be reimbursed by the Company for any expense so incurred.

### Notices

- 32. (a) Any notice required by law or by or under this constitution to be given to any member may be given by:
  - (i) sending it by post to them at their address, as shown in the Register of Members or (if they have no registered address within the State) to the address, if any, within the State supplied by them to the Company for the giving of notices to them; or
  - (ii) by fax to any fax number supplied by such member and as shown in the Register of Members; or
  - (iii) by email to any email address supplied by such member as shown in the Register of Members; or
  - (iv) by placing an advertisement in the Public Notices section of a newspaper or newspapers generally circulating in the current area of operation of the Company and upon any website maintained by the Company.
- (b) Notice of every general meeting shall be given to-
  - (i) every member; and
  - (ii) the auditors for the time being of the Company.
- (c) By placing an advertisement in the Public Notices section of a newspaper generally circulating in the current area of operation and upon any website maintained by the Company notice will be deemed to have been given to all members of the Company.
- (d) Replaceable Rule 22: Section 249J (4): A notice of meeting sent by post is taken to be given three days after it is posted. A notice of meeting sent by fax, or other electronic means, is taken to be given on the business day after it is sent.

### Proceedings at General Meetings

- 33. (a) No item of business shall be transacted at a general meeting unless a quorum of members entitled under these Rules to vote is present during the time the meeting is considering that item.
- (b) A minimum of ten (10) members (being members entitled under these Rules to vote at a general meeting) present in person, constitute a quorum for the transaction of the business of a general meeting.
- (c) If within half an hour after the appointed time for the commencement of a general meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved.

- (d) Replaceable Rule 23: Section 249M: When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for one month or more.
- (e) Replaceable Rule 25: Section 249U: The Directors may elect an individual to chair meetings of the company's members.
- (f) Replaceable Rule 26: Section 249W(2): Only unfinished business is to be transacted at a meeting resumed after an adjournment.

### **Presiding Member**

- 34. (a) The Chairperson of the Board, or in the Chairperson's absence the Vice-Chairperson, shall preside as Chairperson at each general meeting of the Company.
- (b) If the Chairperson and the Vice-Chairperson of the Board are absent from a general meeting or are unwilling to act, the members present shall elect one of their number to preside as Chairperson at the meeting.

### **Making of Decisions**

- 35. (a) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of a show of hands) demanded:
  - (i) by the Chairperson; or
  - (ii) by at least four (4) members present in person or by proxy.

Unless a poll is so demanded, a declaration by the Chairperson that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company is made, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- (b) Where a poll is demanded at a general meeting, the poll shall be taken:
  - (i) immediately in the case of a poll which relates to the election of the Chairperson of the meeting or to the question of an adjournment; or
  - (ii) in any other case, in such manner and at such time before the close of the meeting as the Chairperson directs; and
  - (iii) the resolution of the poll on the matter shall be deemed to be the resolution of the meeting on that matter.

### **Special Resolution**

- 36. A resolution of the Company is a special resolution if:
  - (a) it is passed by the a majority of not less than three quarter of the members of the Company, (being entitled under these Rules to vote at a general meeting), who vote in person (or by proxy in the case of a poll being demanded) at a general meeting of which not less than twenty-one (21) days written notice, specifying the intention to propose the resolution as a special

resolution, was given in accordance with these Rules is given to the members; or

- (b) where it is made to appear to the Commission that it is not possible or practicable for the resolution to be passed in the manner specified in clause 36 (a), the resolution is passed in a manner specified by the Commissioner.

### Voting

- 37. (a) Upon any question or motion arising at a general meeting of the Company a member has one vote only.
  - (b) All votes shall be given personally or by proxy but no person may hold more than one (1) proxy with the exception of the Chairman who may hold an unlimited number of proxies where a member appoints the chairperson as their proxy.
  - (c) *Replaceable Rule 27: Section 249X:* A member of the company who is entitled to attend and cast a vote at a meeting of the company's members may appoint a person as a members proxy to attend and vote for the member at the meeting. A proxy must be a member.
38. A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental health may vote, whether on a show of hands or on a poll, by their Committee or by their trustee or such other person as properly has the management of their estate, and any such Committee, trustee or other person may vote by attorney.
- 38A *Replaceable Rule 28: Section 250(c):* Unless the company has received written notice of the matter before the start or resumption of the meeting at which a proxy votes, a vote cast by the proxy will be valid even if, before the proxy votes:
- (a) the appointing member dies; or
  - (b) the member is mentally incapacitated; or
  - (c) the member revokes the proxy's appointment; or
  - (d) the member revokes the authority under which the proxy was appointed by a third party; or
  - (e) the member transfers the share in respect of which the proxy was given.
- 38B *Replaceable Rule 32: Section 250J:*
- (a) A resolution put to the vote at a meeting of a company's members must be decided on a show of hands unless a poll is demanded.
  - (b) Before a vote is taken the chair must inform the meeting whether any proxy votes have been received and how the proxy votes are to be cast.
  - (c) On a show of hands, a declaration by the chair is conclusive evidence of the result, provided that the declaration reflects the show of hands and the votes of the proxies received. Neither the chair nor the minutes need to state the number or proportion of the votes recorded in favour or against.

38C *Replaceable Rule 33: Section 250M:*

- (a) A poll demanded on a matter other than the election of a chair or the question of an adjournment must be taken when and in the manner the chair directs.
- (b) A poll on the election of a chair or on the question of an adjournment must be taken immediately.

**The Board of Directors**

39. The Board of Directors shall consist of not more than seven Directors who shall be elected by the members of the Company. The composition of the Board shall be as follows:

- (a) A Director must be a member of the Company;
- (b) Nominees to the Board must demonstrate skills or expertise as set out in the Policy and Procedures Manual or as otherwise determined by the Board as appropriate;
- (c) The Board may from time to time, by resolution, add other or remove existing skills and experience as set out in the Policy and Procedures Manual;
- (d) the Board of Directors shall be elected at the Annual General Meeting of the Company;
- (e) employees of the Company cannot be members of the Board of Directors.

39A (a) Nominations of candidates for election to the Board:

- (i) shall be made in writing addressing the selection criteria, signed by two (2) members of the Company and accompanied by the written consent of the nominee (which may be endorsed on the form of nomination); and
  - (ii) shall be delivered to the Secretary of the Board not less than 30 calendar days before the date fixed for the holding of the Annual General Meeting at which the election is to take place.
  - (iii) Details of all candidates nominating to the Board shall be included in the Notice of the Annual General Meeting.
- (b) The election or appointment of office bearers of the Board shall be carried out by the elected members of the Board at the first meeting of the Board following the Annual General Meeting.
  - (c) In any case where there shall not be sufficient number of candidates nominated the AGM may act to fill the remaining vacancy or vacancies pursuant to Clause 43.

40. (a) Office Bearers of the Company may include:
- (i) Chairperson;
  - (ii) Vice-Chairperson;
  - (iii) Secretary.
- (b) The Chairperson presides at all meetings of the Board and the company and in his or her absence the Vice Chairperson presides at such meetings.
- (c) The Secretary shall in accordance with the Act be appointed by the Board for such term upon such conditions as it thinks fit, and any secretary so appointed may be removed by it. Nothing herein shall prevent the Board from appointing a member of the Company as Honorary Secretary and any member so appointed shall forthwith become an office bearer.
41. (a) Directorships will be for a two-year period.
- (b) At the Annual General Meeting in each year the Directors shall retire in a rotation of four in the one year and the balance of Directors in the following year.
- (c) Any co-opted Directors shall hold office until the next AGM when they shall retire, but shall be eligible for re- election, pursuant to clause 39.
- (d) A Director who resigns within the first three (3) months following their election may be replaced with a co-opted Director at the discretion of the Board.
42. Replaceable Rule 5: Section 201G: A company may appoint a person as a director by resolution passed at a general meeting. This person will be known as a 'Co-opted' Director and is subject to the provisions laid down in Clause 41 (c). The total number of Directors must not exceed seven as required by clause 39.
43. (a) Notwithstanding any vacancy on the Board the remaining Directors of the Board may continue to act.
- (b) The Directors may appoint any person as a Director to fill a casual vacancy. Any Director so appointed will hold office only until the next following Annual General Meeting of the Company and will be eligible for re- election.
44. The membership may by ordinary resolution of which fourteen (14) days notice has been given at a general meeting, remove any Director of the Board before the expiration of their period of office, and may by an ordinary resolution appoint another person in their stead; the person so appointed shall hold office only until the next following Annual General Meeting.
- (a) A Director of the Board may be removed if that person:
- (i) becomes bankrupt or makes any arrangement or composition with their creditors generally;
  - (ii) becomes prohibited from being a director of a company by reason of any order made under the Act;

- (iii) 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;
- (iv) resigns their office by notice in writing to the Company;
- (v) is absent without permission of the Board for more than two consecutive meetings of the Board;
- (vi) ceases to be a member of the company,
- (vii) is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of his interest in the manner required by the Corporations Law, provided always that nothing in this paragraph shall effect the operation of Clause 3 of the Constitution of the Company.

(b) The Board member has the same rights of appeal as an ordinary member as per Clause 27.

45. Replaceable Rule 8: Section 201K: With the other directors' approval, a director may appoint an alternate to exercise some or all of the director's powers for a specified period. The appointment and terms of appointment must be noticed to ASIC (refer to Section 205B of the Act)
46. Replaceable Rule 10: Section 203A: A director of the company may resign as a director of the company by giving written notice of resignation to the company at its registered office.

#### **Tenant Council Representative**

- 46A From the Board of Directors there shall be a Director appointed as the Tenant Council Representative who will hold three (3) Meetings of the Tenants at approximately every four (4) months. The Tenant Council Representative shall report to the Board and/or the General Manager on each matter as they consider appropriate.

#### **Policy and Procedures Manual**

- 46B The Policy and Procedures Manual is to be determined by the Board. The Board may from time to time, by resolution, add any other or remove any existing clause in the Policy and Procedures Manual. The Board must formally review and approve the Policy and Procedures Manual not less than once in every two (2) financial years.

#### **Executive Committee of the Board of Directors**

47. From the Board of Directors there shall be an Executive Committee, who may determine matters only of urgent business, which shall consist of the following members of the Board:
- (a) Chairperson;
  - (b) Vice-Chairperson;
  - (c) Secretary;
  - and
  - (d) The General Manager [non voting].
48. The quorum for the Executive Committee meetings shall be two (2) voting members and minutes will be recorded of all meetings. All decisions of the

Executive Committee must be ratified by the Board of Directors at its next meeting.

### **Powers and Duties of the Board of Directors**

49. *Replaceable Rule 2: Section 198A:* The business of the Company shall be managed by the Board or under the direction of the directors. The directors may exercise all the powers of a company except any powers that the Act or the company's Constitution requires the company to exercise in a general meeting.
50. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its property both real and personal or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability, or obligation of the Company.
51. The rate of interest payable on moneys lent by members to the Company shall not exceed the overdraft rate charged by the bank at which the Company holds its cash management account.
52. *Replaceable Rule 3: Section 198B:* Any two nominated directors of the company may sign, draw, accept, endorse or otherwise execute a negotiable instrument. The directors may determine that a negotiable instrument may be signed, drawn, accepted, endorsed or otherwise executed in a different way.

### **Proceedings of the Board of Directors**

53. The Board shall cause minutes to be made:
  - (a) of names of Directors of the Board present at all meetings of the Company and of the Board of Directors; and
  - (b) of all proceedings at all meetings of the Company and of the Board and all Committees.

Such minutes shall be signed by the Chairperson of the Meeting at which the proceedings were held or by the Chairperson of the next succeeding meeting.

54. The Board may meet together for the dispatch of business, and adjourn and otherwise regulate its meeting as it sees fit. The Board shall meet at least once in every two months. A Director may at any time, and the Secretary shall on the requisition of a Director of the Board, summon a meeting of the Board.
55. *Replaceable Rule 19: Section 248G:* A resolution of the directors must be passed by a majority of the votes cast by directors entitled to vote on the resolution. The chair has the casting vote, if necessary, in addition to any vote they have in their capacity as a director.
56. A Director of the Board shall not vote in respect of any contract or proposed contract with the Company in which they are interested, or on any matter arising therefrom, and if they do so vote the vote shall not be counted.
57. No business shall be transacted by the Board unless a quorum of Directors is present in person. A quorum is four (4) Directors.

58. The Board may delegate any of its powers and or functions (not being duties imposed on the Board as the Directors of the company by the Act or the general law) to one or more committees consisting of such members of the Company as the Board thinks fit. Any committee so formed shall conform to any regulations that may be imposed by the Board and subject thereto shall have power to co-opt any member or members of the Company.
59. A Committee may meet and adjourn, as it thinks proper. Committees shall conduct their meetings in the same manner and in accordance with the provisions contained herein for meetings of the Board so far, as is possible. Questions arising at any meeting shall be determined by a majority of votes of the member's present. Each Committee member shall have one vote. In the case of an equality of votes the Chairperson of the Committee shall have a second or casting vote.
60. A resolution in writing signed by all the Directors of the Board in Australia for the time being shall be as valid as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form; each signed by one or more Directors of the Board.
61. Any resolution passed under clause 60 shall be minuted at the Board meeting immediately following the date of the resolution.

#### **Employees**

62. Persons may be employed on a permanent, casual or consultant basis according to Company employment policy as approved by the Board.
63. Should an employee of the Company be required by the Board to serve on one of the Committees then they shall not be regarded as a full member of that Committee and not be entitled to vote as such.

#### **Accounts**

64. (a) The Board shall cause proper accounting and other records to be kept.
  - (b) The Board shall cause to be made out and laid before each Annual General Meeting
    - (i) Financial Statements
    - (ii) Profit and Loss Statement,
    - (iii) Balance Sheet,
    - (iv) Statement of Cash Flows and Notes.
    - (v) Consolidated Financial Statements
    - (vi) Directors' Report
    - (vii) Auditors' Report on the Financial Statements.
  - (c) No member (not being a Director) shall have any right of inspection of any account or book or paper of the Company except as conferred by statute or authorised by the Directors or the Company in general meeting.

### **Audit**

65. A properly qualified Auditor or Auditors shall be appointed at each AGM and their duties regulated in accordance with the Act.

### **Winding Up**

66. The provisions of Clause 9 of the Constitution relating to the winding up or dissolution of the Company shall have effect and be observed as if the same were repeated in these articles.

### **Indemnity**

67. Every member of the Board, auditor, secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability arising out of the execution of the duties of their office which is incurred by them in defending any proceedings, whether civil or criminal, in which judgment is given in their favour or in which they are acquitted or in connection with any application under the Act in which relief is granted to them by the Court in respect of any negligence, default, breach of duty, or breach of trust.