

Level 1, 20 Hunter Street
Sydney NSW 2000
Australia

Telephone: 61 2 9233 7299
Facsimile: 61 2 9235 3965
web: www.bradscott.com.au

Our Ref: LJG:STW:400631
Your Ref:

26 June 2019

Adjudications Team
Australian Competition and Consumer Commission
GPO Box 520
MELBOURNE VIC 3001

Email:	adjudication@accc.gov.au
Copy to:	gavin.jones@accc.gov.au
This document, including any attachments, may contain privileged and confidential information intended only for the addressee named above. If you are not the intended recipient please notify us. Any unauthorised use, distribution or reproduction of the content of this document is expressly forbidden.	

Dear Sir/Madam

**The Uniting Church in Australia National Assembly
National Insurance Program
Co-operation Agreement and Advice**

Further to our recent conversation with Gavin Jones, please find **enclosed** an Application for Authorisation made on behalf of UCA Assembly Limited (for The Uniting Church in Australia National Assembly) (**UCANA**) in respect of the establishment of a National Insurance Program by UCANA and a number of the Synods of the Church.

We note that the application fee of \$7,500.00 was paid via the ACCC website on 26 June 2019. The receipt number for that payment is 2462127172, and a copy of the receipt is **enclosed** for your reference.

If you require any further information please contact us.

Yours sincerely
Bradfield & Scott Lawyers



John Graves
Principal

Writer: Sarah Toomey Westcott | D 02 9083 6723 | P 02 9233 7299 |
E-mail: swestcott@bradscott.com.au



Bradfield & Scott is an incorporated legal practice carried on by
Lawram Legal Pty Limited, ACN 142 584 316
A member of the Sydney Cove Law Group
Liability limited by a scheme approved under professional standards legislation
Legal practitioners at Bradfield & Scott Lawyers are members of the scheme

45d8fd52-5b67-4385-8e25-e44e945cf936
26-Jun-19 - 34360



Application for Authorisation

A. Parties to the proposed conduct

1. Details of the applicants for authorisation

1.1. Name: The Uniting Church in Australia National Assembly (UCANA)

Address: Level 10, 222 Pitt Street, Sydney NSW 2000

Telephone: 02 8267 4428

ABN: 16 939 630 947

1.2. Contact person's name: John Graves

Position: Principal, Bradfield & Scott Lawyers

Telephone: 02 9233 7299

Email: jgraves@bradscott.com.au

1.3. Description of business activities

The Uniting Church in Australia (UCA) was created on 22 June 1977 after the Congregational Union in Australia, the Methodist Church of Australasia and the Presbyterian Church of Australia were joined together pursuant to the terms of the following legislative instruments: *Uniting Church in Australia Act 1977* (NSW), *Uniting Church in Australia Act 1977* (ACT), *The Uniting Church in Australia Act 1977* (SA), *The Uniting Church in Australia Act 1977* (Vic), *Uniting Church in Australia Act 1977* (Qld), *Uniting Church in Australia Act 1977* (Tas), *Uniting Church in Australia Act 1976* (WA) and *Uniting Church in Australia Act 1977* (NT).

While in practice the UCA operates as a single organisation and has adopted a single Constitution and set of Regulations governing the management and operations of the UCA, due to the manner in which the UCA was created it is comprised of a number of separate legal entities (including the parties to the conduct proposed in this application) which work together in the style of a federation to undertake the business of the UCA.

Clause 4 of the Constitution of UCA states as follows:

The purposes of the Church are to provide for the worship of God, to proclaim the Gospel of the Lord Jesus Christ, to promote Christian fellowship, to nurture believers in the Christian faith, to engage in mission, to assist in human development and toward the improvement of human relationships, to meet human need through charitable and other services and to do such other things as may be required in obedience to the Holy Spirit.

To achieve these purposes and put faith into action, UCANA and the relevant Synods (defined at Item 2 below) engage in a variety of missions, which include activities in the following broad areas:

- Education. This includes the running of preschools, primary and secondary schools, and colleges.
- Community care. This includes the running of childcare services, hospitals and aged care facilities, youth and family services, disability services, employment services, drug and alcohol services, youth homelessness services, suicide prevention services, remote/rural support services, and overseas aid and development programs (through the international partnership agency UnitingWorld).
- Religion. This includes, but is not limited to, worship and spreading the Gospel through the testimony of individual parishioners, local churches, regional presbyteries and other groups and agencies.

As part of their responsibilities in undertaking these activities (and maintaining and protecting the properties, whether owned, leased, or otherwise occupied, out of which these activities are operated), UCANA and the relevant Synods are required to maintain certain corporate insurances for themselves and their local churches, regional presbyteries, and other agencies and groups within their care. As detailed at the response to Item 3 below, this application relates to those insurances.

1.4. Email address for service of documents in Australia

John Graves: jgraves@bradscott.com.au

2. *Details of the other persons who also propose to engage, or become engaged, in the proposed conduct and on whose behalf authorisation is sought*

The parties to the proposed conduct are:

- the Synods (by each of their statutory corporations) in each state or territory, excluding South Australia and Western Australia (the **relevant Synods**); and
- the Uniting Church in Australia National Assembly by UCA Assembly Limited (**UCANA**) which, pursuant to clause 56 of The Uniting Church in Australia Constitution, is the body corporate which has been created to hold property under the direct control or management of the Uniting Church in Australia National Assembly. It is noted that the shares of UCA Assembly Limited are held on behalf of the members of the Uniting Church in Australia National Assembly.

Details of the corporate entities that would be parties to be proposed conduct are set out at Attachment A.

It is noted that those entities of UCA which are not presently parties to the proposed conduct (including but not limited to the Synods of South Australia and Western Australia) may nevertheless seek at a later date to join in the proposed conduct with UCANA and the relevant Synods. For that reason, this application is made by UCANA in respect of all the legal entities which comprise UCA, including any entities of UCA which might subsequently seek to join the relevant Synods and UCANA as parties to the proposed conduct.

B. The proposed conduct

3. Details of the proposed conduct

3.1. Description of the proposed conduct

The proposed conduct concerns the establishment of an insurance program, the National Insurance Program (**NIP**), which would operate as a vehicle through which the parties would collectively negotiate, procure and maintain insurance and insurance-related products and services for the primary purpose of indemnifying and protecting the assets, revenues, activities and potential legal liabilities of UCANA, the relevant Synods and their constituent boards, agencies, presbyteries, congregations and other groups within their care.

The proposed NIP will be established as a joint venture between UCANA and the relevant Synods, created through a contract called a "Co-Operation Agreement".

As at 7 May 2019, UCANA, NSW/ACT Synod and Northern Synod have executed a Co-operation Agreement (Attachment B), which is subject to the grant of authorisation by the Australian Competition and Consumer Commission (**ACCC**). Vic/Tas Synod and Qld Synod have approved but are yet to execute the Co-operation Agreement. The Co-operation Agreement provides for the establishment of a committee (the **NIP Executive Committee**), comprising a representative of each relevant Synod as well as the National Assembly, with possibly one or two other independent members (clause 6.3).

In the event the operative provisions of the Co-operation Agreement come into force, the NIP Executive Committee would be responsible for procuring NIP insurance policies issued on a 'blanket' basis – that is, a single policy covering all the various Property Trusts of the relevant Synods and UCANA for their respective rights and interests (clause 5.3).

Where there are commercial reasons for doing so and subject to the Committee's prior approval, a Synod may elect to arrange certain policies and/or insurance related service contracts on a separate stand-alone basis (that is, outside of the NIP arrangements) to insure those risks that are proprietary and / or unique to that Synod's underlying risk profile (clause 5.3).

It is intended that the Co-Operation Agreement will run for a period of approximately five years commencing on the NIP broker appointment (clause 4.3). Following the initial five-year term, there will be a formal review and renewal for five years at the expiry of each five-year period or for such other term as may be agreed, and subject to re-authorisation at the time if relevant or required (clause 4.4). The individual relevant Synods may opt-out of the arrangements with 18 months' prior written notice to the NIP Executive Committee, but there is no provision to opt-out in the first five-year term (clause 4.4).

Particular nominated entities are excluded from the arrangements including:

- Newington College;
- Wesley College (Sydney University);
- Epworth Foundation (Epworth Hospital);

- Haileybury College,

and other Uniting Church in Australia entities and institutions that are not otherwise included under Synod managed insurance programs, as specified (Co-operation Agreement, Schedule 4). Other entities, including the South Australian Synod, Western Australian Synod and those listed directly above, may by agreement join as a participant in the Co-Operation Agreement, and the Co-Operation Agreement sets out a procedure to govern the accession process (clause 5.2)

3.2. Relevant provisions of the Competition and Consumer Act 2010 (Cth) to which the proposed conduct would or might apply

This application for authorisation is made against the possibility that the following provisions of the *Competition and Consumer Act 2010* (Cth) (CCA) would or might apply to the proposed conduct:

- one or more provisions of Division 1 of Part IV (cartel conduct);
- section 45 (anti-competitive agreements).

3.3. Rationale for the proposed conduct

The rationale for the proposed conduct is to achieve efficiencies and cost savings for the parties to the proposed conduct in connection with the central procurement and administration of insurance and insurance-related goods and services. Details of the efficiencies and cost savings sought to be achieved are set out in section 10, which identifies the benefits that are likely to arise from the proposed conduct.

3.4. Term of the authorisation sought and reasons

Authorisation is sought for a period of six years. This period would enable the parties to implement and run the NIP for a full five-year period, which is considered to be the minimum period required in order to obtain the efficiencies and cost savings identified and cover the costs associated with establishing the NIP.

As noted above, the Co-Operation Agreement includes an option to renew the NIP but that option will be subject to a request for a further period of authorisation being made by UCANA and granted for the relevant period if required (clause 4.4).

4. Documents submitted to the applicant's board or prepared by or for the applicant's senior management for purposes of assessing or making a decision in relation to the proposed conduct

- National Insurance Program Business Case Report (prepared by Inscon) dated 13 March 2018, including market opinions from major global brokers, a copy of which is at Attachment C.

5. Names of persons, or classes of persons, who may be directly impacted by the proposed conduct and detail how or why they might be impacted

Insurance is presently purchased at an individual Synod level, with separate policies, expiry dates and broker arrangements. The existing brokers for the various Synods include Jardine Lloyd Thompson (JLT) Australia, Aon, AJ Gallagher and Willis Towers Watson. Insurance is

placed through a whole range of Australian based insurers including (but not limited to) Vero, Zurich, Allianz, CGU and Chubb, and some overseas based insurers such as AXA XL.

Brokers and insurers may be impacted by the proposed conduct insofar as one broker will be appointed under the NIP for up to a three-year term to advise on and source appropriate insurance products, which in turn will be acquired for a 12-month period. The NIP may therefore result in one broker being engaged by UCANA and the relevant Synods, as opposed to the present situation where a number of brokers are engaged (or at least potentially engaged) by UCANA and the relevant Synods individually. Insurers and those providing insurance-related services may be impacted in a similar manner. However, as the policies will be refreshed every year, and arrangements relating to brokers and those providing insurance related services refreshed at regular intervals, there is unlikely to be any, or any material impact on these classes of persons.

C. Market information and concentration

6. *Describe the products and/or services, and the geographic areas, supplied by the applicants and identify all products and services in which two or more parties to the proposed conduct overlap (compete with each other) or have a vertical relationship (eg supplier-customer)*

As stated at the response to Item 1.3 above, the activities of UCANA and the relevant Synods encompass a range of activities in the education, community and religious sectors. As community oriented, non-government, not for profit providers, UCANA and the relevant Synods offer similar services to both government and commercial organisations in these sectors and also work to provide services in geographical areas not otherwise serviced by commercial or government organisations.

The Uniting Church in Australia has a federated structure and is comprised of a number of separate legal entities including UCANA and the relevant Synods. UCANA is the national council of The Uniting Church in Australia, with part of its role being to make guiding decisions on the tasks and authority to be exercised by the other parts of The Uniting Church In Australia. The relevant Synods are the regional councils of The Uniting Church In Australia and are responsible for general oversight, direction and administration of worship, witness and service their respective region. Generally speaking, this federated structure means that there is very little, if any, geographical overlap between the various activities of the relevant Synods, although there may be some geographical areas (such as where the relevant Synod boundaries meet) where the relevant Synods may be considered to be providing services in the same geographic region as one another.

As in any federated structure, there may also be from time to time some overlap between the functions of UCANA and the relevant Synods and consequently there may be instances where the services provided by UCANA are similar to those provided by the relevant Synods. Having said this, the services provided by UCANA and the relevant Synods are a differentiated product insofar as they are religion and community-orientated, and conducted on a not-for-profit basis, and therefore whether or not UCANA and the relevant Synods offer similar services does not have the same relevance as it would for commercial for profit operations.

In this case, the relevant proposed conduct does not relate directly to the education, community care or religious services being provided by UCANA and the relevant Synods, but to the negotiation, procurement and maintenance of insurance and insurance related products and services from insurers, brokers and others participating in the insurance industry by UCANA and the relevant Synods to facilitate the undertaking of those education,

Restriction of Publication of Part Claimed

community care or religious services. In that regard, UCANA and the relevant Synods could be considered to be in competition with one another (and others) as customers seeking to secure insurance and insurance related products.

7. *Describe the relevant industry or industries. Where relevant, describe the sales process, the supply chains of any products or services involved, and the manufacturing process.*

The relevant areas of industry are those relating to:

- the negotiation, procurement and maintenance of insurance and insurance related products and services from insurers, brokers and other service providers participating in the insurance industry, and
- the supply of various community-based or related services.

The relevant Synods and UCANA compete with a wide range of other entities for the acquisition of insurance and insurance related products and services and are likely to represent a small proportion of purchasers in this area, or these areas, of industry.

The Quarterly General Insurance Performance Statistics issued by the Australian Prudential Regulatory Authority on 23 August 2018, reported the following:

- there were 95 insurers licensed to conduct general insurance business as at 30 June 2018, of which 85 were direct insurers and 10 reinsurers;
- gross earned premium for the general insurance industry in the year ended 30 June 2018 was \$45.6 billion;
- total industry net profit after tax in the year ended 30 June 2018 was a profit of \$3.8 billion, representing a return on net assets of 13.4 per cent, up from 10.9 per cent in 2017.¹

The combined annual insurance premiums of the relevant Synods and UCANA is in the order of [REDACTED]. This represents less than [REDACTED] of the gross earned premiums by the general insurance industry in the year ended 30 June 2018.

The ACCC has previously identified that where proposed collectively bargaining arrangements involve only a small proportion of participants in relevant markets or a target that is much larger than the bargaining group, there is likely to be little risk of anti-competitive detriment.² In the *Clubs Australia*³ authorisation, which involved the creation of a 6,500 strong member buying group, the ACCC found that clubs are likely to be a small proportion of purchasers in respect of insurance and related products and services. Similar considerations would apply in the present case.

The existing brokers for the various Synods include: Jardine Lloyd Thompson Australia (JLT), Aon, AJ Gallagher and Willis Towers Watson. The principal types of insurance included under Synod managed programs include:

¹ APRA, *Statistics: Quarterly General Insurance Performance Statistics June 2018* (issued 23 August 2018), pp 4–5. See: <https://www.apra.gov.au/sites/default/files/documents/0818-ggips-june-2018.pdf> (accessed 8 October 2018).

² ACCC, *Determination: Application for Authorisation lodged by Clubs Australia*, 6 March 2014 (Authorisation number: A91381), p 14,

³ ACCC, *Determination: Application for Authorisation lodged by Clubs Australia*, 6 March 2014 (Authorisation number: A91381), p 14,

Restriction of Publication of Part Claimed

- Property Damage and Business Interruptions (also known as Industrial Special Risks Insurance);
- Public Products Liability;
- Professional indemnity;
- Crime (Also known as Fidelity Guarantee);
- Employment Practices Liability
- Directors & Officers Liability;
- Accident and Travel;
- Motor Vehicle Fleet.

When aggregated to a national level (although excluding South Australia and Western Australia given that they will not be parties to the proposed agreement), UCA's insurable risk profile comprises of the following:

[illegible]

8. *In respect of overlapping products and/or services identified, provide estimated market shares for each of the parties where readily available.*

There is very little, if any, overlap in respect of the services provided by the relevant Synods in light of the geographic-specific nature delivery of those services and the geographic spread of the risk insured under the NIP arrangements. UCANA and the relevant Synods do not maintain or have access to market share information with respect to these services.

9. *Describe the competitive constraints on the parties to the proposed conduct, including any likely change to those constraints should authorisation be granted.*

UCANA and the relevant Synods face competitive constraints in connection with the fee-paying services that they provide. These competitive constraints include a degree of reliance on and limited access to government funding (with there being some degree of competition between different services offered by UCANA and the relevant Synods for that limited funding), the capacity of service users to pay for access to those services (with the sectors of society generally serviced by UCANA and the relevant Synods often being of reduced means), and the continued provision of services in locations or circumstances not otherwise considered viable for commercial operators.

UCANA and the relevant Synods are also bound to act in accordance with the Constitution, legislation, regulations and internal governance structures creating and governing The Uniting Church In Australia, which necessarily means that the acts of UCANA and the relevant Synods are driven foremost by benevolence and not by commercial considerations.

The granting of the authorisation sought will not impact on the competitive constraints that currently operate on the parties to the proposed conduct.

Public benefit

10. *Describe the benefits to the public that are likely to result from the proposed conduct. Provide information, data, documents or other evidence relevant to the ACCC's assessment of the public benefits.*

The Australian Competition Tribunal has said that the term "public benefit" should be given its widest possible meaning and that it includes:⁴

...anything of value to the community generally, any contribution to the aims pursued by society including as one of its principle elements (in the context of trade practices legislation) the achievement of the economic goals of efficiency and progress.

UCANA submits that the proposed conduct will deliver public benefits including:

- transaction cost savings;
- greater input into insurance contracts;
- enhancement in the supply of goods and services by the UCA to, not only its congregation, but to the broader community, including through the services it delivers through UnitingCare.

The proposed NIP will protect and indemnify the assets, revenues, activities and liabilities of UCA and allow it to continue to operate and serve metropolitan and regional communities in areas such as pastoral care, worship, education, health, aged care and social justice. It will also allow UCA to further ensure a consistency of process and approach to insurance related

⁴ *Re 7-Eleven Stores* (1994) ATPR 41-357, at 42-677.

Restriction of Publication of Part Claimed

matters which may affect UCA at a national level (such as, for example, the Royal Commission into Institutional Responses to Child Sexual Abuse and the Royal Commission into Aged Care Quality and Safety), and assist the various entities which comprise UCA in responding collectively to such matters.

It is expected that the NIP will provide improved financial outcomes for UCA through consolidation of spend and increased leverage to the insurance market. Increased broker leverage will enhance UCA's negotiating position on remuneration, limitations of liability and scope of services.

The increased premium may also open up markets that were not previously available or that may not have been competitively priced. It also facilitates the negotiation of cover on broader and / or bespoke terms and conditions and can provide significant leveraging benefits in terms of claims handling and negotiation. Other benefits include: improve coverage enhancements (wording and policy terms) and cost stability (with increased scale premiums will be less susceptible to one large claim).

Transaction costs savings include reductions in the costs of negotiating contracts relative to undertaking a series of separate individual negotiations. UCANA and the relevant Synods should also be able to share in the costs of obtaining professional advice. This should result in policy terms and conditions that better reflect the exposure of UCANA and the relevant Synods and therefore should deliver improved incentives for innovation and efficiency.

The transactions costs saving may include:

- the costs of tendering for or identifying an appropriate broker to advise on the types of policies and sourcing competitive premiums and negotiating with and otherwise dealing with that broker to secure appropriate insurance;
- broker fees are not duplicated;
- costs with respect to identifying and securing the services of assessors, actuaries, lawyers, valuers and claims management, and in some cases the duplication of the fees associated with these services may also be avoided.

The premium saving is estimated to be in the order of 15-20%. Over the course of five years, the savings in terms of both premiums and reduction in broker and claims fees is estimated to be in the order of [REDACTED].

UCANA and the Synods are not-for-profit organisations. The UCA is the largest non-government provider of community services in Australia, delivering services through UnitingCare. This umbrella of more than 400 agencies, institutions and parish missions provide services including aged care, housing and homelessness services, children's services, indigenous services, addiction services, mental health programs, disability services, and financial counselling.

As UCANA and the relevant Synods are not-for-profit organisations, any benefit resulting from lower or more competitive premiums, and other transactions cost savings will be passed on to its mission work and to the broader community, including through the services it delivers via UnitingCare. Further, to the extent the Uniting Church delivers fee-paying services, such as independent retirement living, it does so in competition with other providers and this should also provide an assurance that any cost savings will be passed through in the form of enhancements to the services that the Uniting Church provides.

Public detriment (including likely competitive effects)

11. *Describe any detriments to the public likely to result from the proposed conduct, including those likely to result from any lessening of competition. Provide information, data, documents or other evidence relevant to the ACCC's assessment of the detriments*

The Tribunal has also given the term "public detriment" a broad interpretation, including:⁵

...any impairment to the community generally, any harm or damage to the aims pursued by the society .

The proposed conduct is likely to result in minimal (if any) public detriment because UCANA and the relevant Synods comprise a relatively small proportion of purchasers of insurance and insurance-related products and are negotiating with large targets in the sectors involved.

Contact details of relevant market participants

12. *Identify and/or provide contact details (phone number and email address) for likely interested parties such as actual or potential competitors, key customers and suppliers, trade or industry associations and regulators.*

UCANA has not identified that there are likely to be any interested parties.

To the extent insurance brokers may have any interest in this application for authorisation, their contact details are as follows:

- Aon Risk Solutions, Kevan Johnston, Chief Commercial Officer, 02 9253 7332
- Arthur J Gallagher, Glenn Hanna, National Practice Leader (NSW), 02 9242 2011
- Jardine Lloyd Thompson, Penny Wasik, Divisional Manager-Speciality, 02 9290 6740
- Marsh, Ron Tomsic, National Client Development Leader, 02 8864 8772

⁵ *Re 7-Eleven Stores* (1994) ATPR 41-357, at 42-677.

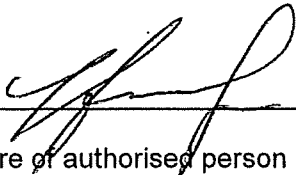
Declaration by Applicants

Authorised persons of the applicants must complete the following declaration. Where there are multiple applications, a separate declaration should be completed by each applicant.

The undersigned declare that, to the best of their knowledge and belief, the information given in response to questions in this form is true, correct and complete, that complete copies of documents required by this form have been supplied, that all estimates are identified as such and are their best estimates of the underlying facts, and that all the opinions expressed are sincere,

The undersigned undertake(s) to advise the ACCC immediately of any material change in circumstances relating to the application.

The undersigned are aware of the provisions of sections 137.1 and 149.1 of the *Criminal Code* (Cth).



Signature of authorised person

NATIONAL ANTI-CORRUPTION - STRATEGIC FINANCE + ADMIN

Office held

LEO IOSIADIS

(Print) Name of authorised person

This 31st day of MAY 2019

Note: If the Applicant is a corporation, state the position occupied in the corporation by the person signing. If signed by a solicitor on behalf of the Applicant, this fact must be stated.

Attachment A

UCA Assembly Limited ACN 000 007 447 for The Uniting Church in Australia – National Assembly ABN 16 939 630 947

Address: Level 10, 222 Pitt Street, Sydney NSW 2000

Phone: (02) 8267 4428

Contact: Leo Iosifidis

Email: Leoi@nat.uca.org.au

Description of Business Activities: See response to Item 1.3 above.

UCANA

The Uniting Church In Australia Property Trust (NSW) ARBN 134 487 095 for The Uniting Church In Australia Synod Of NSW & ACT ABN 82 492 408 686

Address: Level 3, 222 Pitt Street, Sydney NSW 2000

Phone: (02) 8267 4484

Contact: Christian Mathis

Email: christianmathis@nsw.uca.org.au

Description of Business Activities: See response to Item 1.3 above.

NSW/ACT Synod

The Uniting Church In Australia (Australian Capital Territory) Property Trust ARBN 053 246 218

Address: Level 3, 222 Pitt Street, Sydney NSW 2000

Phone: (02) 8267 4484

Contact: Christian Mathis

Email: christianmathis@nsw.uca.org.au

Description of Business Activities: See response to Item 1.3 above.

NSW/ACT Synod

The Uniting Church in Australia Property Trust (Victoria) as constituted pursuant to section 12 of the *Uniting Church in Australia Act 1977* (Vic) for The Uniting Church In Australia Property Trust (Victoria) ABN 39 703 442 583

Address: 130 Little Collins Street, Melbourne VIC 3000

Phone: David Herbert

Contact: (03) 9251 5429

Email: david.herbert@victas.uca.org.au

Description of Business Activities: See response to Item 1.3 above.

Vic/Tas Synod

The Uniting Church in Australia Property Trust (Tas.) as constituted pursuant to section 10 of the *Uniting Church in Australia Act 1977* (Tas)

Address: 130 Little Collins Street, Melbourne VIC 3000

Phone: David Herbert

Contact: (03) 9251 5429

Email: david.herbert@victas.uca.org.au

Description of Business Activities: See response to Item 1.3 above.

Vic/Tas Synod

The Uniting Church In Australia Property Trust (Q.) ARBN 142 498 780 for The Uniting Church In Australia Property Trust (Q.) ABN 25 548 385 225

Address: 66 Bayliss Street, Auchenflower QLD 4066

Phone: (07) 3377 9729

Contact: David Munro

Email: david.munro@ucaqld.com.au

Description of Business Activities: See response to Item 1.3 above.

QLD Synod

The Uniting Church in Australia Property Trust (N.T.) as constituted pursuant to section 5 of the *Uniting Church in Australia Act 1977* (NT) for The Uniting Church In Australia Property Trust (NT). ABN 44 834 585 067

Address: 2 Railway Street, Parap NT 0821

Phone: (08) 8982 3400

Contact: Lal Wijeratne

Email: lal.wijeratne@ns.uca.org.au

Description of Business Activities: See response to Item 1.3 above.

Northern Synod

Attachment B

Co-operation Agreement

Co-Operation Agreement

The Uniting Church In Australia National Insurance Program

BRADFIELD & SCOTT LAWYERS ESTABLISHED 1925

Level 1, 175 Macquarie Street
Sydney NSW 2000
Australia

Telephone: 61 2 9233 7299
Facsimile: 61 2 9235 3965
web: www.bradscott.com.au

LJG:STW:400631

Table of Contents

1.	Definitions and interpretation	2
1.1	Definitions	2
1.2	Interpretation	3
2.	National Insurance Program Co-Operation and Purpose.....	4
2.1	Agreement and commencement of NIP	4
2.2	Purpose of NIP	4
2.3	Co-Operation between Parties	4
2.4	Limit of parties' liability	5
2.5	Mutual indemnities	5
2.6	Exclusion of indemnity	5
2.7	Mutual covenant.....	5
3.	Principles of Co-Operation	5
3.1	NIP Guiding Principles	5
4.	Term of the NIP	6
4.1	Commencement of Agreement.....	6
4.2	ACCC Authorisation.....	6
4.3	Period of Term	6
4.4	Formal Review of the NIP and Option to Renew.....	6
5.	Parties	7
5.1	Parties bound by Agreement	7
5.2	New Entrants to NIP	7
5.3	Parties required to obtain approval to enter into insurance outside NIP	9
6.	NIP Executive Committee	9
6.1	Establishment of the NIP Executive Committee	9
6.2	Role and Responsibilities of the NIP Executive Committee	9
6.3	Composition of the NIP Executive Committee.....	10
6.4	Appointment and replacement of authorised representatives	10
6.5	Appointment and replacement of independent members.....	10
6.6	Alternate representatives.....	10
6.7	Chairman	10
6.8	Meetings	11
6.9	Quorum and conduct of meetings.....	11
6.10	Use of technology	11
6.11	Equality of voting rights.....	11
6.12	Deadlocks	11
6.13	Right of appeal to Audit Finance & Risk Committee of National Assembly.....	11
6.14	Consultants	12
6.15	Minutes	12
6.16	Convening of meetings	12
6.17	Notice of meetings	12
6.18	Adjourned meetings.....	12
6.19	Powers of NIP Executive Committee.....	12
6.20	NIP Executive Committee reporting lines and reporting requirements.....	12
6.21	Parties bound by decisions.....	13
6.22	Dissolution of NIP Executive Committee	13
7.	Funding of NIP	13
7.1	Provisions of funds.....	13
7.2	Monies to be paid on receipt of invoice	13
7.3	Application of cost savings	13

8.	Accounts and records.....	13
8.1	NIP records	13
8.2	Place records kept	14
8.3	NIP accounts.....	14
9.	Role and Obligations of the Parties.....	14
9.1	National Assembly	14
9.2	Synods	14
10.	Insurance Allocations, Selections and Limits	15
10.1	NIP Cost Allocations	15
10.2	Self-Insured Retentions	15
10.3	Limits.....	15
11.	Termination	16
11.1	Termination of NIP	16
11.2	Other causes for termination	16
11.3	Effect of termination	16
12.	Force majeure	16
12.1	No liability for force majeure	16
12.2	Notification of Events	17
12.3	Obligation suspended	17
12.4	Termination	17
12.5	Refund on termination	17
12.6	Partial delivery	17
12.7	Good Faith	17
13.	Dispute resolution	17
13.1	Amicable Negotiation.....	17
13.2	Commencement of Process	17
13.3	Reference to Mediation.....	17
13.4	Costs of Mediation	18
13.5	Mediation Compulsory	18
13.6	Failure of Mediation	18
13.7	Survival	18
14.	General.....	18
14.1	No assignment permitted	18
14.2	No fees charged.....	18
14.3	No agency created.....	18
14.4	Further acts and debts	18
14.5	No merger	19
14.6	Exclusion of statutory provisions	19
14.7	Waiver.....	19
14.8	Variations	19
14.9	Consideration GST-exclusive	19
14.10	Payment of GST	19
14.11	Counterparts	19
14.12	Governing Law and jurisdiction.....	20
14.13	Severability	20
14.14	Entire Agreement	20
	Schedule 1.....	21
	Schedule 2.....	22
	Schedule 3.....	23
	Schedule 4.....	24

Annexure A28

Deed

Date	
Parties	
Background	Refer to Schedule 1
A.	In accordance with the terms of the Basis of Union and the Uniting Church Acts, The Uniting Church In Australia is comprised of a number of separate legal entities, including but not limited to the Parties to this Agreement.
B.	The National Assembly is the national council of The Uniting Church In Australia. Part of the role of the National Assembly is to be responsible for making guiding decisions on the tasks and authority to be exercised by other parts of The Uniting Church In Australia, such as the Synods.
C.	The Synods are the regional councils of The Uniting Church In Australia. The Synods are responsible for the general oversight, direction and administration of the Church's worship, witness and service in their respective region.
D.	As part of their responsibilities, all the Parties are required to maintain certain insurances for themselves and the local churches, regional presbyteries, and other groups within their care. The cost to the Parties of obtaining these insurances is not insubstantial.
E.	The NIP is intended to operate as a national insurance buying group with the aim of achieving efficiencies and cost savings for the Parties.
F.	The Parties are aware of the provisions of Part IV of the CCA and its potential application to the conduct of the Parties in undertaking the NIP.
G.	Subject to the issuing of a grant of authorisation by the ACCC to undertake the NIP, the Parties have agreed to enter into the NIP on the terms of this Agreement.

Operative Part

The parties agree that:

1. Definitions and interpretation

1.1 Definitions

In interpretation of this Deed unless the context otherwise requires the following words and expressions shall have the following meanings and the following principles of construction shall apply:

ACCC means the Australian Competition and Consumer Commission;

Agreement means this document including any annexures and schedules;

Associated Entities means the respective Property Trusts, boards, schools, presbyteries, congregations and any other separate legal entities for which each Synod has oversight or otherwise has effective control;

Basis of Union means the document defined as such in the Uniting Church Acts;

CCA means the *Competition and Consumer Act 2010* (Cth);

Current Account shall mean the account recording the balance of remuneration, profit or loss as the case may be owing to or by either party;

Excluded Entities means and includes all legal persons and entities listed in Schedule 4, subject to the operation of clause 5.2 of this Agreement, and Excluded Entity means any one of them;

GST means goods and services tax under *A New Tax System (Goods and Services Tax) Act 1999* (Cth);

NIP means the National Insurance Program, being the joint undertaking between the Parties on the terms and conditions, and for the purposes, set out in this Agreement;

NIP Executive Committee means the committee of management constituted pursuant to clause 6 of this Agreement;

NIP Executive Committee Charter means the document annexed at Schedule 2 as may be varied from time to time by the NIP Executive Committee;

Parties means and include all legal persons and entities listed in Schedule 1 and also the successors or administrators (if any) of those legal persons and entities, and Party means any one of them;

SA Synod has the same meaning as the term "the Synod" as defined in section 5 of the *The Uniting Church in Australia Act 1977* (SA);

Self-Managed Insurance Fund means a dedicated capital fund operated by each Synod which:

- (a) selectively retains (underwrites) a proportion of risk not otherwise transferred to the external insurance market (including below deductible claims and losses of the relevant Synod's externally placed insurance programs);
- (b) only retains risks on behalf of the parent organisation and is not subject to the regulatory controls of the Australian Prudential Regulation Authority;
- (c) is funded through calculated annual charges collected from Synod entities through the annual insurance premium allocation process; and
- (d) is subject to annual external financial audits as well as periodic actuarial revaluation;

Synod Insurance Managers means suitably qualified persons employed to set and implement the insurable risk strategy of each Synod including, but not limited to, insurable risk profiling, oversight and management of insurance programs, insurance claims, and delivery of insurance related systems, services and processes including (where appropriate) the operation of Self-Managed Insurance Funds;

Synods means the NSW/ACT Synod, Vic/Tas Synod, Queensland Synod and Northern Synod collectively, and Synod means any one of them;

Uniting Church Acts means *Uniting Church in Australia Act 1977* (NSW), *Uniting Church in Australia Act 1977* (ACT), *The Uniting Church in Australia Act 1977* (SA), *The Uniting Church in Australia Act 1977* (Vic), *Uniting Church in Australia Act 1977* (Qld), *Uniting Church in Australia Act 1977* (Tas), *Uniting Church in Australia Act 1976* (WA) and *Uniting Church in Australia Act 1977* (NT); and

WA Synod has the same meaning as the term "the Synod" as defined in section 5 of the *Uniting Church in Australia Act 1976* (WA).

1.2 Interpretation

The following rules of interpretation apply unless the context requires otherwise:

- (a) headings are for convenience only and do not affect interpretation;
- (b) the singular includes the plural and vice versa;
- (c) a gender includes any gender;
- (d) if a word or phrase is defined, then its other grammatical forms have a corresponding meaning;
- (e) a reference to person includes:
 - (i) a body corporate, an unincorporated body or other entity;
 - (ii) a reference to that person's executors, administrators, successors, permitted assigns and substitutes including; and
 - (iii) a person to whom this agreement is novated;
- (f) a reference to clause is to a clause of this agreement;
- (g) a reference to a schedule or annexure is to a schedule or annexure to this agreement;
- (h) a reference to a document includes a reference to:
 - (i) anything on which there is writing, marks, figures, symbols or perforations that have meaning for a person qualified to interpret them; and
 - (ii) anything from which sounds, images or writings are capable of being reproduced with or without the aid of any other device;
- (i) a reference to a specific document is to that document as amended, novated, supplemented, varied or replaced;
- (j) a reference to a thing including but not limited to a right, includes a reference to a part of that thing;
- (k) a reference to legislation includes but is not limited to a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument under it;
- (l) a reference to conduct includes but is not limited to, an omission, statement or undertaking whether or not in writing;
- (m) a provision of this agreement must not be construed adversely to a party on the grounds that the party drafted that provision;

- (n) an agreement, representation or warranty in favour of two or more people is for the benefit of them jointly and severally;
- (o) an agreement, representation or warranty on the part of two or more people binds them jointly and severally;
- (p) a reference to business day is a reference to any day which is not a Saturday, Sunday, public holiday or bank holiday within Sydney, New South Wales;
- (q) a reference to month is a reference to a calendar month;
- (r) a reference to year is a reference to a calendar year;
- (s) a reference to writing includes any mode of representing and reproducing words, figures, drawings or symbols in a visible form; and
- (t) if a period of time runs to or from a given date, act or event, then the time is calculated exclusive of the date, the act or event.

2. National Insurance Program Co-Operation and Purpose

2.1 Agreement and commencement of NIP

The Parties agree that they shall work together and shall continue to work together from the date of and as provided for in this Agreement until the NIP is concluded or otherwise terminated as hereinafter provided, while reserving at all times their independence from each other in all other respects.

2.2 Purpose of NIP

The Parties propose and intend:

- (a) to form a national insurance buying group to be known by the name "National Insurance Program";
- (b) to set up a committee to be known as the NIP Executive Committee with representatives from all Parties to implement and manage the NIP;
- (c) to use the NIP to procure at a national level insurance services for and on behalf of the Parties and their Associated Entities, including but not limited to brokerage services, claims management services, analytical, actuarial and alternate risk financing studies, data management, technology services, and any other services which may be required from time to time in connection with the implementation and management of the NIP and insurance services generally, with the aim of achieving efficiencies and cost savings for all Parties;
- (d) to fund the cost of the NIP from the annual insurance cost savings; and
- (e) to distribute any surplus insurance cost savings generated by the NIP

subject to and upon the terms and conditions of this Agreement.

2.3 Co-Operation between Parties

The Parties agree that at all times they will:

- (a) operate in accordance with the ethos and policy of The Uniting Church in Australia and the decisions of the NIP Executive Committee so far as they do not conflict with the Uniting Church Acts;
- (b) seek to minimise duplication of services provided by the NIP; and
- (c) at all times cooperate and collaborate respectfully with each other so as to better achieve the purposes of the NIP.

2.4 Limit of parties' liability

Each Party shall be responsible only for such part or proportion of the costs, expenses, risks and liability resulting from the NIP as hereinafter provided. Notwithstanding anything to the contrary herein contained, neither this Agreement nor any agreement referred to herein nor the acts or omissions of the Parties or of either of them, shall result, nor are they intended to result, in the creation of a partnership or other relationship whereby a Party shall be held responsible or liable for any act or omission of the other Party either jointly or otherwise, or shall permit the sharing of profits, or shall authorise either Party to pledge the credit of the other Party, or shall impair the independent status of either Party or shall create any trust.

2.5 Mutual indemnities

Each Party shall and does hereby indemnify and hold harmless every other Party and the councillors, directors officers, employees, agents and representatives of such other Party from and against any liabilities, costs, losses, claims, suits and damages arising out of any negligent or otherwise wrongful act or omission of the indemnifying Party or of any of its respective councillors, directors, officers, employees, agents or representatives done, omitted or undertaken on behalf of the indemnifying Party, whether arising out of any assumption of any obligation or responsibility by the indemnified Party or by its councillors, directors, officers, employees, agents or representatives for or on behalf of the indemnifying Party, or arising otherwise.

2.6 Exclusion of indemnity

Notwithstanding anything herein contained the provisions of clause 2.5 shall have no application to any act done or any obligation or responsibility assumed by a Party or by any of its, directors, officers, employees, agents or representatives at the request of the NIP Executive Committee.

2.7 Mutual covenant

Each Party covenants and agrees with the other Party to be just and faithful in all its activities and dealings with every other Party and otherwise to perform its obligations implied as well as expressed under the terms of this Agreement.

3. Principles of Co-Operation

3.1 NIP Guiding Principles

The Parties acknowledge the following:

- (a) As a collective national insurance program, the NIP is intended to benefit all participants by delivering cost savings and optimised insurance coverage.
- (b) The NIP is intended to replace the stand-alone insurance arrangements which each of the Parties has in place for and on behalf of themselves and each of their Associated Entities as at the date of this Agreement.
- (c) While it is intended that the NIP will further foster and promote national collaboration between the various parts of the Uniting Church In Australia, the NIP will also recognise and cater for the regional needs of each of the Synods.
- (d) The NIP is intended to be commercially sustainable, and is proposed to be self-funding in accordance with the terms of this Agreement.
- (e) The NIP is intended to deliver measurable cost savings and operational efficiencies to each of its participants.

4. Term of the NIP

4.1 Commencement of Agreement

- (a) This Agreement commences on the date on which it is executed by the last Party.
- (b) Notwithstanding clause 4.1(a) above, the Parties agree and acknowledge that the operational provisions of this Agreement which bring the NIP into existence will not come into force until the earlier of:
 - (i) the date that the ACCC grants interim authorisation; and
 - (ii) the date that the ACCC grants a final determination,

in respect of each operate provision of this Agreement pursuant to Division 1 of Part VII of the CCA.

- (c) Further to clause 4.1(b) above, and for the avoidance of doubt, the Parties agree that the grant of ACCC authorisation of the NIP is a condition precedent to the operational provisions of this Agreement coming into force, and that if ACCC authorisation of the NIP is not granted (or is at any time revoked, ceased, or varied such that any essential term of this Agreement is no longer authorised) this Agreement will be terminated in accordance with the provisions of clause 11.

4.2 ACCC Authorisation

The Parties agree that:

- (a) the National Assembly is authorised to make an authorisation application in respect of the NIP on behalf of the Parties with the ACCC; and
- (b) if such an application has not been made as at the date of this Agreement:
 - (i) the National Assembly must make that application with the ACCC within 14 days of the date of this Agreement; and
 - (ii) each Synod must do any and all things reasonably necessary to enable the National Assembly to meet its obligations under clause 4.2(b)(i) above.

4.3 Period of Term

This Agreement will end on the later to occur of:

- (a) the expiration of five (5) years from the date on which the first NIP Broker is appointed; and
- (b) the expiration of five (5) years from the date on which the conditions set out at clause above 4.1(b) were met.

4.4 Formal Review of the NIP and Option to Renew

- (a) Following the conclusion of the fourth year (year 4) of the NIP, the NIP Executive Committee will undertake a formal review of the NIP by comparing the outcomes achieved against the objectives of the original business case for the NIP.
- (b) The Parties each have the option to renew the NIP subject to the following conditions being satisfied:
 - (i) each Party wishing to renew the NIP serves on the NIP Executive Committee a written notice requesting the renewal of the NIP (such notice not being able to be withdrawn by that Party once given) not earlier than 2 years and not later than 18 months prior to the date of the expiration of this Agreement pursuant to clause 4.3 above;
 - (ii) the National Assembly and not less than three (3) other Parties provide the notice specified in clause 4.4(b)(i);
 - (iii) the ACCC either:

- (A) confirm in writing that any existing authorisation granted pursuant to Division 1 of Part VII of the CCA in respect of the NIP will continue to apply to each operative provision of the agreement for the proposed further term; or
 - (B) grant a new interim authorisation or final determination in respect of each operative provision of the agreement for the proposed further term
- subject to any legal advice obtained by either the NIP Executive Committee or the Assembly Standing Committee of the National Assembly confirming that any such revised ACCC approval is necessary; and
- (iv) in the opinion of the NIP Executive Committee, the formal review referred to at 4.4(a) above demonstrates the continued feasibility of the NIP. .
- (c) Any agreement for a further term will be on the same terms and conditions as this Agreement mutatis mutandis including that:
 - (i) the further term will commence on the date after the expiration of this Agreement pursuant to clause 4.3 above;
 - (ii) the further term will end on:
 - (A) the expiration of five (5) years from the date on which the further term commences; or
 - (B) any other date as may be agreed in writing by the parties to the further term at the time the agreement for the further term is executed;
 - (iii) the agreement provides that each party has the right to exit the NIP subject to:
 - (A) not less than 18 months prior to the date on which a party intends to leave the NIP, providing the Assembly Standing Committee of the National Assembly and the NIP Executive Committee written reasons explaining the basis for the relevant party seeking to exercise its right to leave the NIP;
 - (B) the relevant authorised representative or representatives of the party meeting with the Assembly Standing Committee of the National Assembly at that committee's request; and
 - (C) the Assembly Standing Committee of the National Assembly issuing written approval to the relevant party to exit the NIP, with such approval not to be unreasonably withheld; and
 - (iv) the agreement will be terminated in the event:
 - (A) one or more parties chooses to exercise their right to exit the NIP; and
 - (B) the National Assembly in its discretion determines that the NIP is no longer viable.

5. Parties

5.1 Parties bound by Agreement

Each Party, including the Associated Entities of each Synod but excluding those Excluded Entities listed at Schedule 4, shall be bound by the terms of this Agreement.

5.2 New Entrants to NIP

Where an Excluded Entity or any other legal person or entity not already bound by the terms of this Agreement wishes to join the NIP:

- (a) that legal person or entity must provide written notice to both the NIP Executive Committee and the Assembly Standing Committee of the National Assembly of its intention to join the scheme not less than 18 months prior to the relevant insurance period including:
 - (i) written reasons explaining the basis on which they wish to join the NIP;
 - (ii) details of the current underwriter and existing insurance program, risk profile, insurance needs, and relevant financial information of the new legal person or entity;
 - (iii) where the proposed new entrant is not the SA Synod or the WA Synod (an any other Synod), evidence of written approval from the Synod in which the legal person or entity is located (or where the legal person or entity is located in Western Australia or South Australia, written approval from the WA Synod or SA Synod respectively) consenting to the proposed inclusion of that legal person or entity in the NIP; and
 - (iv) any other information that the NIP Executive Committee and/or the Assembly Standing Committee of the National Assembly may request;
- (b) both the NIP Executive Committee and the Assembly Standing Committee of the National Assembly must pass resolutions consenting to the joinder of the new legal person or entity to the NIP subject to the conditions precedent set out in this clause 5.2 being met (those resolutions not to be unreasonably withheld);
- (c) that legal person or entity must agree to and enter into a Deed of Accession in the form annexed at Annexure A to this Agreement, with the intention that they will be bound by the terms of this Agreement in the same manner as the Parties;
- (d) where the prospective new entrant is not the SA Synod or the WA Synod, that legal person or entity acknowledges that:
 - (i) where they are an entity operating within a single state or territory, they will be represented on the NIP Executive Committee by the Synod for their respective geographical region; or
 - (ii) they will be represented on the NIP Executive Committee by the National Assembly where:
 - (A) they are a national entity and not within the oversight of a Synod;
 - (B) they are under the oversight of the SA Synod or the WA Synod in circumstances where the SA Synod or WA Synod (as relevant) continue to be an Excluded Entity;
 - (C) for any reason the relevant Synod is no longer a Party to this Agreement or otherwise does not have an appointed representative on the NIP Executive Committee

and that they will not be entitled to appoint a separate independent representative to the NIP Executive Committee or have any right to vote at NIP Executive Committee meetings;
- (e) in recognition of the financial contribution made by the Parties to establish the NIP, that legal person or entity must pay a NIP joining fee with that fee and the method of payment to be determined at the discretion of the NIP Executive Committee from time to time;
- (f) the ACCC either:
 - (i) confirm in writing that any existing authorisation granted pursuant to Division 1 of Part VII of the CCA in respect of the NIP will continue to apply to each operative provision of the Agreement after the joinder of the new legal person or entity; or

- (ii) grant a new interim authorisation or final determination in respect of each operative provision of the Agreement having taken into consideration the joinder of the new legal person or entity,

subject to any legal advice obtained by either the NIP Executive Committee or the Assembly Standing Committee of the National Assembly confirming that any such revised ACCC approval is necessary; and

- (g) in the event that the new entrant is the SA Synod or WA Synod, then once clauses 5.2(a) to 5.2(f) above have been satisfied the NIP Executive Committee is required to pass a resolution in accordance with clause 14.8 amending the definition of Synod in this Agreement to include that entity.

5.3 Parties required to obtain approval to enter into insurance outside NIP

It is intended by the Parties that insurance policies will be sought on a consolidated "blanket" basis, whereby the policies obtained under the NIP cover the rights and interests of all Parties. Where a Party wishes to elect to obtain its own insurance, or enter into insurance related service contracts, outside of the NIP in relation to a particular aspect of its affairs, that Party must:

- (a) provide written notification to the NIP Executive Committee before the relevant insurance allocations for the period in question have been calculated, and not later than the cut-off date for the relevant period of insurance as may be specified from time to time by the NIP Executive Committee; and
- (b) provide at the time of notification written reasons setting out the basis on which the request is made, addressing the following:
 - (i) whether there are any compelling commercial reasons for the proposed course of action, and if so what these reasons are;
 - (ii) what, if any, unique and/or proprietary risks of the Party will be included by the stand-alone policy and/or insurance related service contract;
 - (iii) how the proposed course of action is likely to affect the Party's underlying risk profile; and
 - (iv) any other information which the NIP Executive Committee may request,

and may only engage in conduct to obtain its own insurance, or enter into insurance related service contracts, if and when the NIP Executive Committee provide to that Party approval to do so in writing (such approval to not be unreasonably withheld).

6. NIP Executive Committee

6.1 Establishment of the NIP Executive Committee

There shall be established a NIP Executive Committee for the determination or approval of matters which under this Agreement, and in particular the terms of the NIP Executive Committee Charter, are to be determined or approved by such NIP Executive Committee.

6.2 Role and Responsibilities of the NIP Executive Committee

Pursuant to the terms of the NIP Executive Committee Charter, the purpose, role and responsibilities of the NIP Executive Committee include, but are not limited to, the following:

- (a) be the focus of the implementation of the NIP as a consultative and cooperative group;
- (b) develop the business case and implementation timetable for the NIP;
- (c) uphold the guiding principles of the NIP as set out at clauses 2 and 3 of this Agreement;

- (d) implement and maintain a national risk and insurance register for the NIP and insurances arranged by it, and assist and enable the Parties to enter and maintain any data relating to their respective risk and insurance profile on that register;
- (e) undertake periodic risk assessments by way of insurable risk profiling; and
- (f) provide an annual report to all Parties, including (but not limited to) discussion of the following matters:
 - (i) budget and forward planning; and
 - (ii) performance of the NIP against key performance indicators (such as a 'Total Cost of Insurable Risk' index).

6.3 Composition of the NIP Executive Committee

- (a) The National Assembly and each Synod is entitled and required to appoint one (1) person to sit as their authorised representative on the NIP Executive Committee.
- (b) The National Assembly and the Synods together may, from time to time, appoint up to a maximum of two (2) persons to sit on the NIP Executive Committee as independent members.

6.4 Appointment and replacement of authorised representatives

Upon execution of this Agreement, the National Assembly and each Synod shall by notice in writing to the others appoint an authorised representative, and thereafter from time to time may remove and/or replace the respective representative by notice in writing to the NIP Executive Committee to the intent that the National Assembly and each Synod shall always have one authorised representative appointed and holding office as a member of the NIP Executive Committee.

6.5 Appointment and replacement of independent members

The National Assembly and each Synod may by unanimous consent in writing appoint independent members to the NIP Executive Committee, and thereafter from time to time may remove and/or replace the respective independent member by unanimous consent with notice in writing to be provided to the NIP Executive Committee and the relevant independent member.

6.6 Alternate representatives

- (a) The National Assembly and each Synod is entitled and required to appoint an alternate representative to attend, participate in and vote at NIP Executive Committee meetings in place of that entity's authorised representative.
- (b) In the event of there being any independent members of the NIP Executive Committee, each independent member is entitled (but not obliged) to appoint a suitably qualified alternate person to attend, participate in and vote at NIP Executive Committee meetings in his or her place.

6.7 Chairman

Meetings of the NIP Executive Committee shall be chaired on a rotational basis by the representatives of each of the Synods and the National Assembly in accordance with the roster set out in the NIP Executive Committee Charter. If at any meeting the chairperson is not present within 15 minutes of the time appointed for holding the same, the members of the NIP Executive Committee shall choose someone of their number (excluding any independent members which may be present) to be chairman of such meeting. Meetings of the NIP Executive Committee cannot be chaired by an independent member of the NIP Executive Committee.

6.8 Meetings

The members of the NIP Executive Committee may meet together for the dispatch of business, adjourn or otherwise regulate their meetings and proceedings as they think fit, but must meet not less than six (6) times a year and each meeting held must not be any more than three (3) calendar months apart.

6.9 Quorum and conduct of meetings

Except as otherwise provided four (4) members of the NIP Executive Committee, not more than one (1) of whom is an independent member, shall be a quorum. A member who is an alternate member for one or more of the other members may, in addition to giving his own vote at a meeting of the NIP Executive Committee, give one vote on behalf of each other member whom he represents as an alternate member at the meeting and who is not personally present. A member of the NIP Executive Committee may and the chairperson shall at the request of any such member at any time summon a meeting of the NIP Executive Committee. An alternate member shall be counted in a quorum at a meeting at which the member appointing him is not present but a quorum shall not be constituted solely by persons who are alternate members.

6.10 Use of technology

If all of the members consent, the members may participate in a meeting of the NIP Executive Committee by means of any technology allowing all persons participating in the meeting to hear each other at the same time. Any member participating in such a meeting is for the purposes of this Agreement taken to be personally present at the meeting. The consent of a member to the use of technology pursuant to this clause 6.10 may be a standing consent.

6.11 Equality of voting rights

Except as otherwise hereinbefore provided questions arising at any meeting of the NIP Executive Committee shall be decided by:

- (a) in the case of an uneven number of members, a simple majority (being 50% of the members present rounded up to the next whole number); and
- (b) in the case of an even number of members, 50% of the members present plus one (1).

6.12 Deadlocks

If the NIP Executive Committee cannot agree on any matter then a special meeting of the NIP Executive Committee shall be convened by the chairperson to consider further the matter on which the NIP Executive Committee cannot agree. Such further meeting shall take place within seven (7) days of the meeting at which the NIP Executive Committee could not agree as aforesaid. In the event that the NIP Executive Committee cannot agree on such matter at the further meeting then the matter shall be referred to dispute resolution pursuant to the provisions of clause 13.

6.13 Right of appeal to Audit Finance & Risk Committee of National Assembly

Where there is disagreement between two or more Synods which is not able to be appropriately dealt with by clause 6.12, or notwithstanding clause 6.21 where a Synod disagrees with a decision of the NIP Executive Committee, and if the General Secretaries of the respective Synods have met but been unable to come to a resolution, a Synod may request in writing that the chairperson of the NIP Executive Committee refer the matter to the Audit Finance & Risk Committee of the National Assembly for review (that referral not to be unreasonably withheld). Any decision made by the Audit Finance & Risk Committee of the National Assembly in accordance with this clause 6.13 will be binding on the Parties. Any disagreement at NIP Executive Committee level involving the National Assembly, or where the

National Assembly disagrees with a decision of the NIP Executive Committee, will be dealt with in accordance with the provisions of clause 13 of this Agreement.

6.14 Consultants

The National Assembly and each Synod shall be entitled to have present at any meeting of the NIP Executive Committee such consultants as they each may deem necessary. Any such consultants may attend NIP Executive Committee meetings but are not members of the NIP Executive Committee and may not actively participate in or vote at those meetings.

6.15 Minutes

The NIP Executive Committee shall cause minutes of all resolutions and proceeding of all meeting of the NIP Executive Committee to be duly entered in books provided for that purpose. The NIP Executive Committee shall cause the minutes of every meeting of the NIP Executive Committee to be signed by the chairperson of such meeting or by the chairperson of a succeeding meeting and minutes purporting to have been so signed shall be evidence of the proceedings to which such minutes relate.

6.16 Convening of meetings

The chairperson may from time to time convene meetings of the NIP Executive Committee whenever they consider it necessary or desirable so to do and shall if requested by notice in writing by any representative convene such meeting within five (5) working days of receipt of such notice. Should the chairperson fail to so convene such a meeting the representative who requested such a meeting may convene it in the manner hereinafter set out for convening meetings of the NIP Executive Committee.

6.17 Notice of meetings

Notwithstanding anything to the contrary herein contained no less than two (2) working days' notice in writing shall be given to all Parties and any independent members of any meeting of the NIP Executive Committee but such notice may be waived if all representatives are present at a meeting and agree to waive such notice.

6.18 Adjourned meetings

If no quorum is present within one (1) hour from the time appointed for any meeting then the representatives present or one of them nominated for that purpose at that meeting shall notify in writing the representatives not so present that the meeting shall stand adjourned until the same day in the next week at the same time and place (or such other time and place as the chairperson may decide) and if at that postponed meeting a quorum is not present within one half hour from the time appointed for the meeting, the representatives present shall, notwithstanding clause 6.9, be deemed to constitute a quorum with full power to decide any questions or issues as if they comprised all the representatives.

6.19 Powers of NIP Executive Committee

The NIP Executive Committee shall have power to establish guidelines and make policy decisions to give effect to the provisions of this Agreement subject to any express provisions herein contained and, subject to appropriate resolutions being passed by the NIP Committee in accordance with the terms of this Agreement and those resolutions being recorded in writing, shall have the power to delegate to any one or more representatives of the Synods as may be considered necessary from time to time in order to implement the NIP.

6.20 NIP Executive Committee reporting lines and reporting requirements

The NIP Executive Committee is to act in accordance with the reporting lines and reporting requirements set out in the NIP Executive Committee Charter.

6.21 Parties bound by decisions

Subject to the operation of clause 5, each Party shall be bound by the decisions of the NIP Executive Committee which are within its authority and which are made in accordance with this Agreement.

6.22 Dissolution of NIP Executive Committee

The NIP Executive Committee may be dissolved by the National Assembly and the Synods at any time:

- (a) upon the General Secretary (or equivalent) of each and every Synod and the National Assembly passing an ordinary resolution to that intent;
- (b) where there is no more than fourteen (14) days between the date of the first and last of these resolutions to be passed; and
- (c) signed copies of each of these resolutions have been served on both the NIP Executive Committee and the Assembly Standing Committee of the National Assembly no more than seven (7) days after the date of the last resolution to be passed.

Where the NIP Executive Committee is dissolved in accordance with this clause 6.22, the NIP will be terminated in accordance with the provisions of clause 11 of this Agreement.

7. Funding of NIP**7.1 Provisions of funds**

The NIP is to be funded on a cost recovery basis in accordance with the Cost Allocation Model annexed at Schedule 3. To the extent that it may be necessary for the National Assembly to provide monies necessary to meet the costs of the NIP from their own resources (whether those expenses have been incurred before or after the date of this Agreement), any such amounts are to be repaid to the National Assembly by the other Parties in proportion to each Parties' interest in the NIP as set out in the Cost Allocation Model.

7.2 Monies to be paid on receipt of invoice

Noting that the National Assembly will (in accordance with clause 9.1(h) of this Agreement) be the contracting party for any and all agreements entered into as part of the NIP, each Party is to make its contributions to the NIP to the National Assembly on receipt of an invoice issued by the National Assembly in accordance with the terms of the Cost Allocation Model annexed at Schedule 3.

7.3 Application of cost savings

Any cost savings generated by the NIP will be received by the Parties as reduced premiums in accordance with the Cost Allocation Model and how those savings are allocated is a matter each Party in accordance with its own budgeting protocols.

8. Accounts and records**8.1 NIP records**

The NIP Executive Committee and National Assembly shall cause proper books of account to be kept wherein shall be entered full particulars of all monies paid or received in the course of the NIP and of all such other matters, transactions and things relating to the NIP as are usually entered in books of account by persons engaged in a business of a similar character to the NIP.

8.2 Place records kept

Such books of account and all papers and documents belonging or referring to the NIP shall be kept at a place to be determined by the NIP Executive Committee and each of the Parties shall at all times have free access to examine such books of account, papers and documents and shall be at liberty to make extracts therefrom and to make copies thereof.

8.3 NIP accounts

As soon as practicable after the thirtieth day of June in every year the NIP Executive Committee in conjunction with the National Assembly shall cause an account to be prepared in accordance with accounting principles in order to calculate and determine in respect of the financial year which ended on that date the total operating costs of the NIP and the estimated insurance cost savings (if any) achieved for each Party to the NIP.

9. Role and Obligations of the Parties

9.1 National Assembly

The National Assembly agrees that it will:

- (a) prepare a governance framework for the NIP;
- (b) prepare, in consultation with the NIP Executive Committee, the budget and financial reporting for the NIP;
- (c) provide oversight and direction for the NIP through the Assembly Audit Finance & Risk Committee;
- (d) act as convenor for all NIP Executive Committee meetings, including recording of minutes and action items;
- (e) subject to the exercise of any appeal rights provided for at clause 13 or elsewhere in this Agreement, accept and implement the decisions of the NIP Executive Committee;
- (f) appoint a National Assembly representative to the NIP Executive Committee in accordance with clause 6.3(a) of this Agreement who has the required level of authority and delegation to implement NIP strategy;
- (g) in accordance with clause 6.13 of this Agreement and as otherwise may be agreed between the Parties, act as a mediator where there may be any conflict (perceived or otherwise) between any of the Synods which could impact the NIP;
- (h) act as the contracting party for any and all agreements entered into as part of the NIP; and
- (i) in consultation with the NIP Executive Committee, coordinate the activities of the NIP as required.

9.2 Synods

The Synods agree that they will:

- (a) commit to and support the NIP for the term of the NIP as set out at clause 4 of this Agreement;
- (b) appoint a Synod representative to the NIP Executive Committee in accordance with clause 6.3(a) of this Agreement who has the required level of authority and delegation (equivalent to the delegations given to the current Synod Insurance Managers as at the date of this Agreement) to implement NIP strategy (including broker instructions as appropriate) based upon recommendations approved at Synod level;

- (c) treat any document signed by their respective General Secretary in connection with the NIP as having been approved by the Synod;
- (d) provide all necessary underwriting data and information which might otherwise be required from time to time by the NIP Committee and National Assembly to enable the negotiation, placement, and administration of NIP coverage and/or associated NIP services;
- (e) subject to the exercise of any appeal rights provided for at clause 6.13 or elsewhere in this Agreement, accept and implement the decisions of the NIP Executive Committee;
- (f) work with and assist the role of any external professional advisors to the NIP (including but not limited to brokers, insurers, actuaries, insurer panel lawyers, claims managers and assessors) which may be appointed from time to time by the National Assembly in accordance with the decisions of the NIP Executive Committee;
- (g) pursuant to clause 5.3 of this Agreement, not engage with or seek commercial terms from the external insurance market without the express prior written agreement of the NIP Executive Committee; and
- (h) enter and maintain the following datasets within any risk and insurance database which is used by the NIP for the placement, renewal and administration of external insurance coverage in accordance with the data specification agreed by the NIP Executive Committee, including but not limited to the following:
 - (i) historical and current incident, notification and claim records;
 - (ii) historical and current insurance policy records;
 - (iii) property asset records;
 - (iv) vehicle fleet records; and
 - (v) exposure and underwriting data captured for the placement and renewal of NIP coverage.

10. Insurance Allocations, Selections and Limits

10.1 NIP Cost Allocations

The Parties agree that the allocation of premium costs as between the Parties will be undertaken in accordance with the Cost Allocation Model annexed at Schedule 3 of this Agreement.

10.2 Self-Insured Retentions

Each Party must select its own level of self-insured retentions and, where appropriate, maintain existing one or more Self-Managed Insurance Fund. Any Self-Managed Insurance Fund maintained by a Party must be controlled directly by that Party and may not be maintained by any Associated Entities of any Party (other than any Excluded Entities).

10.3 Limits

Subject to the express approval in writing of the NIP Executive Committee, each Party may choose its own sub-limit of indemnity and/or liability in the event such options become commercially available through the NIP.

11. Termination

11.1 Termination of NIP

The NIP shall continue until the end of the term specified in clause 4.3 of this Agreement or such later time as shall have been determined by the Parties in accordance with the provisions of this Agreement.

11.2 Other causes for termination

- (a) Upon the happening of any of the following events, any Party to this Agreement shall be entitled to terminate their involvement in the NIP by giving to the other Parties seven (7) days' notice of its intention so to do, and where as a result of a Party's withdrawal from the NIP in accordance with this clause 11.2 the National Assembly in its discretion determines that the NIP is no longer viable then the NIP arising out of this Agreement shall be terminated upon the expiry of such notice:
 - (i) a receiver being appointed of the assets of the undertaking of any other Party;
 - (ii) a petition being presented (and not withdrawn within fourteen (14) days) for the winding up of any other Party;
 - (iii) an official manager being appointed of any other Party;
 - (iv) a liquidator or provisional liquidator being appointed in respect of any other Party;
 - (v) any other Party not being able to pay its debts as they become due;
 - (vi) the failure of any other Party to remedy any breach hereunder within fourteen (14) days of being given notice to remedy the same by the Party.
- (b) Further to clause 4.1(c) of this Agreement, where the NIP Executive Committee determine that ACCC authorisation of the NIP is required, in the event that authorisation is revoked, ceased, or varied such that any essential term of this Agreement is no longer authorised, then the NIP arising out of this Agreement will be terminated immediately.

11.3 Effect of termination

Any termination shall be without prejudice to any prior accrued rights or obligations of any Party.

12. Force majeure

12.1 No liability for force majeure

A Party (**Affected Party**) is not liable for any delay or failure to perform an obligation (other than to pay money) under this Agreement caused by:

- (a) act of God;
- (b) war, riot, insurrection, vandalism or sabotage;
- (c) strike, lockout, ban, limitation of work or other industrial disturbance;
- (d) power surge or failure or breakdown of plant, machinery or equipment;
- (e) shortage of labour, transportation, fuel, power, plant, machinery, equipment or materials; or
- (f) law, rule or regulation of any government or governmental agency and executive or administrative order or act of general or particular application,

that is not foreseen or caused or is beyond the control of the Affected Party.

12.2 Notification of Events

The Affected Party must notify each other Party as soon as practical of any anticipated delay or failure caused by an event referred to in clause 12.1 (**Event**).

12.3 Obligation suspended

The performance of the Affected Party's obligation is suspended for the period of delay caused by the Event.

12.4 Termination

If:

- (a) performance of an obligation is prevented by an Event; or
- (b) a delay caused by the Event exceeds 30 days,

any Party may terminate this Agreement at the expiration of not less than three (3) months' notice to the other Parties.

12.5 Refund on termination

If a Party terminates this Agreement under clause 12.4 all money previously paid under this Agreement for which no goods, services or other consideration has been provided must be refunded within 30 days after termination.

12.6 Partial delivery

If any Event limits a Party's ability to perform an obligation, that Party may partially perform that obligation to an extent that is reasonable under the circumstances.

12.7 Good Faith

The Parties must at all times during the currency of this Agreement act towards each other with good faith.

13. Dispute resolution

13.1 Amicable Negotiation

In the event of any dispute or difference arising between two or more of the Parties in relation to this Agreement and to which clause 6.13 does not otherwise apply (**Dispute**), the Parties to the Dispute shall, in the first instance, appoint their respective designated representatives to meet and negotiate in good faith to resolve the Dispute. The representatives so appointed must have authority to make decisions and take all other actions necessary to resolve the Dispute.

13.2 Commencement of Process

For the avoidance of doubt, a Dispute shall be taken to exist when one Party, in good faith, serves upon the other Parties and the NIP Executive Committee a notice which accurately and comprehensively identifies the subject matter of the Dispute and to which of the Parties the Dispute relates. The giving of such a notice shall be a condition precedent to the commencement of all the processes under this clause (whether by way of formal negotiation, mediation or litigation) for the resolution of the Dispute.

13.3 Reference to Mediation

- (a) If the Parties to the Dispute are unable to successfully resolve the Dispute within 15 business days from the commencement of the first of the meetings referred to in clause 13.1, any Party to the Dispute may, by written notice served upon the other

Parties to the Dispute and (regardless of whether they are a Party to the Dispute in question) the National Assembly, require the matter to be referred for resolution to an independent mediator.

- (b) The independent mediator will be appointed by the National Assembly, whether or not the National Assembly is a Party to the Dispute in question.
- (c) The Parties to the Dispute shall co-operate to facilitate the conclusion of the mediation within a further 15 business days.

13.4 Costs of Mediation

The costs of mediation shall be borne equally by the Parties to the Dispute.

13.5 Mediation Compulsory

The Parties to the Dispute agree that if they are unable to successfully resolve the Dispute by way of negotiation in accordance with clause 13.1 they must resort to mediation as a means of resolution of the Dispute before any other process or proceeding may be taken in order to effect that resolution.

13.6 Failure of Mediation

If the Parties to the Dispute comply with the steps set out in this clause and still fail to resolve the Dispute, then in respect of the subject matter of that Dispute each Party is free to pursue any lawful remedy against one or any of the other Parties previously identified as a Party to the Dispute including the bringing of formal legal proceedings.

13.7 Survival

The provisions of this clause 13 continue to bind the parties following the termination of this Agreement.

14. General

14.1 No assignment permitted

No Party shall assign or part with or be relieved of any of its rights, powers or obligations hereunder or the benefit of this Agreement and no Party shall sell or mortgage its estate or interest (if any) in the Land or any part thereof without the prior written consent of the other Party.

14.2 No fees charged

No Party shall be entitled to charge any fee or commission in respect of any work or thing done in respect of the Project except as expressly provided in this Agreement.

14.3 No agency created

No Party shall act as or purport to act as the agent or make any promise or representations on behalf of the other Party without its express written approval.

14.4 Further acts and debts

Each Party shall do execute acknowledge and deliver all and every such further acts, deeds, guarantees, agreements, covenants, assignments and assurances as shall be reasonably required for the purposes and intention of this Agreement.

14.5 No merger

None of the terms or conditions of, nor any act matter or thing done under or by virtue of or in connection with, this Agreement or any other agreement nor the termination of this Agreement shall operate as a merger of any of the rights and remedies of the Parties in or under this Agreement but such rights and remedies shall at all times continue in full force and effect.

14.6 Exclusion of statutory provisions

Unless application is mandatory by law, no statute proclamation, order, regulation or moratorium whether present or future shall apply to this Agreement so as to abrogate extinguish impair diminish further delay or otherwise prejudicially affect any rights powers, remedies or discretion of or accruing hereunder to the Parties or to either of them.

14.7 Waiver

No waiver of any breach of this Agreement or any of the terms hereof shall be effective unless such waiver is in writing and signed by the Party against whom such waiver is claimed. No waiver of any breach shall be deemed to be a waiver of any other or subsequent breach.

14.8 Variations

The Parties may from time to time vary or modify any provision of this Agreement by resolution passed by the NIP Executive Committee in accordance with the terms of this Agreement. No variation, modification or waiver of any provision of this Agreement nor consent to any departure by any party from its terms, is in any event of any force or effect unless it is confirmed in writing by the Parties and, where legal advice has been obtained by either the NIP Executive Committee or the Assembly Standing Committee of the National Assembly to the effect that the proposed variation or modification required a revised ACCC approval to be obtained, the ACCC either:

- (a) confirm in writing that any existing authorisation granted pursuant to Division 1 of Part VII of the CCA in respect of the NIP will continue to apply to each operative provision of the agreement for the proposed further term; or
- (b) grant a new interim authorisation or final determination in respect of each operative provision of the agreement for the proposed further term.

Such variation, modification, waiver or consent is effective only to the extent for which it may be made or given.

14.9 Consideration GST-exclusive

It is the intention of the Parties that any consideration for a supply under this Agreement should be received by the supplier exclusive of GST.

14.10 Payment of GST

The recipient of a supply must pay the supplier an amount equal to the supplier's GST on the consideration at the same time as the consideration is paid. The supplier must issue a tax invoice before the recipient is obliged to pay the GST.

14.11 Counterparts

This Agreement may be executed in any number of counterparts and all counterparts when executed and taken together will constitute this Agreement. In proving this Agreement is binding on a Party, it is necessary only to produce a counterpart of this Agreement executed by that Party.

14.12 Governing Law and jurisdiction

This Agreement is governed by and construed in accordance with the laws from time to time in force in New South Wales and the parties hereto irrevocable submit to the non-exclusive jurisdiction of the Courts of that State and any Courts competent to hear appeals from those Courts.

14.13 Severability

If any provision of this Agreement is prohibited, invalid or unenforceable in any jurisdiction, that provision will, as to that jurisdiction, be ineffective to the extent of the prohibition, invalidity or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of that provision in any other jurisdiction, unless it materially alters the nature or materials terms of this Agreement.

14.14 Entire Agreement

This Agreement constitutes the entire understanding between the Parties and no prior representations, warranties, guarantees or other terms or conditions, whether express or implied and whether oral or in writing in relation to the subject matter of this Agreement shall be of any force or effect except to the extent that they are contained in, referred to or varied pursuant to this Agreement.

Schedule 1

Parties

UCA Assembly Limited ACN 000 007 447 of Level 10, 222 Pitt Street, Sydney NSW 2000, for **The Uniting Church in Australia – National Assembly ABN 16 939 630 947** of Level 10, 222 Pitt Street, Sydney NSW 2000

(National Assembly)

The Uniting Church In Australia Property Trust (NSW) ARBN 134 487 095 of Level 3, 222 Pitt Street, Sydney NSW 2000 for **The Uniting Church In Australia Synod Of NSW & ACT ABN 82 492 408 686** of Level 3, 222 Pitt Street, Sydney NSW 2000

and

The Uniting Church In Australia Property Trust (Australian Capital Territory) ARBN 053 246 218 of Level 3, 222 Pitt Street, Sydney NSW 2000

(together NSW/ACT Synod)

The Uniting Church in Australia Property Trust (Victoria) as constituted pursuant to section 12 of the *Uniting Church in Australia Act 1977* (Vic) of 130 Little Collins Street, Melbourne VIC 3000, for **The Uniting Church In Australia Synod of Victoria and Tasmania ABN 39 703 442 582** of 130 Little Collins Street, Melbourne VIC 3000

and

The Uniting Church in Australia Property Trust (Tas.) as constituted pursuant to section 10 of the *Uniting Church in Australia Act 1977* (Tas) of 130 Little Collins Street, Melbourne VIC 3000

(together Vic/Tas Synod)

The Uniting Church In Australia Property Trust (Q.) ARBN 142 498 780 of 60 Bayliss Street, Auchenflower QLD 4066, for **The Uniting Church In Australia Queensland Synod ABN 25 548 385 225** of 60 Bayliss Street, Auchenflower QLD 4066

(Queensland Synod)

The Uniting Church in Australia Property Trust (N.T.) as constituted pursuant to section 5 of the *Uniting Church in Australia Act 1977* (NT) of 2 Railway Street, Parap NT 0821, for **The Uniting Church In Australia Norther Synod ABN 44 834 585 067** of 2 Railway Street, Parap NT 0821

(Northern Synod)

Schedule 2

NIP Executive Committee Charter

Schedule 3

Cost Allocation Model

The cost of the NIP will be allocated based upon fair and reasonable terms determined by and approved by consensus of the NIP Executive Committee from time to time as appropriate. In establishing appropriate cost allocation modelling for the NIP, the NIP Executive Committee will take into consideration (but not limited to) the following factors:

1. each Party's proportional interest in the NIP;
2. advice from external providers and advisors (such as insurance underwriters, insurance brokers and actuaries) contained in recommendations and reports in relation to rating factors and allocation of NIP costs;
3. the breakdown of cost of external insurance premiums, and how these may be reflective of the property asset holding, gross revenue, historical claims experience and risk profile of each Party;
4. broker and other professional consulting fees; and
5. data management costs.

Excepting the National Assembly, it is the responsibility and obligation of each Party to reallocate its NIP costs (including any additional operating expenses incurred directly by that Party in connection with the NIP) within its own organisation to its constituent entities as it deems appropriate.

Schedule 4
Excluded Entities

Name	Details
SA Synod and its Associated Entities	See clause 1.1
WA Synod and its Associated Entities	See clause 1.1
Newington College	<p>200 Stanmore Road, 115 and 129 Cambridge Street Stanmore NSW 2048</p> <p>115 129 Cambridge Street Stanmore NSW 2048</p> <p>129 Cambridge Street Stanmore NSW 2048</p> <p>26 Northcote Road Linfield NSW 2070</p>
Wesley College, The University of Sydney	<p>Western Avenue The University of Sydney NSW 2006</p>
Epworth Foundation, Epworth Hospitals	<p>85 Wilson Street Brighton VIC 3186</p> <p>888 Toorak Road Camberwell VIC 3124</p> <p>29 Simpson Street East Melbourne VIC 3002</p> <p>1 Arnold Street Box Hill VIC 3128</p> <p>166 Clarendon Street East Melbourne VIC 3002</p> <p>320 Victoria Parade East Melbourne VIC 3002</p> <p>1 Epworth Place Waurin Ponds VIC 3216</p> <p>50 Burwood Road Hawthorn VIC 3122</p> <p>89 Bridge Road Richmond VIC 3121</p>

	48 Kagan Drive Berwick VIC 3806 Suite 4, 355 Main Street Lilydale VIC 3140 28-30 Ryot Street Warrnambool VIC 3280
Haileybury College	855 Springvale Road Keysborough VIC 3173

Executed as a deed

Executed by **UCA Assembly Limited**
(ACN 000 007 447) in accordance with
section 127 of the *Corporations Act 2001*
(Cth):

.....
Director

.....
Director/Secretary

.....
(Print) Full Name

.....
(Print) Full Name

**The Common Seal of The Uniting Church
In Australia Property Trust (NSW)**
(ARBN 134 487 095) was hereunto affixed
on the day of 20
pursuant to a resolution of the Trust at a
duly convened meeting in the presence of:

.....
Member

.....
Member

**The Common Seal of The Uniting Church
In Australia Property Trust (Australian
Capital Territory)** (ARBN 053 246 218) was
hereunto affixed on the day of
20 pursuant to a resolution of the Trust at
a duly convened meeting in the presence of:

.....
Member

.....
Member

**The Common Seal of The Uniting Church
in Australia Property Trust (Victoria)**
was hereunto affixed on the day of
20 pursuant to a resolution of the Trust at
a duly convened meeting in the presence of:

.....
Member

.....
Member

**The Common Seal of The Uniting Church
in Australia Property Trust (Tas.)**

was hereunto affixed on the day of
20 pursuant to a resolution of the Trust at
a duly convened meeting in the presence of:

.....
Member.....
Member**The Common Seal of The Uniting Church
in Australia Property Trust (Q.)**

(ARBN 142 498 780) was hereunto affixed
on the day of 20
pursuant to a resolution of the Trust at a
duly convened meeting in the presence of:

.....
Member.....
Member**The Common Seal of The Uniting Church
in Australia Property Trust (N.T.)**

was hereunto affixed on the 21st day of Feb
2019 pursuant to a resolution of the Trust at
a duly convened meeting in the presence of:

.....
Member

Annexure A

Deed Poll of Accession

This Deed Poll

By [insert name] ARBN [insert ARBN or ACN] of [insert address] for [insert name] ABN [insert ABN] of [insert address]

(Acceding Party)

Recital

This Deed is supplemental to the Co-Operation Agreement dated [insert date] between UCA Assembly Limited ACN 000 007 447 of Level 10, 222 Pitt Street, Sydney NSW 2000, for The Uniting Church in Australia – National Assembly ABN 16 939 630 947 of Level 10, 222 Pitt Street, Sydney NSW 2000, and others (**Co-Operation Agreement**).

Operative Part

1. The Acceding Party:
 - (a) confirms that it has been supplied with a copy of the Co-Operation Agreement; and
 - (b) covenants with all present parties to the Co-Operation Agreement (whether original or by accession) to observe, perform and be bound by all the terms of the Co-Operation Agreement to the intent and effect that the Acceding Party will be deemed with effect from the later of:
 - (i) the date on which the Acceding Party pays any amount due in accordance with clause 5.2(e) of the Co-Operation Agreement; and
 - (ii) the date on which the Acceding Party executes this Deedto be a Party to the Co-Operation Agreement.
2. Terms defined in the Co-Operation Agreement have the same meaning when used in this Deed.
3. This Deed is governed by and construed in accordance with the laws of New South Wales.

Executed and delivered as a deed poll on

[insert execution format]

**The Uniting Church In Australia
National Insurance Program**

NIP Executive Committee Charter

NIP Executive Committee Charter

Background

- A The Uniting Church in Australia (the **Uniting Church**) was formed on 22 June 1977, as a union of three churches: the Congregational Union of Australia, the Methodist Church of Australasia and the Presbyterian Church of Australia. The Uniting Church is governed by a series of inter-related councils, which include the National Assembly, Synods, Presbytery's and Congregations.
- B The Uniting Church has historically procured insurance and related services primarily at the Synod level. This has largely been driven by the legal ownership of the bulk of the Uniting Church's property and assets being vested in the respective Synod property trusts and other entities of the Uniting Church. Operationally, there are six (6) Synods being QLD, NSW/ACT, VIC/TAS, SA, WA and Northern Synod.
- C There are significant quantitative and qualitative benefits to be gained both nationally and at the individual Synod level by adopting a national and consistent approach to insurable risk. The benefits arise due to scale and efficiency.
- D Participating Synods, the National Assembly and participating entities wish to adopt a consistent approach to the way in which we as a Church procure insurance and insurance related services.
- E The NIP Executive Committee is not a separate legal entity. It is an executive committee which will meet formally to review, decide and enter into certain insurance and insurance related arrangements. In doing this, the members of the NIP Executive Committee will act in accordance with the delegations which they have been granted by their respective Synods.
- F The National Insurance Program (**NIP**) is to operate as if it is a joint venture of the various legal entities which represent the participating Synods and other entities which are party to the Co-Operation Agreement creating the NIP.
- G This Charter should be read in conjunction with the NIP Co-operation Agreement. The Co-operation Agreement is a detailed document which sets out the basis upon which the participating Synods to the NIP, as well as any additional entities which may later join the NIP, agree to work together collaboratively.

1 Co-operation Agreement

- 1.1 This Charter should be read in conjunction with the Co-operation agreement. Where a matter is detailed in both this Charter and the Co-operation Agreement, to the extent of any inconsistency between those documents the provisions of this Charter will prevail.
- 1.2 The Co-operation Agreement sets out the following key items for the NIP:
 - (a) Purposes of the NIP and the Co-operation Agreement;
 - (b) Principles of Co-operation;

- (c) Term of the NIP;
- (d) Parties to the Co-operation Agreement;
- (e) NIP Executive Committee and its workings;
- (f) Funding of the NIP;
- (g) Accounts and Records;
- (h) Roles and Obligations of Parties;
- (i) Insurance Allocation, Selection and Limits;
- (j) Termination;
- (k) Force Majeure; and
- (l) Dispute Resolution.

2 Delegations and Reporting Lines

- 2.1 Where the NIP Executive Committee passes a resolution pursuant to clauses 6.11 and 6.19 of the Co-Operation Agreement to delegate to any one or more representatives of the Synods, a written record of that resolution clearly setting out the scope of the delegation and naming the relevant delegates as well as any other relevant details must be kept and a copy provided to the relevant delegates and Synods.
- 2.2 The NIP Executive Committee is to report to the Audit Finance & Risk Committee of the National Assembly (**AFARC**).

3 Application of Policy Framework

- 3.1 The members of the NIP Executive Committee will work within the policy framework as set out in the Assembly Finance and Admin Policy Manual. It is acknowledged that individual Synods will have their own policy framework but for ease of working with one set of documents, the parties to the NIP agree that the NIP Executive Committee will adopt the Assembly Policies.
- 3.2 This is also consistent with the NIP Executive Committee reporting to AFARC.
- 3.3 The key policies of the Assembly Finance and Admin Policy Manual which apply to the NIP and the NIP Executive Committee include:
 - (a) Conflicts of Interest Policy;
 - (b) Fraud Prevention Policy;
 - (c) Whistle-blower Policy (otherwise referred to as Speak-out Policy);
 - (d) Finance Policy (including the maintenance of financial records);
 - (e) People and Relationships Policy;

- (f) Risk Management Policy;
- (g) Crisis Management Policy;
- (h) Business Continuity Policy; and
- (i) Privacy Policy.

4 Risk Management

4.1 The NIP Executive Committee will have responsibility to ensure that:

- (a) that there is an effective Risk Management System in place, which includes the regular conduct of insurable risk profiling;
- (b) that there is Risk Register for both the NIP and the insurances taken out under the NIP which is periodically monitored and reported to AFARC and Synod oversight committees as appropriate;
- (c) that there is a clear policy and procedure for reporting, actioning and documenting breaches of law; and
- (d) that it meets periodically with the AFARC committee and both external and internal auditors as applicable.

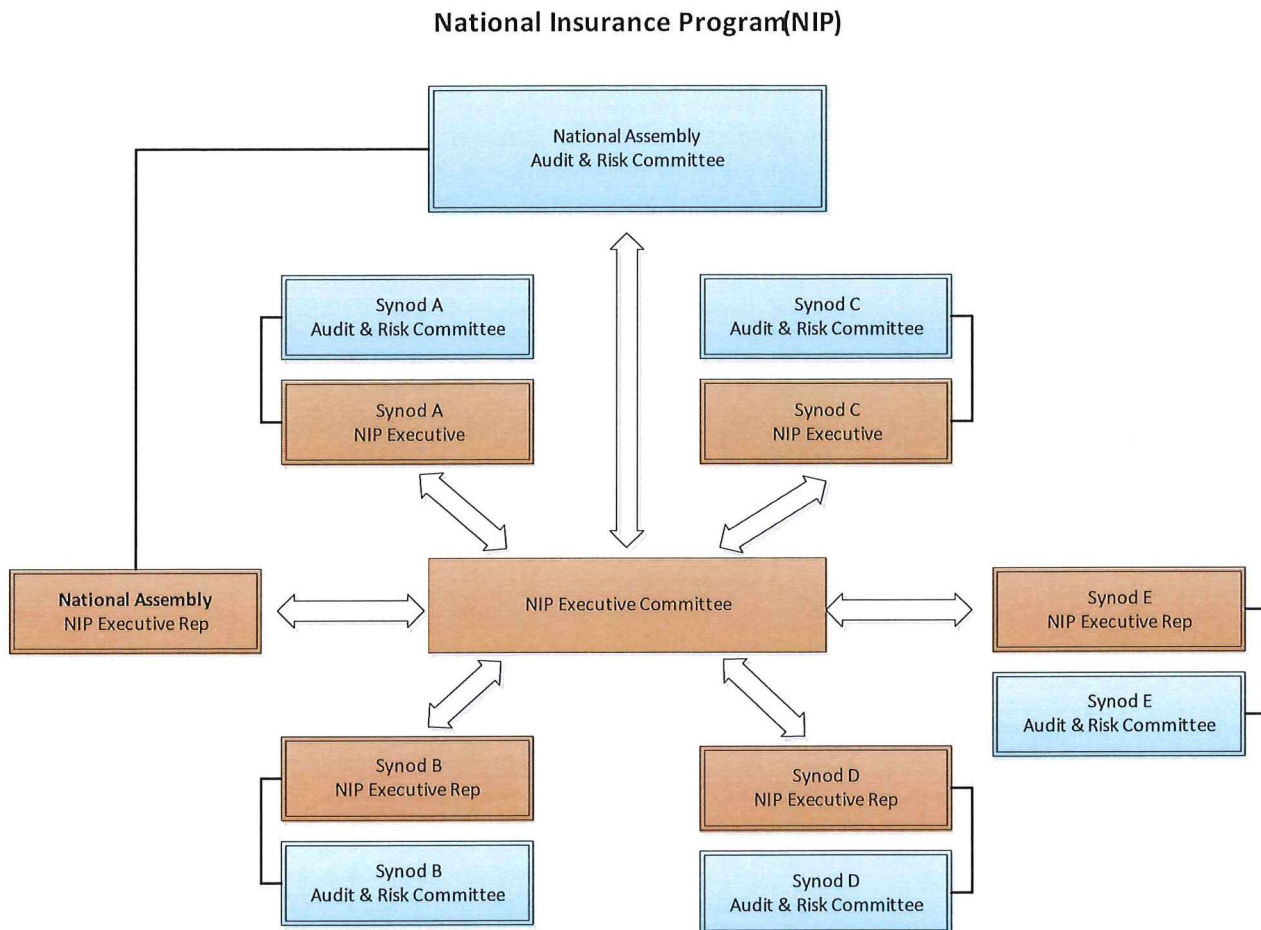
5 Rotational Chair

5.1 As stated at clause 6.7 of the Co-Operation Agreement, meetings of the NIP Executive Committee will be chaired on a rotational basis by the representatives of each of the Synods and the National Assembly in the following order:

- (a) National Assembly;
- (b) Queensland Synod;
- (c) NSW/ACT Synod;
- (d) Vic/Tas Synod; and
- (e) Northern Synod.

6 Operating Structure

6.1 The operating structure of the NIP is as follows:

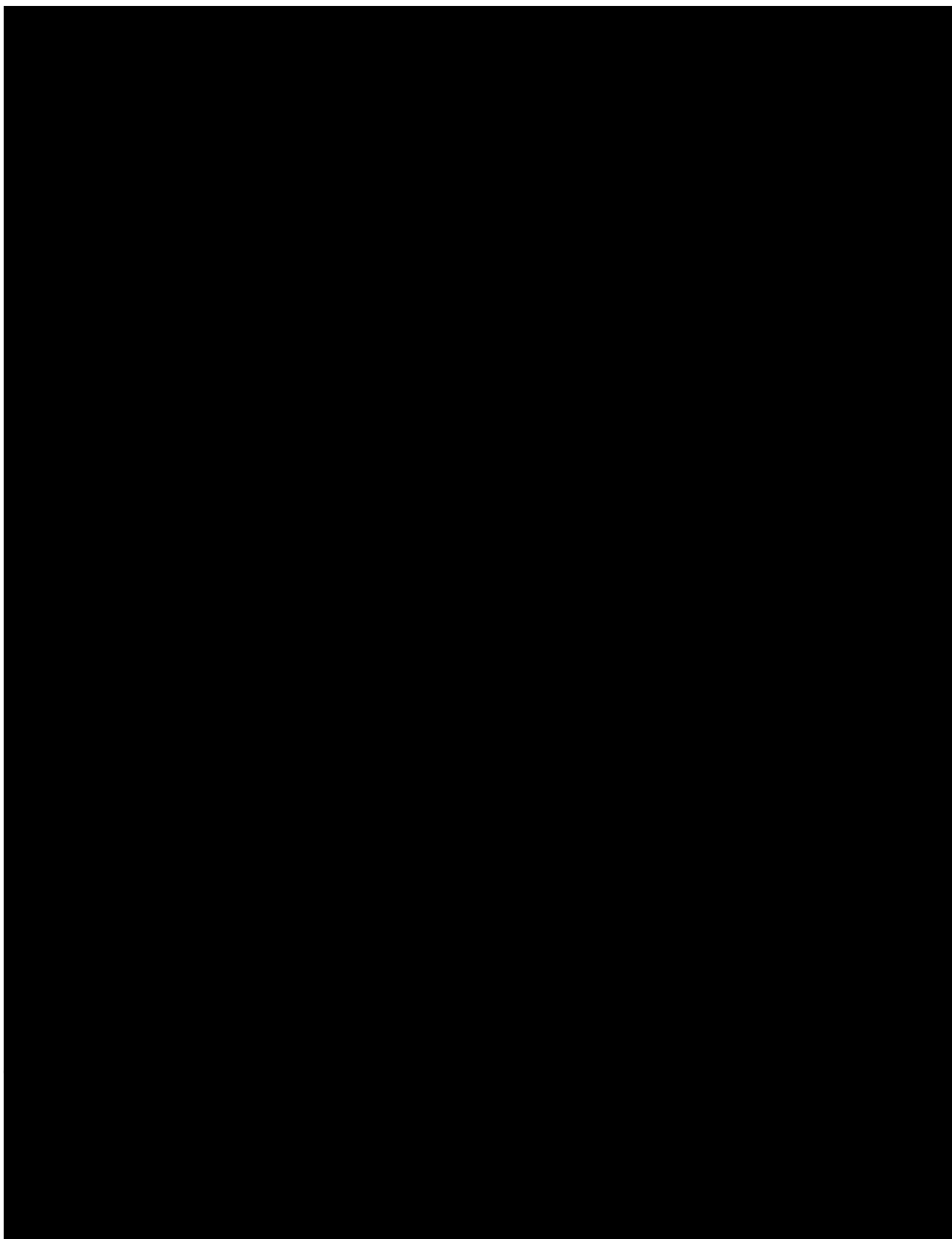


1. "Recommended" strategy/ decisions must first be ratified (approved in principle) by Synod level ARC before being put to vote by NIP Executive Committee
2. Recommendations then "adopted" by NIP Executive Committee through majority vote
3. Decisions can be appealed through referral by Chair to National Assembly Audit & Risk Committee

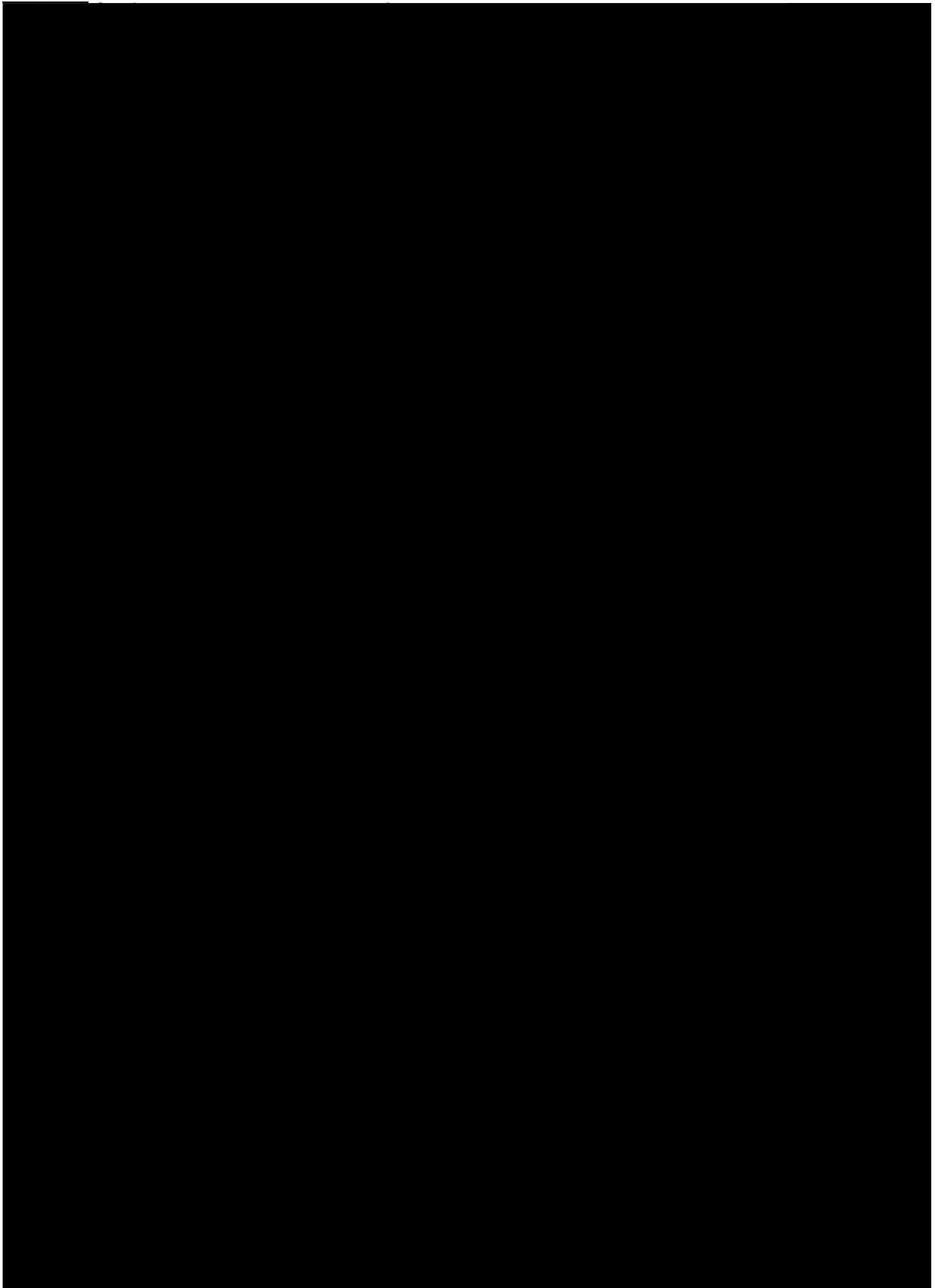
Attachment C

National Insurance Program Business Case Report (prepared by Inscon) dated 13 March 2018

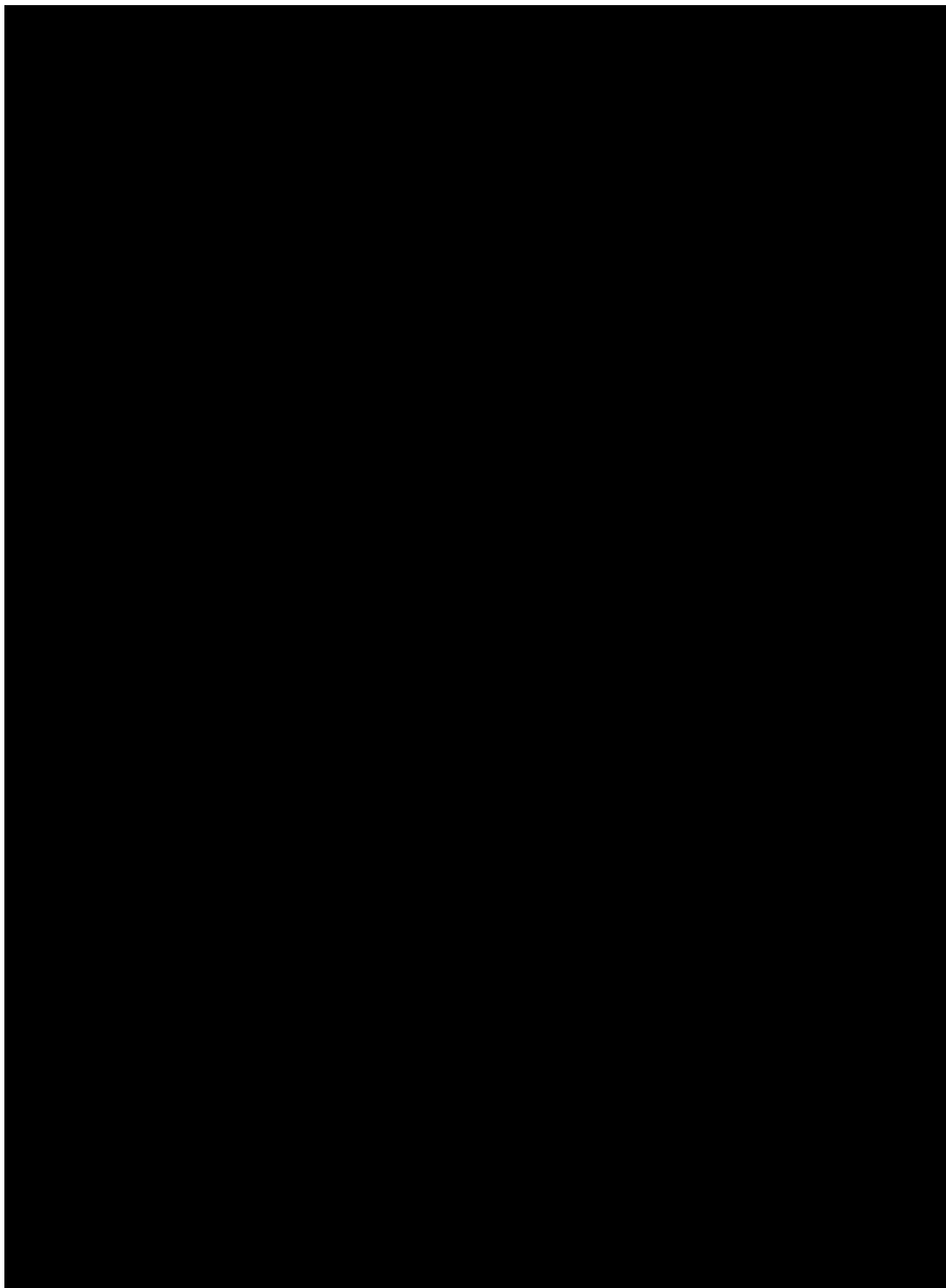
Restriction of Publication Claimed

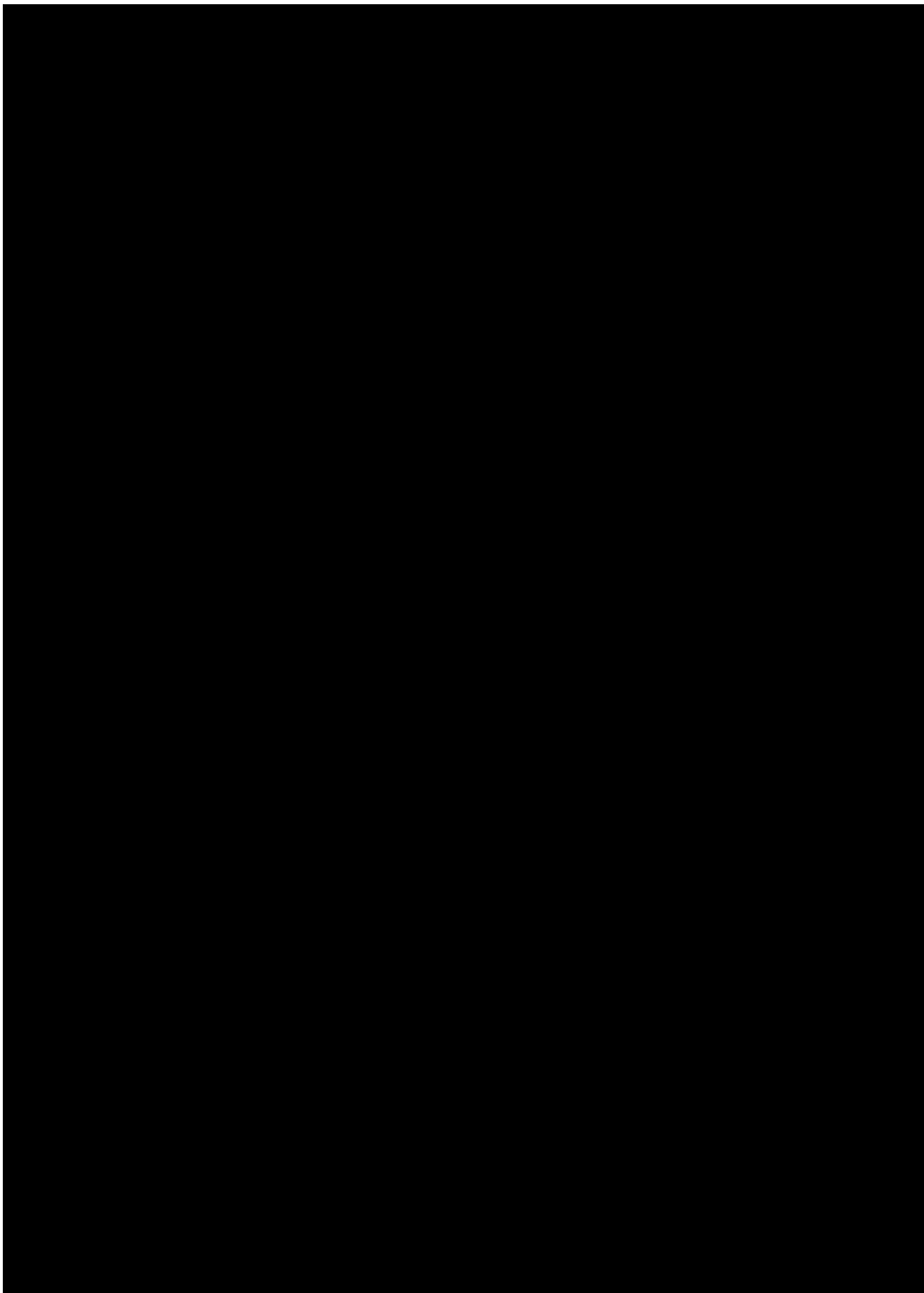


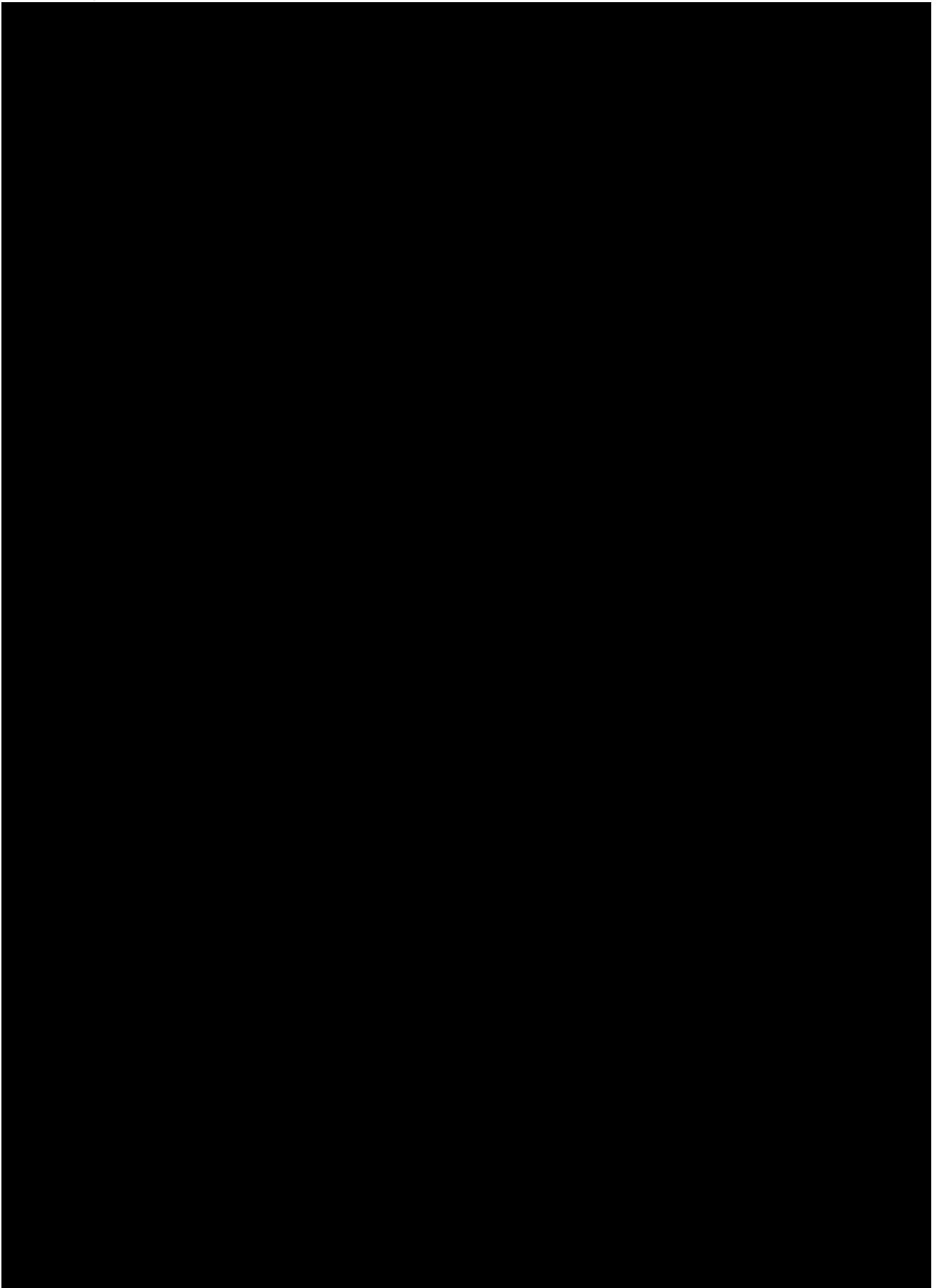
Restriction of Publication Claimed



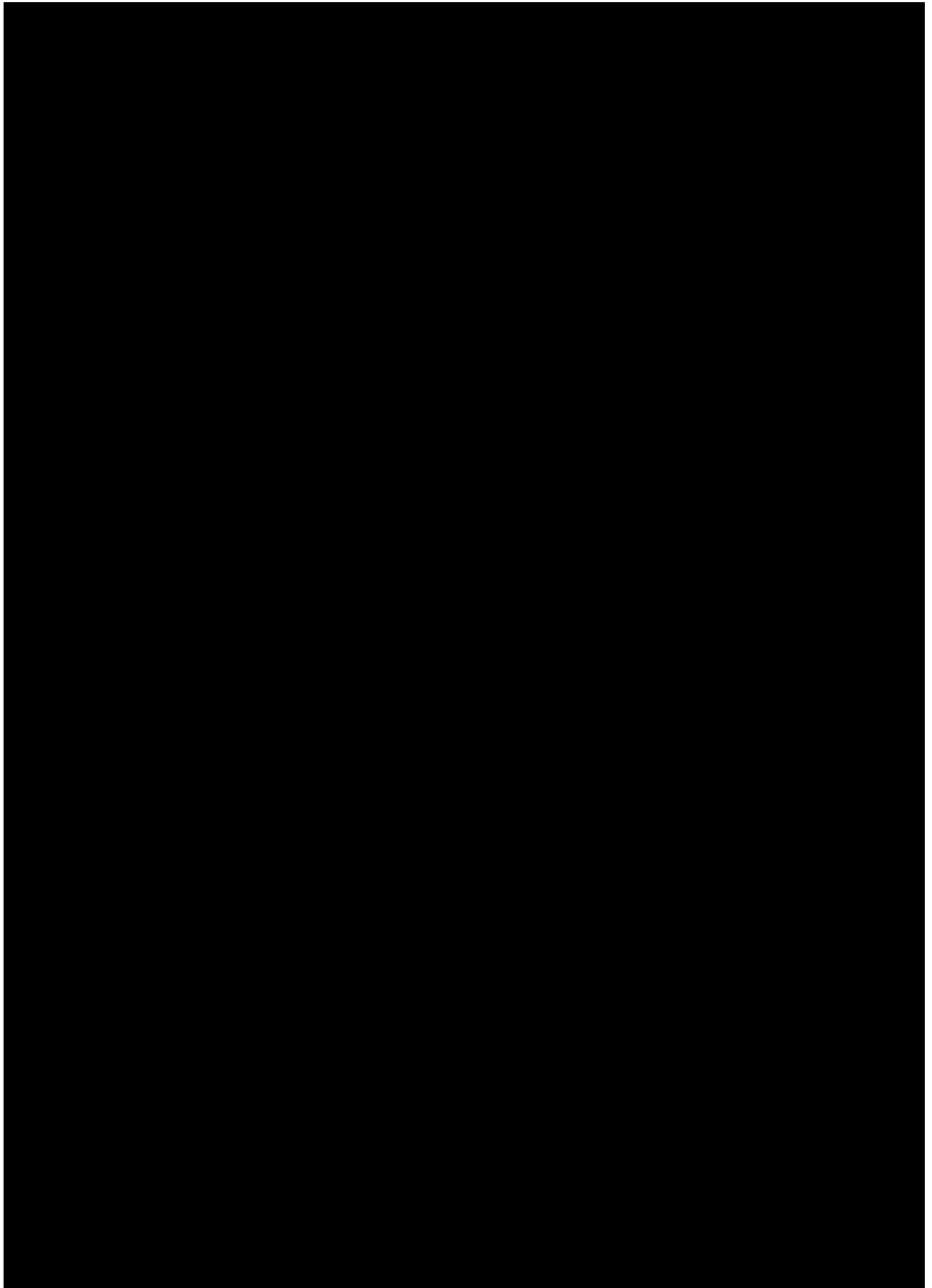
Restriction of Publication Claimed



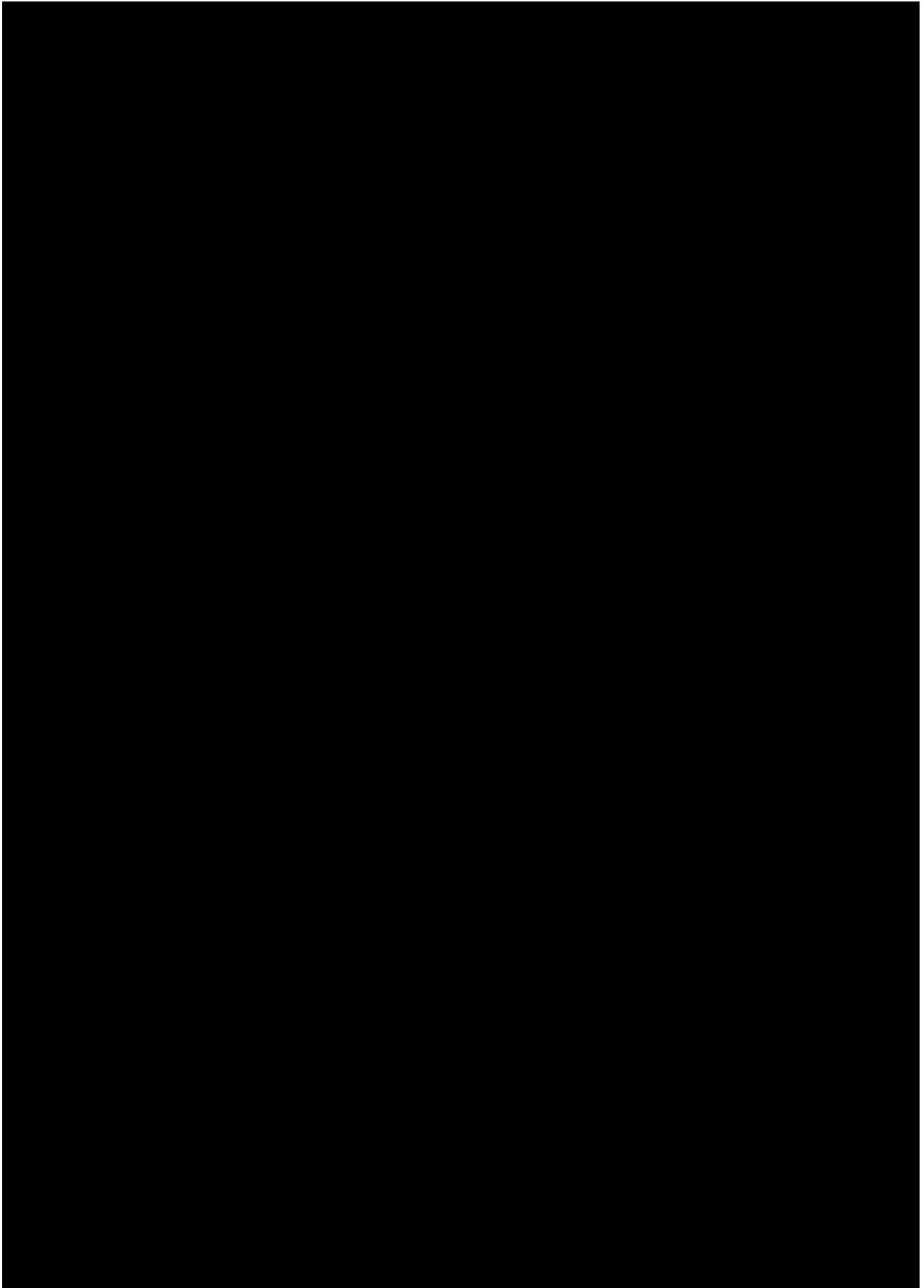




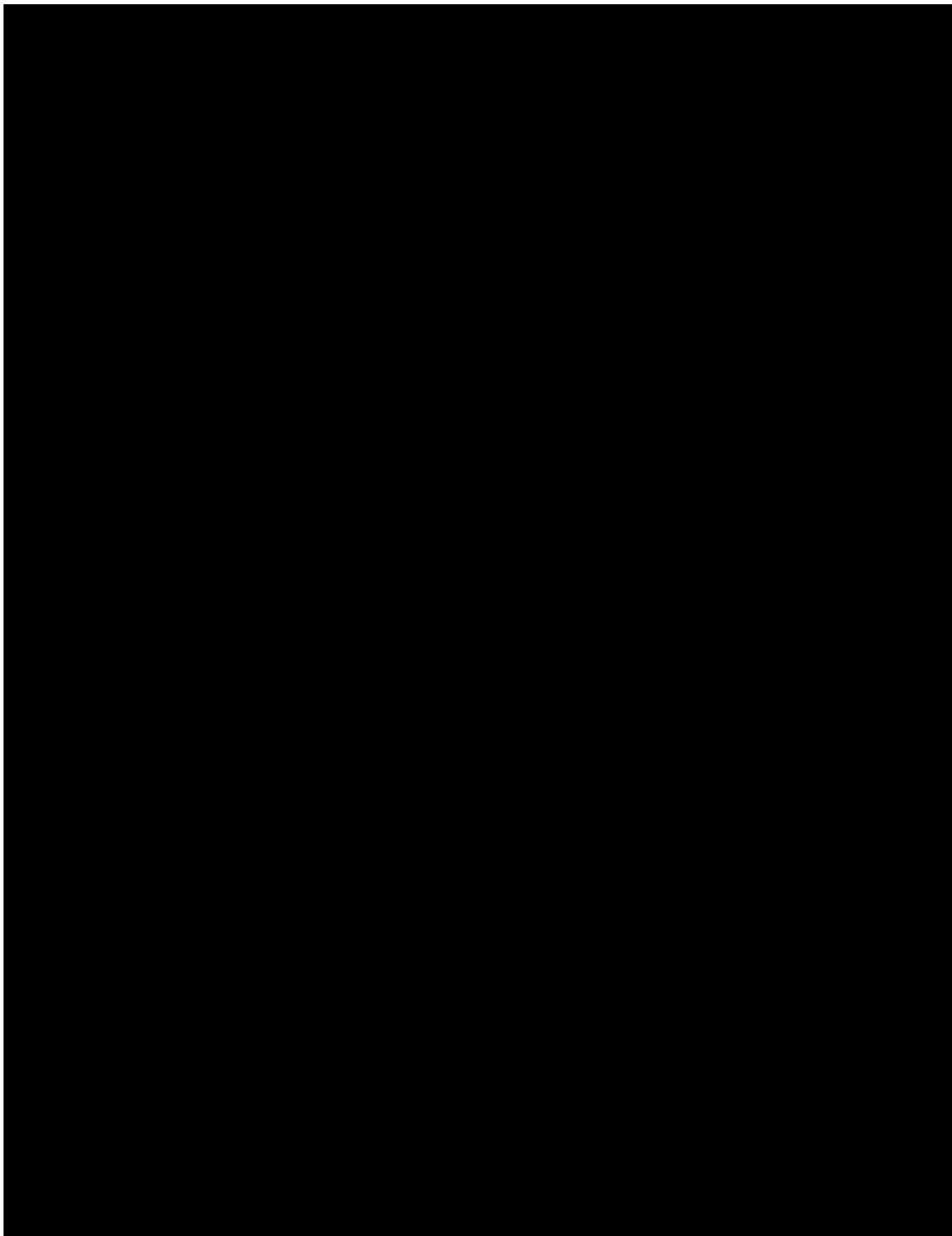
Restriction of Publication Claimed



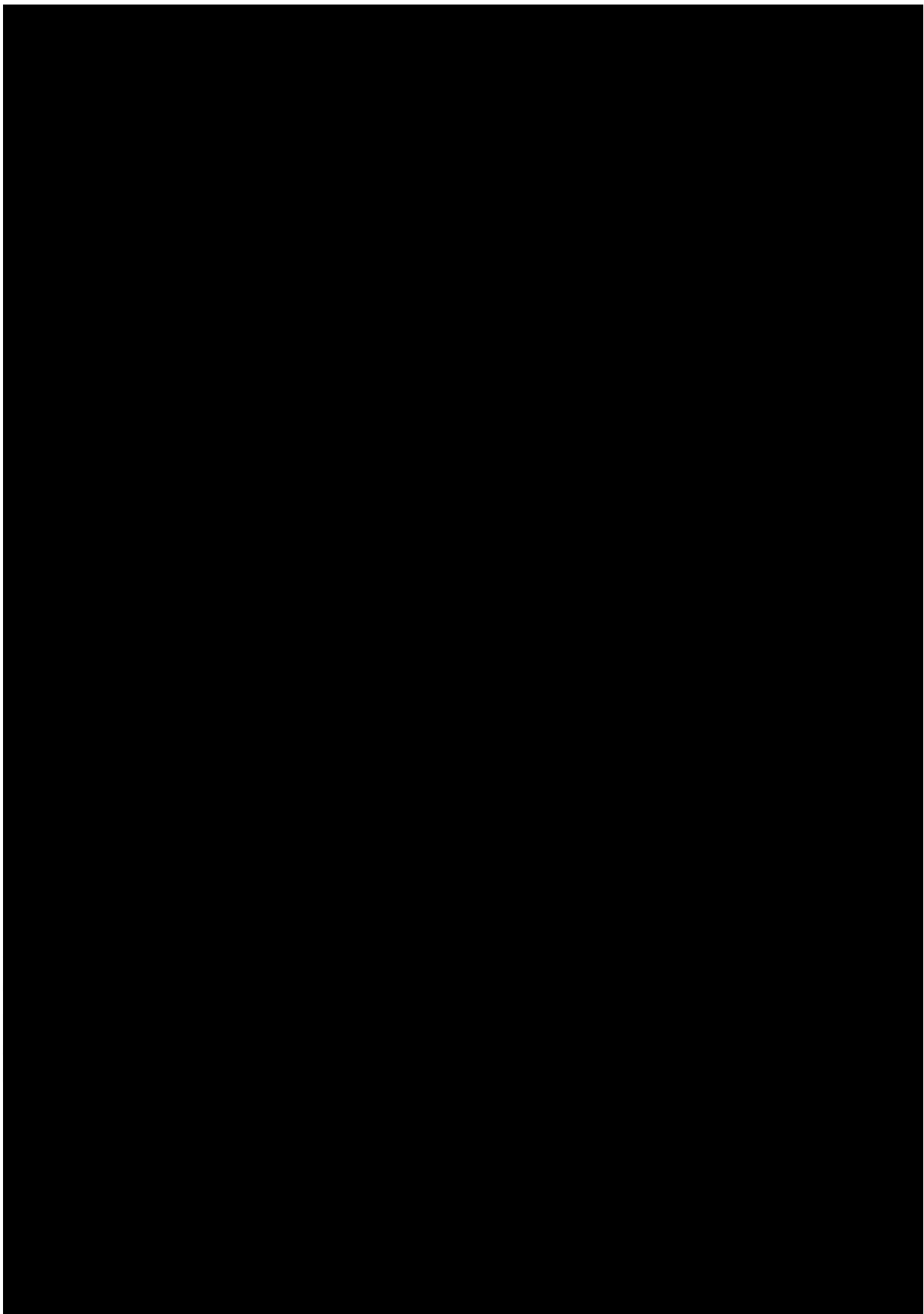
Restriction of Publication Claimed



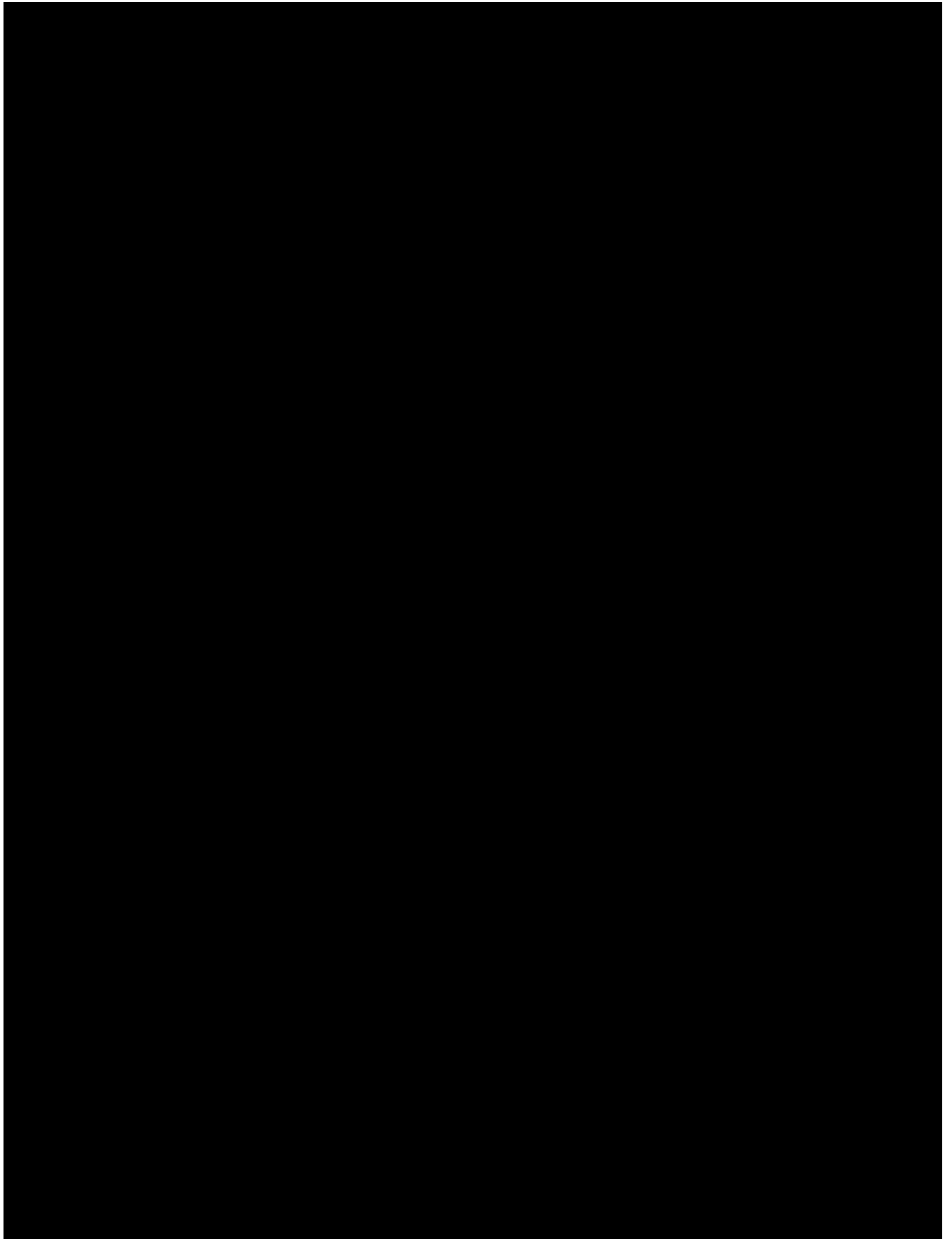
Restriction of Publication Claimed

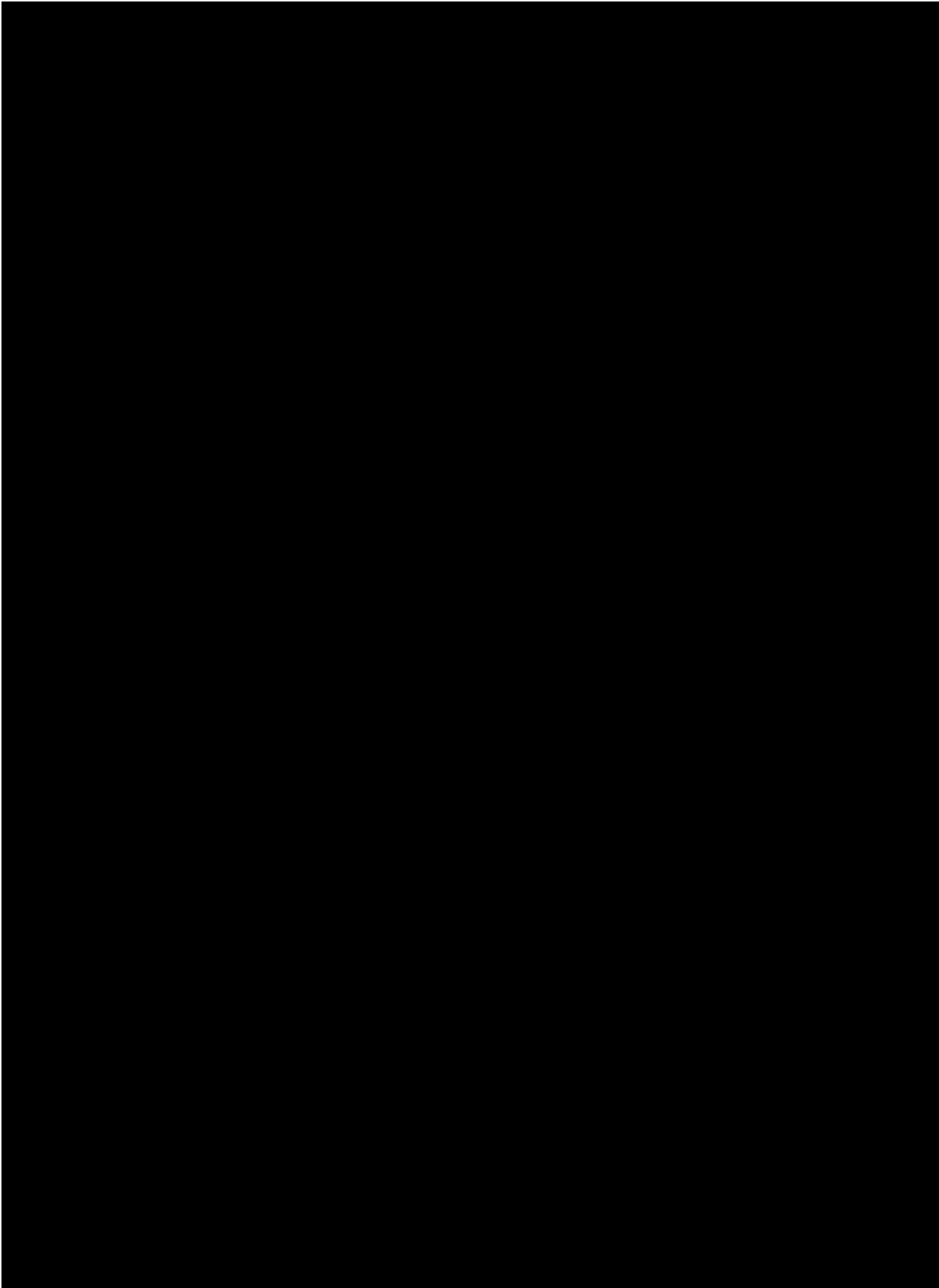


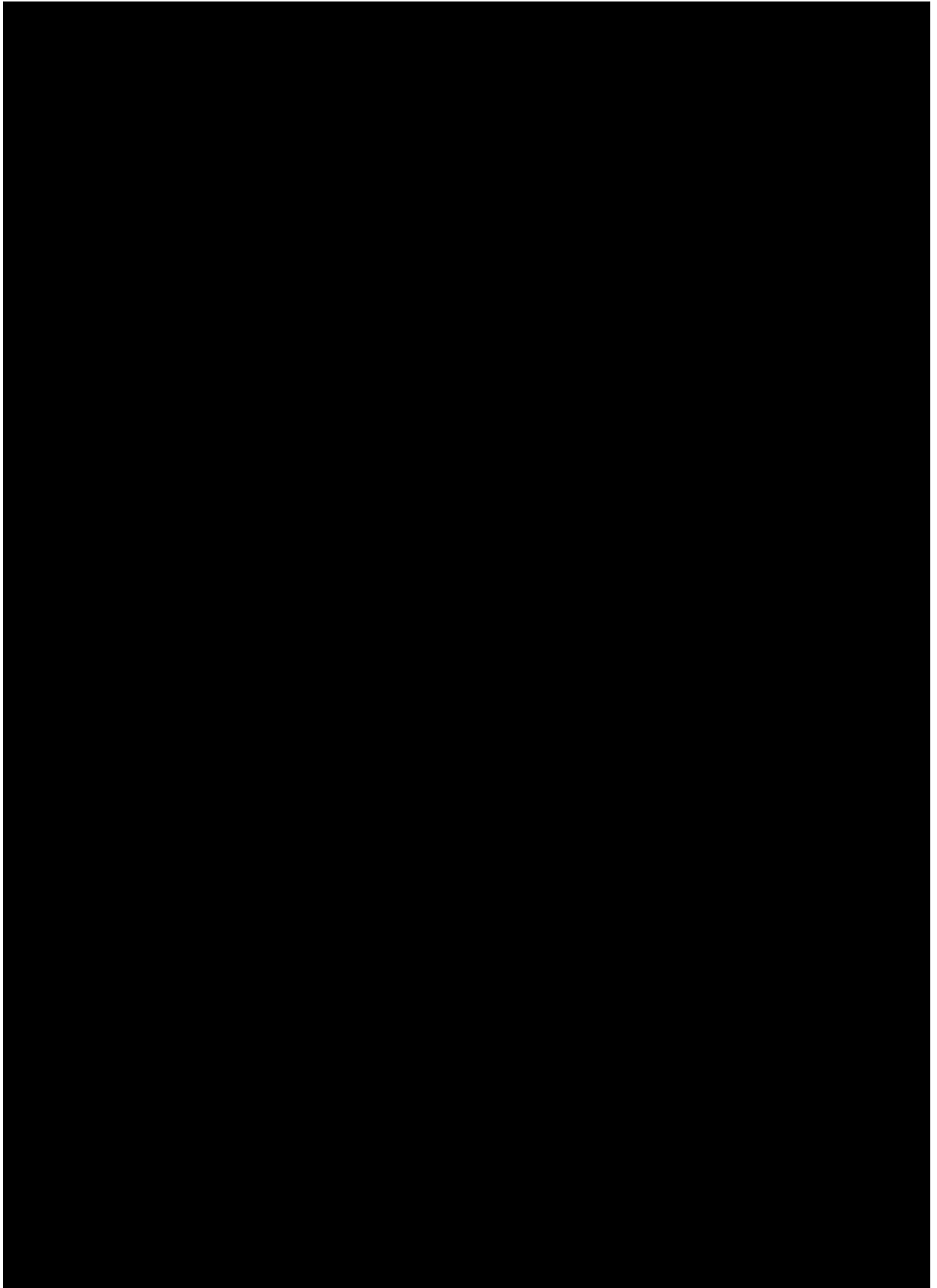
Restriction of Publication Claimed



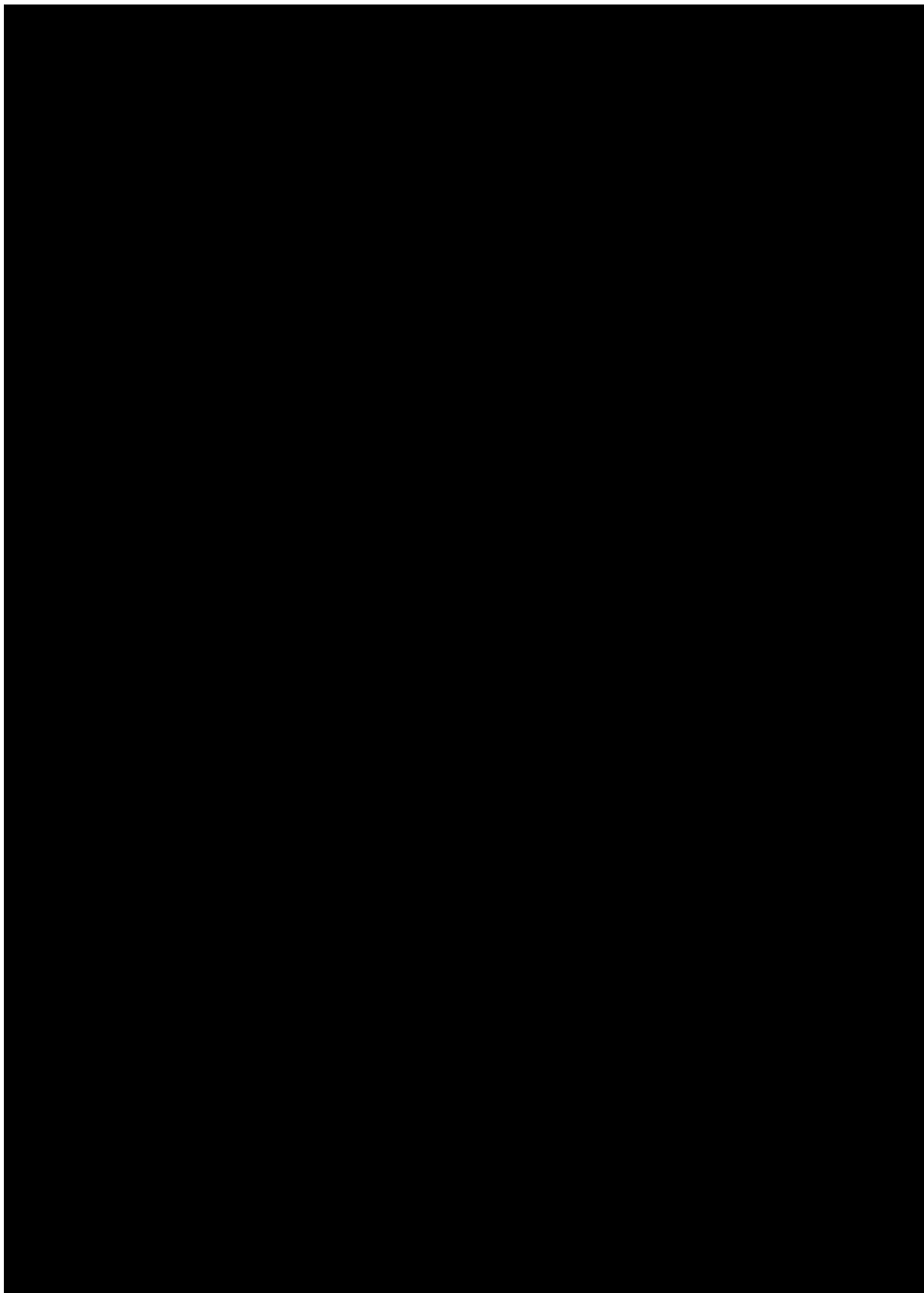
Restriction of Publication Claimed



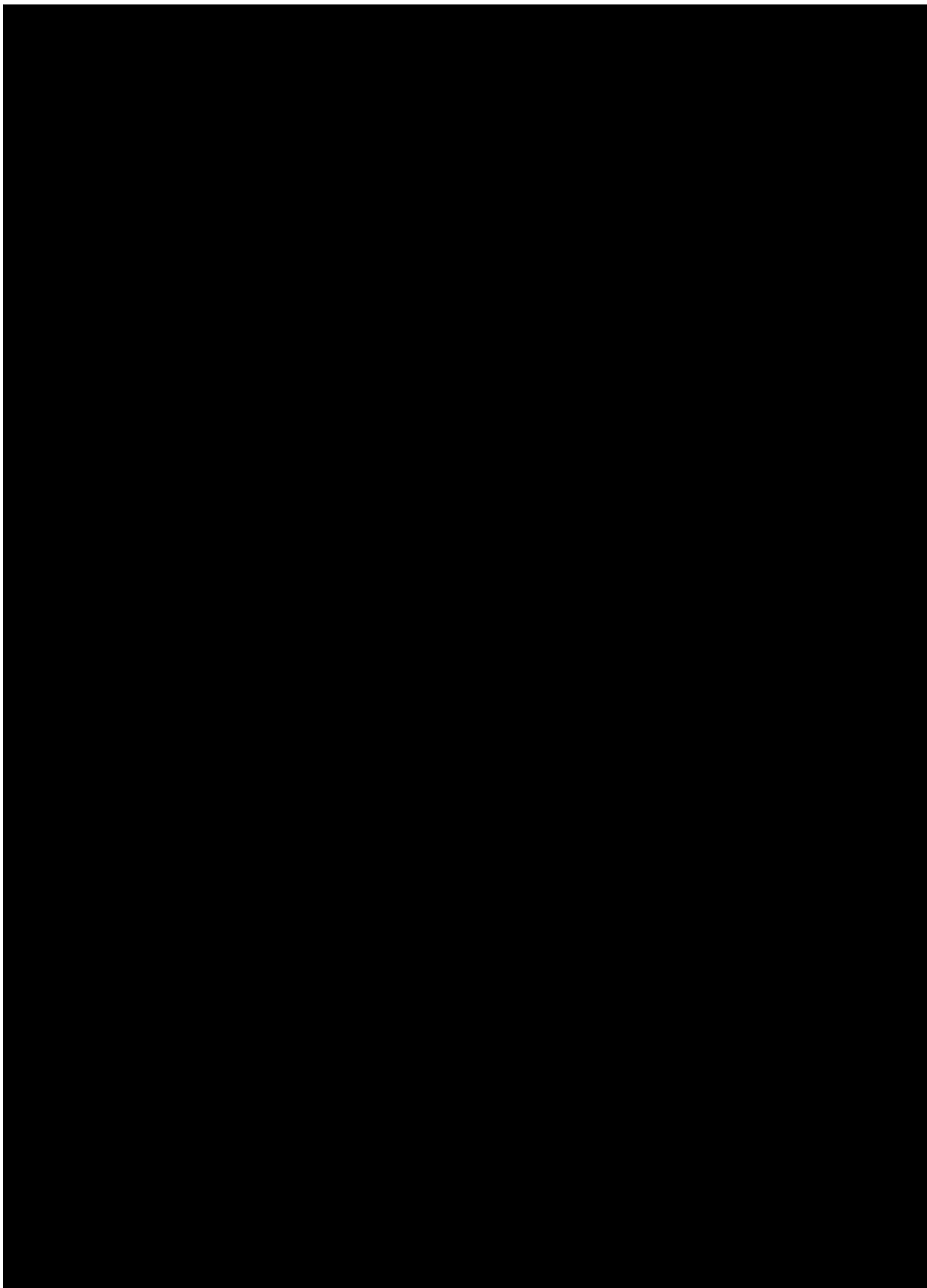


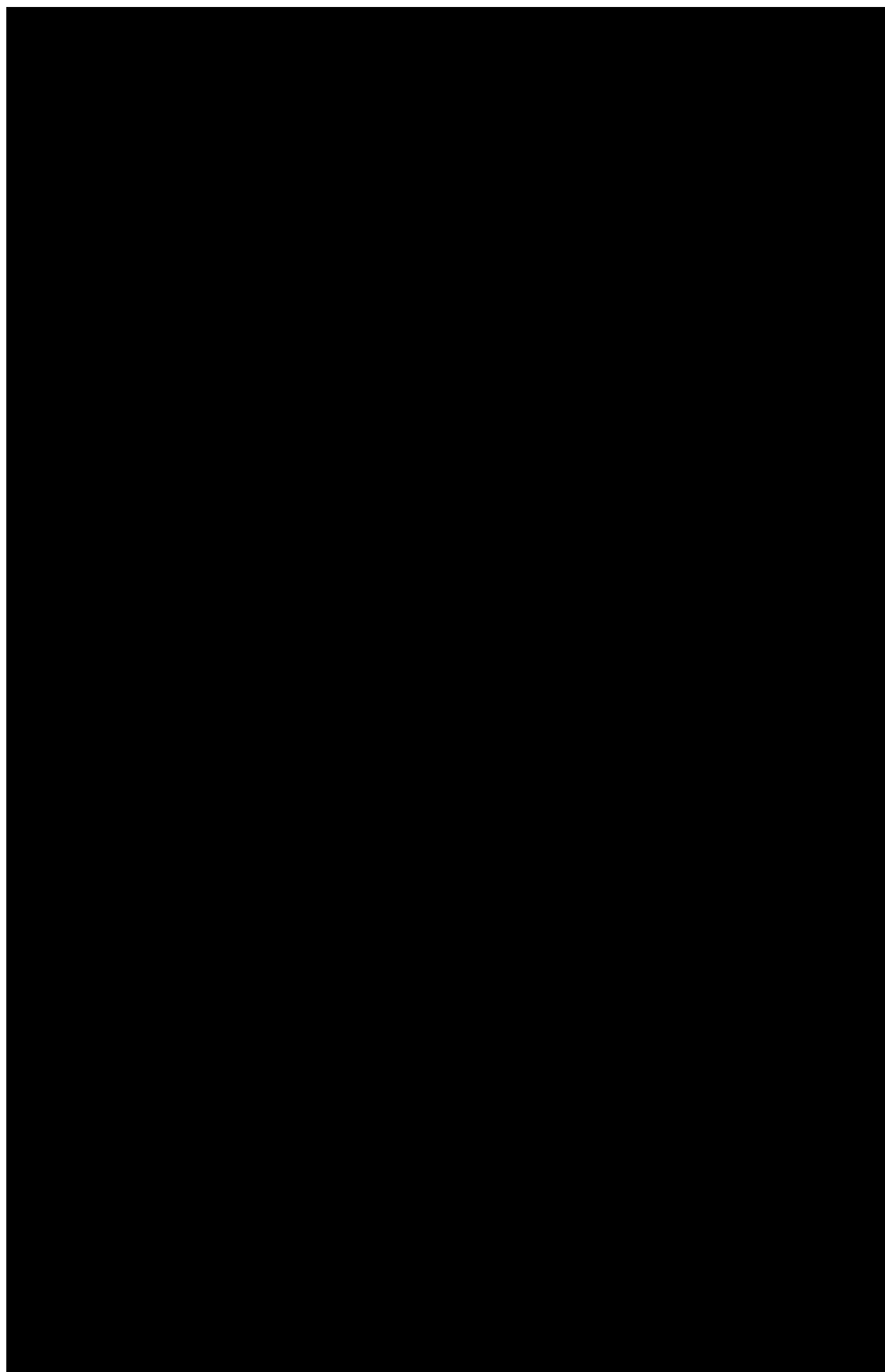


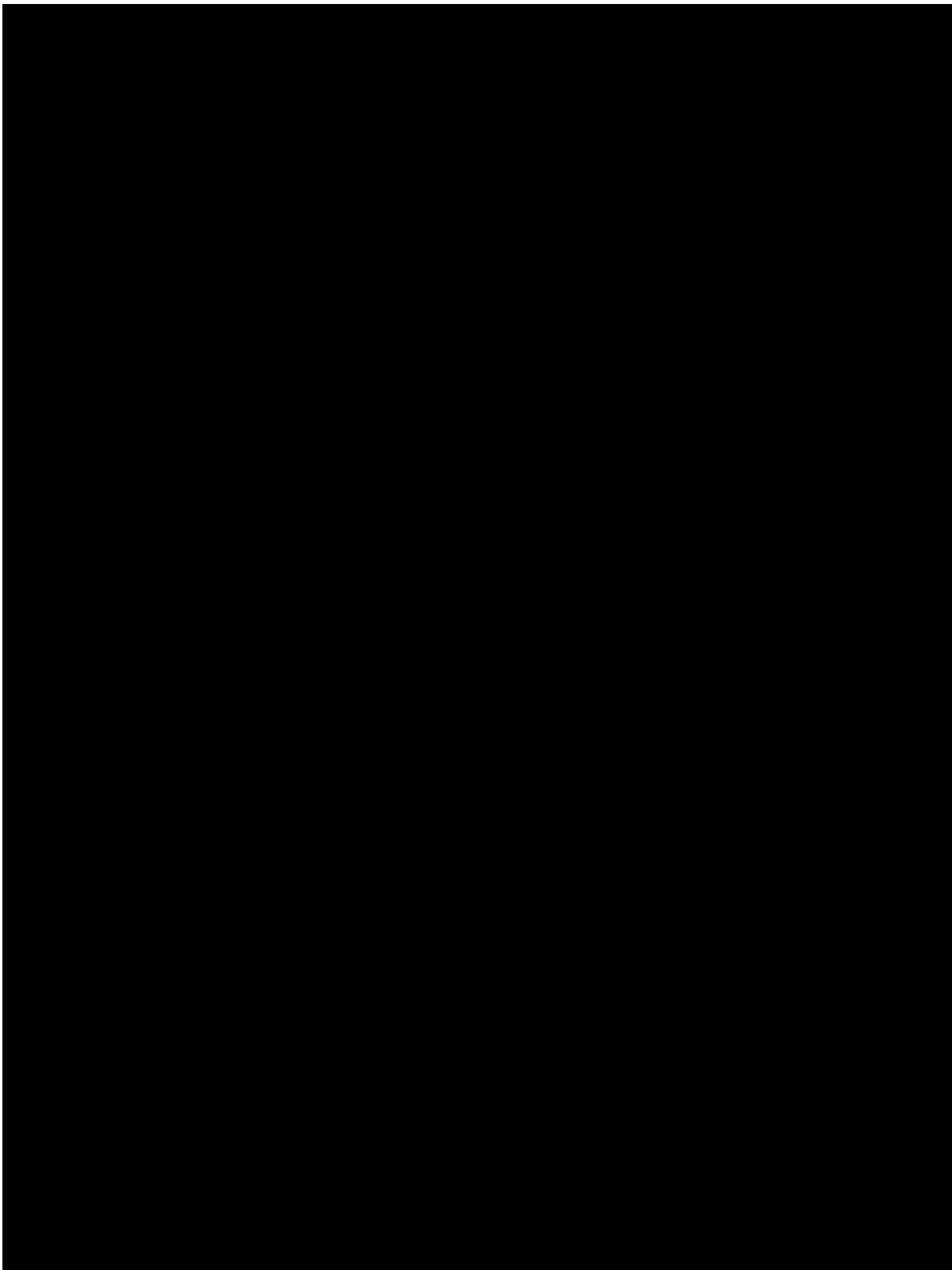
Restriction of Publication Claimed



Restriction of Publication Claimed







[The body of the page is completely redacted with a solid black box.]

