

## **Report of Diocesan Council to Synod**

### **Anglicare SA Housing Association Incorporated Constitution**

Anglicare SA Housing Association Incorporated ("Anglicare Housing") is a body incorporated under the *Associations Incorporation Act 1985*. It is the successor to Anglican Housing Association Incorporated ("AHA"), established in 1999 to manage residential properties built on parish land. Tenancy and management functions were provided under contract with Anglicare SA Incorporated ("Anglicare"). In order to take advantage of State government initiatives under the then State government policy and legislative framework, in 2010 AHA transferred its assets to the newly registered Anglicare Housing. This was a joint decision by the Board of Anglicare and the board of AHA.

One of the reasons for a corporation separate from Anglicare was that it was an unacceptable risk for Anglicare to be subject to the rigid governance and reporting requirements of the *South Australian Cooperative and Community Housing Act 1991*. That Act will cease to have effect from 1 July 2014 with the commencement of the new National Regulatory System ("NRS") for community housing.

It was originally thought that Anglicare should become the relevant housing provider for the purposes of the new NRS. However, further consideration and evolution of the NRS requirements revealed that Anglicare would be inappropriate as a housing provider under that Scheme, and that, with appropriate constitutional modifications, Anglicare Housing would fit the necessary criteria, provided that such criteria were in place by 31 July 2014.

One of those criteria is that the body corporate be registered as a company limited by guarantee under the Corporations Act 2001 (C'th). A new Constitution has been proposed which meets the necessary criteria, while Anglicare Housing still remains a subsidiary of Anglicare.

Until recently, Anglicare Housing had the same membership as Anglicare, i.e. members of the Synod along with members of the Board. Although since 2010, and until recently, there had been no proper elections or appointments to the Board of Anglicare Housing, the de facto Board has been and now lawfully is identical to that of the Board of Anglicare. Therefore, it has been and still is, for the purposes of corporation law, a subsidiary of Anglicare. It is intended that it remain so.

Under the original Anglicare Housing Constitution, the Constitution could be amended "by resolution of the Board passed by not less than two thirds of the members holding office at that time, provided that no such alteration shall take effect unless approved by the Diocesan Council of the Diocese of Adelaide and Anglicare SA Inc".

A new Constitution of Anglicare Housing was adopted by resolution of the Board of Anglicare Housing with the required two thirds majority on 21 February 2014. The new Constitution was approved by the Diocesan Council at its meeting held on 4 March 2014. It

is proposed to be put to the Special General Meeting of Anglicare to be held on 5 April 2014 for approval by that meeting.

It will be noted that the proposed new Constitution provides an Appendix A which creates a Laura and Alfred West Community Housing Division. That provides for the quarantining and management of certain assets to provide for rental housing to persons in need over the age of 55. There are also restrictions on the power to amend that Appendix (see clause 19.2). There are other references in the main body of the Constitution to Appendix A.

Anglicare SA Housing Inc, soon to become Anglicare SA Housing Limited, is in discussion with Laura and Alfred West Cottage Homes Inc (LAWCH) as to possible amalgamation of the housing assets of both. Those discussions are still ongoing. It is proposed that, if they are successful and the necessary approval of the Supreme Court is obtained, the present assets of LAWCH will become subject to those provisions. If the proposal does not go ahead those provisions and other references in the body of the Constitution to Appendix A will, in due course, be deleted.

This report requires no action by the Synod, it is submitted for the information of the Synod and in the interest of transparency of arrangements involving Anglicare, Anglicare Housing and LAWCH.

# **Anglicare SA Housing Limited**

## **Draft Constitution**

### **Provision for Merger with Laura and Alfred West Cottage Homes**

#### **Merger Clauses**

The following amendments to the constitution of the Anglicare Housing Association to become the Anglicare SA Housing Limited were proposed in order to support the proposed merger with Laura and Alfred West Cottage Homes (LAWCH) and are subject to the approval of the Supreme Court of South Australia in order to come into effect.

#### **Clause 1. Preamble**

The third paragraph

#### **Clause 5. Objects**

Sub clause 5.X

#### **Clause 13 Pecuniary Interests**

Sub clause 13.1 the words "or Appendix A"

#### **Clause 19 Amendment of the Constitution**

Sub clause 19.1 The words "Subject to sub-clause 19.2,"

Sub-clause 19.2

#### **Clause 21 Electronic Meetings of Directors**

Sub clause 21.5

#### **Appendix A**

All Clauses



# **CONSTITUTION**

## **ANGLICARE SA HOUSING LIMITED**

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**THE CONSTITUTION**  
**of**  
**ANGLICARE SA HOUSING LIMITED**  
**(ACN #)**

**A Company Limited by Guarantee Incorporated under the Corporations Act 2001 (C'th)**

**PART 1**

**1. PREAMBLE**

Anglicare SA Housing Limited was incorporated pursuant to the Corporations Act 2001 (C'th) on the                      day of                      2014 to continue the purposes of the Anglicare SA Housing Association Incorporated under the National Regulatory System for Community Housing as a Tier 1 community housing provider.

The Anglicare SA Housing Association Incorporated was incorporated pursuant to the Associations Incorporation Act 1985 (S.A.) on 11 October 2010 through the desire to assume the continuing activities of the Anglican Housing Association Incorporated established in 1999 for the purposes of providing a housing association registered under the South Australian Co-operative and Community Housing Act 1991.

By Memorandum of Agreement made on the                      day of                      2014 between Laura and Alfred West Cottage Homes Incorporated and Anglicare SA Housing Association Incorporated the merger of Anglicare SA Housing Association and Laura and Alfred West Cottage Homes Incorporated was effected and these Rules set out the arrangements to manage the associated Trusts in accordance with Orders of the Supreme Court of South Australia. The arrangements specific to the assets of Laura and Alfred West Cottage Homes are contained in Appendix 'A' to this Constitution.

**2. NAME**

The name of the Company shall be Anglicare SA Housing Limited.

**3. DEFINITIONS**

3.1 The replaceable rules contained in the Act do not apply to this Company.

3.2 In this Constitution

“**Act**” means the Corporations Act 2001 (C'th) as amended or substituted from time to time;

“**Bishop**” means the Bishop of the Diocese of Adelaide and includes a person for the time being administering the affairs of the Diocese;

“**Board**” means the Company's Board of Directors;

“**Chair**” means the Chair of the Board and includes a person acting as Chair;

**“Company”** means Anglicare SA Housing Limited;

**“Diocesan Council”** means the Diocesan Council of the Synod;

**“Diocese”** means the diocese of the Anglican Church of Australia;

**“Director”** means a director of the Company. Members of the Board are Directors;

**“financial year”** means a year ending on 30 June;

**“Member”** means Anglicare SA Incorporated or Anglicare SA Limited, whichever body is incorporated at the relevant time;

**“ordinary resolution”** in relation to the Board means a resolution passed by a simple majority;

**“President”** means the President of the Board appointed pursuant to sub-clause 10.1 (a);

**“Rules”** means the Rules of Anglicare SA Housing Limited made under clause 17;

**“Secretary”** means the secretary for the time being of the Company, and, if there are joint secretaries, any one or more of such joint secretaries;

**“Special resolution”** in relation to the Board means a resolution passed at a meeting by not less than 75% of the Directors present and voting;

**“subsidiary”** has the meaning described in the Act;

**“Synod”** means the Synod of the Diocese of Adelaide of the Anglican Church of Australia Incorporated;

**“the Constitution”** means this Constitution, as and if amended and in force from time to time.

#### **4. INTERPRETATION**

Words and expressions used in the Constitution have, unless the contrary intention appears, the same respective meanings as the word or expression would have if used in the Act.

### **PART 2 – OBJECTS, FUNCTIONS AND POWERS**

#### **5. OBJECTS**

The objects for which the Company is established are as follows:

- 5.1 To establish a housing company for the purpose of providing accommodation for low income households on a not for profit basis, particularly for households in immediate financial need, or who have at that time specific physical, mental or social disabilities which mitigate against the acquisition or successful use of private or public housing.
- 5.2 To provide such accommodation in addition and/or supplementary to accommodation available under the South Australian Housing Trust



legislation or such other like legislation whether Commonwealth or State, without prejudicing the entitlement of persons to benefit under such legislation.

- 5.3 To assist tenants to gain access to other community resources and services.
- 5.4 To liaise with government departments and other organisations and agencies interested in the provision of accommodation to low income households in financial need or with disabilities, which militate against the acquisition or successful use of normal private or public housing.
- 5.5 To provide a service to the community in the context of the foregoing principles and objects.
- 5.6 To operate according to principles of equity and fairness.
- 5.7 To do all such lawful things as are incidental or conducive to the attainment of the above objectives.

## **6. FUNCTIONS**

The functions of the Company are:

- 6.1 to provide, co-ordinate, arrange or lobby for the provision of resources and services for the carrying out of its objects;
- 6.2 to undertake programs of education, training, research and planning;
- 6.3 to publish and disseminate information resulting from those programs;
- 6.4 to raise funds by any lawful means and to invest, apply and disburse such funds by or for any lawful means or purpose in a manner consistent with its objects;
- 6.5 to acquire and/or manage property, including real property, which was formerly vested in the Anglicare SA Housing Association Incorporated for the purposes of social welfare and community services;
- 6.6 to acquire and/or manage such further property, including real property, for the purposes of social welfare and community housing and related services.

## **7. POWERS**

The Company shall have the following powers in addition to and without prejudice to any other powers herein expressed or implied under or by virtue of the provisions of the Corporations Act 2001 (C'th) ("the Act"): .

- 7.1 To acquire, receive, hold, lease, deal with and/or dispose of any real or personal property, together with the income derived therefrom;
- 7.2 To establish and/or maintain premises, including residential premises, for the purposes of the provision of its services;

- 7.3 To sell, lease, mortgage, grant licences or permits to use, occupy or reside in dwellings and/or other buildings built, purchased, leased or otherwise acquired by the Company to persons for whom the Company may provide accommodation or to any other persons.
- 7.4 To cause to be constructed, maintained, altered or demolished any buildings or works necessary or convenient for the purposes of the Company;
- 7.5 To purchase, lease, take in, hire or otherwise acquire and to in any way or manner dispose of any fixtures, furniture or any chattels or other items which may be used or associated with the use of dwellings;
- 7.6 To raise, receive, have, hold, administer and dispose of monies in the form of subscriptions, donations, legacies and bequests together with all or any income derived therefrom;
- 7.7 To act as trustee;
- 7.8 To obtain financial accommodation and make investments;
- 7.9 To enter into agreements, arrangements, partnerships and joint ventures;
- 7.10 To receive and administer grants from charitable purposes connected with its Objects;
- 7.11 To make grants for charitable purposes connected with its Objects;
- 7.12 To employ staff;
- 7.13 To take out policies for fire or any other insurance in relation to land, dwellings and/or other buildings built, purchased, leased or otherwise acquired by the Company and to the contents of such dwellings and for other buildings.
- 7.14 To do all things necessary or convenient to be done for or in connection with the carrying out of its Functions;
- 7.15 To exercise any of the powers conferred by the Act.

### **PART 3 - MEMBERSHIP**

#### **8. MEMBERSHIP**

The Member of the Company shall be Anglicare SA Limited(ACN #).

### **PART 4 – THE BOARD**

#### **9. MANAGEMENT OF THE COMPANY**

The affairs of the Company shall be managed by the Board. The Board shall consist of the same persons as are appointed from time to time as Directors of Anglicare SA Limited(ACN #).

#### **10. MEMBERSHIP OF THE BOARD**

- 10.1 The officers of the Board shall include:
- a) the Bishop, who shall be President;
  - b) the Chair;
  - c) the Deputy Chair
  - d) the Treasurer.
- 10.2 The Board shall elect from their number a Chair, Deputy Chair and Treasurer who shall hold office for the current term of their appointment to the Board.
- 10.3 The Board shall appoint a Secretary pursuant to Part 2D.4 of the Act.
- 10.4 There is nothing to preclude the Chief Executive from being the Secretary of the Company. The Secretary will be responsible for keeping company records and registers and otherwise administering the Affairs of the Company and the business of the Board.
- 10.5 No employee of Anglicare SA shall be eligible for election to the Board.

## **11. MEETINGS**

- 11.1 The Board shall meet at least six (6) times each financial year, at such places and at such times as the Board may determine.
- 11.2 Special meetings of the Board may be convened by the Chair or by three (3) Directors.
- 11.3 Seven (7) days' written notice shall be given to Directors of any special meeting specifying the general nature of the business to be transacted and no other business shall be transacted at such a meeting, provided always that the Directors may by ordinary resolution agree retrospectively to accept a shorter period of notice.
- 11.4 Half the Directors constitute a quorum for the transaction of the business of a meeting of the Board.
- 11.5 No business shall be transacted unless a quorum is present and if within half an hour of the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same place and at the same hour of the same day of the same week in the following month unless the meeting was a special meeting in which case it lapses.
- 11.6 At meetings of the Board:
- a) the Chair, or in his or her absence, the Deputy Chair, or failing him or her, the Bishop, shall preside; or
  - b) if the Chair, the Deputy Chair and the Bishop are absent, such one of the remaining Directors as may be chosen by the Directors present shall preside.
- 11.7 Questions arising at a meeting of the Board or of any committee appointed by the Board shall be determined on a show of hands.

- 11.8 Each Director or member of a committee present at a meeting of either the Board or of any committee appointed by the Board (including the person presiding at the meeting) is entitled to one vote.
- 11.9 Notice of each Board meeting shall be served on each Director by delivering it to that Director personally or by sending it by pre-paid post addressed to that Director at his/her usual or last known place of abode or electronically to an e-mail address or facsimile number provided by the Director for the purposes of sending such notices.
- 11.10 Subject to sub-clause 11.4, the Board may act notwithstanding any vacancy on the Board or defect in the appointment or election of any Director.
- 11.11 The Secretary shall arrange for minutes of the resolutions and proceedings at each Board Meeting to be kept in books provided for that purpose together with a record of the names of persons present at such meetings.

## **12. COMMITTEES**

- 12.1 Subject to the Act, the Constitution and the Rules, the Board may from time to time establish such committees as it thinks fit and to exercise powers delegated by the Board, to advise the Board or for any other purpose.
- 12.2 A committee shall consist of:
- (a) Such Directors as the Board determines; and
  - (b) Such other persons (if any) as the Board determines.
- 12.3 The Board may determine the number of members of a committee who are Directors who must be present when a question is determined by a committee.
- 12.4 Subject to the Act, the Constitution and the Rules, the proceedings of a committee are in its discretion.
- 12.5 The Board may at any time dissolve a committee established under this clause.

## **13. PECUNIARY INTERESTS**

- 13.1 A Director or a member of a committee established under clause 12 or Appendix 'A' who has a pecuniary interest in a matter being considered, or about to be considered, by the Board or a committee must, as soon as practicable after the relevant facts have come to the Director's or member's knowledge, declare the nature of that interest at the next meeting of the Board or committee.
- 13.2 The Chair of a meeting at which a declaration is made under this clause must cause a record of the declaration to be made in the minutes of the meeting.
- 13.3 Unless the Board or committee otherwise resolves, a Director or a member of a committee who has made a declaration under sub-clause 13.1 must not be present during any deliberation with respect to, or vote on, the matter in respect of which the declaration is made.

## **PART 5 – GENERAL**

### **14. CHIEF EXECUTIVE**

- 14.1 The Chief Executive is the Chief Executive of Anglicare SA Limited (ACN #) and holds office on such terms and conditions as are determined by the Board.
- 14.2 Subject to the Directors resolving to exclude the Chief Executive from a meeting or from consideration of a particular item, the Chief Executive is expected to attend all Board and committee meetings.

### **15. INCOME AND PROPERTY OF THE COMPANY**

- 15.1 Subject to this clause, the property and income vested in, or acquired by the Company, however derived except insofar as it is subject to a trust, must be held and applied solely towards the objects of the Company as set out in the Constitution.
- 15.2 Property and income of the Company must not be paid or transferred directly or indirectly by way of profit to a Director or an employee of the Company.
- 15.3 Nothing in this Constitution prevents the payment in good faith or remuneration to any officer, employee or the Member of the Company (including any firm or corporation in which any officer, employee or Member has an interest) in return for any services actually rendered or for any goods supplied to the Company in the ordinary and usual way of business, nor prevent the payment of interest, in good faith, on money borrowed by the Company from the Member, or reasonable and proper rent for premises let by the Member to the Company.
- 15.4 The Company will not cause to be incorporated or otherwise acquire a subsidiary unless:
  - 15.4.1 the objects of the subsidiary are the same as or are limited to a purpose that falls within the objects of the Company; and
  - 15.4.2 the constitution of the subsidiary provides that every director of the subsidiary must be either a Director or an employee of the Company and must be appointed by the Board.

### **16. ACCOUNTS OF THE COMPANY**

- 16.1 The Board must cause to be kept proper accounts and records of the transactions and affairs of the Company and such other records as sufficiently explain the financial operations and financial position of the Company.
- 16.2 The Board must do all things reasonably necessary to ensure that all payments of money are correctly made and properly authorised and that adequate control is maintained over the assets of the Company and over the incurring of liabilities by the Company.

- 16.3 The Board must cause the accounts of the Company to be audited annually by a registered company auditor appointed by the Board.
- 16.4 The Board must cause the audited accounts and an annual report on the operations of the Company to be presented to the Member prior to the Member's Annual General Meeting.

## **17. RULES OF THE COMPANY**

The Board may, in accordance with the Constitution, make Rules not inconsistent with the Act or this Constitution.

## **18. INDEMNITY**

- 18.1 A Director or a member of a committee of the Board and each employee of the Company is entitled to be indemnified out of the assets of the Company against:
- 18.1.1 all or any loss or liability incurred by him or her in carrying out duties as such Director, member of a committee or employee, not being a loss or liability in respect of any wilful act or omission amounting to negligence, default, breach of duty or breach of trust on his or her part; and
- 18.1.2 all or any liability incurred as such by a Director, member of a committee or employee in defending any proceedings whether civil or criminal in which judgment is given in his or her favour, or in which he or she is acquitted.
- 18.3 The Company may apply such assets of the Company as are necessary for the purposes of this clause.

## **19. AMENDMENT OF THE CONSTITUTION**

- 19.1 Subject to sub-clause 19.2, this Constitution shall not be amended except by resolution of the Board passed by not less than two-thirds of the Directors holding office and present and voting, provided that no such amendment shall take effect unless approved by the Synod of the Diocese of Adelaide and the Board of Anglicare SA Limited.
- 19.2 The provisions of Appendix 'A' to this Constitution and this sub-clause shall not be amended without an order of the Supreme Court of South Australia also approving the amendment, provided that this sub-clause shall not apply to clauses 5 and 6 of Appendix 'A'.

## **20. WINDING UP OR DISSOLUTION**

- 20.1 The Company may be wound up by a special resolution to that effect passed by not less than two-thirds of the Directors holding office and present and voting, provided that no such winding up shall take effect unless approved by the Diocesan Council of the Diocese of Adelaide and Anglicare SA Limited.
- 20.2 On the winding up of the Company, if there are any assets remaining after satisfaction of the liabilities of the Company, the assets must be paid or transferred as determined by the Board and approved by the Diocesan Council and Anglicare SA Limited to an organisation the objects of which are or include charitable objects

similar to those of the Company

- 20.3 The Member of the Company undertakes to contribute to the property of the Company, in the event of the Company being wound up, for payment of the debts and liabilities of the Company and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding Twenty Dollars (\$20.00).

## **21. ELECTRONIC MEETINGS OF DIRECTORS**

- 21.1 For the purposes of this Constitution, the contemporaneous linking together by telephone or other electronic means of instantaneous communication device of a number of the Directors, being at least a quorum, whether or not any one or more of them is out of Australia, constitutes a meeting of the Board and all the provisions of this Constitution as to meetings of the Board apply to such a meeting if the conditions which follow are met.
- (a) All the Directors for the time being entitled to receive notice of the meeting of Directors shall be entitled to notice of a meeting held by an instantaneous communication device and to be linked by an instantaneous communication device for the purpose of such meeting. Notice of any such meeting shall be given on the instantaneous communication device or in any other manner permitted by this Constitution.
  - (b) Each of the Directors taking part in the meeting by an instantaneous communication device must be able to hear each other of the Directors taking part at the commencement of the meeting.
  - (c) At the commencement of the meeting each Director taking part acknowledges the respective Director's presence for the purposes of the meeting to all other Directors taking part and acknowledges that the Director is able to hear each of the other Directors taking part.
- 21.2 A Director may not leave a meeting held by an instantaneous communication device by disconnecting his or her instantaneous communication device unless he or she has previously expressly notified the Chair of the meeting of his or her intention to leave the meeting and a Director shall be conclusively presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his or her leaving the meeting.
- 21.3 A minute of the proceedings at meetings held by an instantaneous communication device shall be sufficient evidence of such proceeding and of the observance of all necessary formalities if certified as a correct minute by the Chair of the meeting.
- 21.4 For the purpose of this Constitution "instantaneous communication device" shall include telephone, computer, television or any other audio and/or visual device which permits instantaneous communication individually or in combination.
- 21.5 The provisions contained in this clause will also apply to committees of the Board and to the Divisional Committee constituted under Appendix 'A' to this Constitution and any subcommittee of the Divisional Committee with the necessary alteration of the words "committee member" or "committee members" where the words "Director" or "Directors" appear in this clause.

## **22. CIRCULATING RESOLUTIONS OF DIRECTORS**

- 22.1 If a requisite majority of Directors have signed a document containing statement that they are in favour of a resolution in the terms set out in the document and reasonable notice of the proposed resolution has been given to all Directors, a resolution in those terms will be deemed to have been passed at a meeting of the Board held on the day and time at which the document was last signed and at the time at which the document was last signed by one of the majority of Directors. Such a document will be deemed to constitute a minute of that Board meeting.
- 22.2 Two or more separate documents containing statements in identical terms each of which is signed by one or more Directors will together be deemed to constitute one document containing a statement in those terms signed by those Directors on the day on which they signed the separate documents.



## **APPENDIX A**

### **LAURA AND ALFRED WEST COMMUNITY HOUSING DIVISION**

#### **1. INTERPRETATION**

1.1 This Appendix forms part of the Constitution of Anglicare SA Housing Limited and is to be read and interpreted as such.

1.2 In this Appendix:

**"the assets"** means the assets the subject of the trusts referred to in clause 3.2 and the other assets referred to in clauses 3.2 and 3.3 and include:

- (a) any monies received or applied by the Company for the purposes of this Division whether by way of donation, grant, subsidy, loan or from any source whatsoever;
- (b) all rent received in respect of the use or occupation of any of the assets;
- (c) all income from the investment of any part of the assets; and
- (d) the proceeds of sale of any of the assets;

**"the Court"** means the Supreme Court of South Australia;

**"the date of amalgamation"** means the date certified by the President as being the date upon which the amalgamation of Laura and Alfred West Cottage Homes Incorporated with the Company becomes effective;

**"the Division"** means the Division of the Company established under this Appendix.

#### **2. CREATION OF THE DIVISION**

2.1 There shall be a Division of the Company to be known as the "Laura and Alfred West Community Housing Division".

2.2 The Division shall be managed by a Divisional Committee constituted in accordance with the provisions of this Part.

#### **3. OBJECTS OF THE DIVISION**

The Objects of the Division are:

3.1 To provide rental housing to persons over the age of 55 years with a particular focus on those in need, for the relief of poverty and for the benefit of the community;

3.2 Subject to any directions from time to time given by the Court,

3.2.1 to administer the trusts of the Will of William Alfred Augustus West who died on the third day of July 1929 in so far as those trusts concern the establishment of cottage homes;

3.2.2 to administer the Scheme the subject of an order of the Court made on the 10th day of November 1988 in the matter of the

charity known as the Ada Laycock Homes Incorporated (Matter No. 1813 of 1988);

3.2.3 to administer the trusts of the Will and one Codicil of Edith Charlotte Knox who died on the second day of December 1926 in so far as those trusts concern the foundation of "The Knox Homes";

3.2.4 to administer the assets and undertaking of Laura and Alfred West Cottage Homes Incorporated as at the date of amalgamation;

3.3 To administer such other community housing assets and undertaking as the Board may from time to time determine.

#### **4. APPLICATION OF THE ASSETS**

4.1 The assets shall be applied solely for the purposes of this Division and not for any other purposes of the Company.

4.2 At least one group of homes the subject of this Division located as near as practicable to St Peter's Church, Glenelg, shall always be known as the "Ada Laycock Homes".

4.3 At least one group of homes the subject of this Division located in or as near as practicable to the City of Burnside shall always be known as the "Knox Homes".

4.4 Subject to the provisions of this Appendix any of the assets may be sold, mortgaged or otherwise used as security for borrowing money for the purposes of the Division.

4.5 No estate or interest in land held by the Company for the purposes of the Division shall be sold, mortgaged or otherwise encumbered and no estate or interest in land to be purchased for the purposes of the Division shall be purchased with funds included in the assets other than on the recommendation of the Divisional Committee.

#### **5. DIVISIONAL COMMITTEE**

5.1 The Divisional Committee shall consist of not less than four nor more than eight members.

5.2 The members of the Divisional Committee shall be appointed by the Board.<sup>1</sup>

5.3 The Chair of the Divisional Committee shall be appointed by the Board

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<sup>1</sup> It is envisaged that the first Divisional Committee will be a committee of eight appointed by the Board pursuant to a Memorandum of Agreement between Laura and Alfred West Cottage Homes Inc and Anglicare SA Inc whereby the Board will appoint four members of the Divisional Committee nominated by the Board of Laura and Alfred West Cottage Homes Inc. This will not prevent the Board of Anglicare SA Inc from appointing other members of the LAWCH Board if it so desires.

- 5.4 The first Divisional Committee appointed under this Appendix shall hold office for a period of three years from the date of amalgamation. Thereafter the members of the Divisional Committee shall be appointed for such period or periods not exceeding three years as the Board may from time to time determine
- 5.5 Any casual vacancy in the Divisional Committee shall be filled by the Board and the person so appointed shall hold office for the balance of the term of the person replaced.
- 5.6 A member of the Divisional Committee shall be eligible for appointment for no more than two additional consecutive terms.
- 5.7 The office of a member of the Divisional Committee shall be vacated if:
- 5.7.1 the member is absent from three consecutive meetings of the Divisional Committee without leave of absence;
  - 5.7.2 the member is convicted of a criminal offence;
  - 5.7.3 the member becomes bankrupt or compounds with the member's creditors or executes a deed of arrangement or assignment for the benefit of the member's creditors;
  - 5.7.4 the member by notice in writing to the Board resigns from office; or
  - 5.7.5 other than during the first term of office of the Divisional Committee, the Board resolves that the member's office be declared vacant.

## **6. PROCEEDINGS OF THE DIVISIONAL COMMITTEE**

The provisions of clause 11 of this Constitution shall apply mutatis mutandis to the Divisional Committee subject to the following qualifications:

- 6.1 A reference to Directors shall be read as a reference to members of the Divisional Committee;
- 6.2 References to the Bishop in clause 11.6 shall have no application;
- 6.3 For clause 11.11 there shall be substituted the following:

The Divisional Committee and any subcommittee appointed by the Divisional Committee shall arrange for minutes of the resolutions and proceedings of the Committee or subcommittee to be kept in such form as the Divisional Committee shall determine, together with a record of the names of persons present at such meetings.

## **7. POWERS OF THE DIVISIONAL COMMITTEE**

The powers of the Divisional Committee shall be:

- 7.1 To carry out the objects of the Division;
- 7.2 To manage the assets;

- 7.3 To apply the funds subject to this Division for the purposes of the Division as the Committee shall from time to time determine;
- 7.4 To demolish, rebuild, add to, alter, repair or modify any land or buildings comprised in the assets;
- 7.5 Subject to any rules, policies or guidelines determined by the Board:
  - 7.5.1 to enter into contracts on behalf of the Company for the purposes of this Division;
  - 7.5.2 to invest funds managed by the Committee and to direct the sale or transposition of such investments;
  - 7.5.3 to borrow in the name of the Company money for the purposes of this Division with or without security and with or without interest on such terms as the Committee shall think fit;
  - 7.5.4 to make, alter and repeal any rules or bylaws governing –
    - 7.5.4.1 the management of the Division and the affairs thereof;
    - 7.5.4.2 the conduct of business of the Committee and any subcommittee appointed by the Committee;
    - 7.5.4.3 the control and management of and admission to any housing provided for the purposes of the Division;
    - 7.5.4.4 generally as to any matters or things within the powers or under the control of the Committee provided that the same are not inconsistent with this Constitution;
- 7.6 To delegate its powers, other than those referred to in clause 4.5 of this Appendix, to any person employed by the Company or to any subcommittee appointed by the Committee or to any committee or division of the Company;
- 7.8 Such other powers as the Board may from time to time determine.