



**Community**  
Underwriting

# OUR SHAREHOLDERS

Community Underwriting Agency is an Australian proprietary limited company limited by shares (ACN 166 234 715). The Company was established with the objective to operate as an underwriting agency providing insurance products and services to eligible not for profit and community organisations as well as membership based organisations (peak bodies).

## SHAREHOLDING STRUCTURE

Our intention is to build a long term and consistent insurance solution for the Not for Profit sector.

With this in mind, legal advice was sought from Sparke Helmore to assist in the drafting of a constitution which would allow:

- Recognition of the original equity developed by NSW Meals on Wheels in its insurance facility over 25 years;
- Recognition of the initial risks, seed capital, individual and organisational resources expended to establish and grow the agency; and
- A level of control / share restrictions to ensure that the original objectives and values remain in place irrespective of how successful the business model may become.

To this end Community Underwriting Agency Pty Limited was formed initially with a total of 5,000,000 shares at equal par value of \$0.0001. At 1 November 2019 there are now 15,114,284 shares on issue.

There are a number of classes of shareholders with restrictions on the manner in which shares may be sold, transferred or be encumbered.

Whilst the key focus is on returning surplus funds back to shareholders through our donation model, we still believe that there is an ultimate balance sheet value for all shareholders.

By expanding Community Underwriting across the Not for Profit sector, all of our shareholders stand to increase the value of their holding over time.

### Foundation Shareholders

This share class recognises the value of the previous CRISP facility brought to Community Underwriting by NSW Meals on Wheels and the initial investment both in funding and resources to establish in its initial years.

The following table details the Foundation Shareholding structure effective from 11 November 2019:

Shareholder	Shares Issued
Meals on Wheels NSW Limited	
- Ordinary Shares	1
- Class A Shares	3,778,570
Community Underwriting Management Company P/L	
- Class B Shares	3,778,571
Total Foundation Shareholding	7,557,143

Under the Community Underwriting constitution the total Foundation Shareholding is required to remain fixed at 50 % of the total capital of the company at any one time. Whenever additional growth shares are issued, additional matching foundation shares will be issued to retain the 50% requirement.

### Growth Shareholders

Growth shares are the class of shares issued to all eligible Community Underwriting clients based on their premium contribution. To be eligible for Growth Shares, an organisation must either be a:

- Not for Profit with a minimum of \$50,000 gross written premium placed with Community Underwriting; or
- A membership based Not for Profit organisation (Peak Body) which:
  - Represents a membership of other similar NFP organisations or interests;
  - Has the ability to and provides a commitment to endorse, promote and influence its members to insure with Community Underwriting;
  - Has the potential to generate a minimum of \$20,000 in gross annual premiums.

The premium contribution of any peak body will exclude any member that qualifies as a growth shareholder in its own right. The Growth Shareholding at November 2019 is as follows:

Shareholder	Shares Issued
Meals on Wheels NSW Limited	6,099,333
JobLink Plus Limited	228,998
Flintwood Disability Services Limited	164,458
Pathfinders Limited	135,834
NSW Neighbour Aid & Social Support Association Inc	118,403
Dementia Australia Limited	109,254
People Who Care Inc	101,438
Variety Australia Limited	98,297
Home Modifications Australia Limited	87,660
Sunnyhaven Limited	71,256
Landcare NSW Inc	64,605
Connectability Australia Limited	62,857
Optia Limited trading as Possability	60,827
Community Restorative Centre Limited	49,984
Healthy Kids Association Inc	40,628
ACT Council of Parents & Citizens Associations Inc	35,177
Meals on Wheels Association of Tasmania Inc	28,135
<b>Total Growth Shareholding</b>	<b>7,557,143</b>

Changes to Growth Shares will be made throughout each year based on the premiums that individual organisations have placed with Community Underwriting and the total Gross Written Premium pool.

## RIGHTS AND RESTRICTIONS

Under the company constitution the following rights and restrictions attached to different classes of shares:

Holders of classes of shares	Rights and Restrictions
Class A Shares	Right to receive notice of any general meeting of the company.
	Voting rights - 1 vote for each Class A and Growth share held.
	Dividends only payable at the discretion of Directors.
	Right to return of capital.
	No transfer restrictions.
	Company must buy back shares at any time at issue value.
Class B Shares	Right to receive notice of any general meeting of the company.
	Voting rights - 1 vote for each Class B share held.
	Dividends only payable at the discretion of Directors.
	Right to return of capital.
	Transfer only after approval of Class A shareholders or where considered under any IPO event.
	Company must buy back shares at any time at request of shareholder at original issue value.
Class G Growth Shares	Right to receive notice of any general meeting of the company.
	Voting rights - 1 vote per growth share provided the organisation has a director appointed to the Board.
	Dividends only payable at the discretion of Directors.
	Right to return of capital
	Transfer only if approved by 50% of all Members or where considered under any IPO event.
	Company must buy back shares at any time at request of shareholder at original issue value. Shareholder must sell back shares at original value when they cease to be an eligible growth shareholder.

The information provided is general in nature and needs to be considered against your organisations own risk profile and particular circumstances. For more specific advice you should contact your broker or Community Underwriting.

Community Underwriting are specialists in charity insurance, not for profit insurance and insurance for community organisations. We offer a range of insurance solutions customised to meet the needs of community organisations, including Association Liability. Contact us today!

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