

Associations Incorporation Reform Act 2012 (Vic)

**RULES OF
SHEPPARTON RETIREMENT VILLAGES INCORPORATED**

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Rules for Shepparton Retirement Villages Incorporated

PART 1—PRELIMINARY

1. Name

The name of the incorporated association is **SHEPPARTON RETIREMENT VILLAGES INCORPORATED** (in these Rules referred to as "SRV").

2. Purposes

- (1) The purposes of SRV are to provide charitable relief, care, services and assistance (collectively referred to as "care" in this rule) and accommodation for—
 - (a) aged persons by—
 - (i) providing permanent and temporary accommodation and/or care within both residential and community settings; and
 - (ii) doing such other things which in SRV's opinion will provide for or promote the economic, social and recreational wellbeing of aged persons; and
 - (b) such other persons which in the opinion of SRV may be assisted as incidental to SRV's care of and/or provision of accommodation to aged persons.
- (2) Without limiting the generality of subrule (1), SRV may provide accommodation and care in aged care facilities, independent living units, supported accommodation and any other form of accommodation which SRV may decide to provide as well as providing care to any persons not housed in accommodation provided by SRV.

3. Financial year

The financial year of SRV is each period of 12 months ending on 30 June.

4. Definitions

In these Rules—

Chairperson, of a general meeting or board meeting, means the person chairing the meeting as required under rule 50;

Board means the board of directors having management of the business of SRV (which for the purposes of the Act is the Committee having management of the business of the Association);

Chief Executive Officer means the person appointed by the Board and acting as Chief Executive Officer of SRV from time to time;

board meeting means a meeting of the Board held in accordance with these Rules;

board director means a member of the Board elected or appointed under Division 3 of Part 5;

deadline means not less than 45 days before the day of the annual general meeting;

disciplinary meeting means a meeting of the Board convened for the purposes of rule 21;

disciplinary subcommittee means the subcommittee appointed under rule 19;

financial year means the twelve (12) month period specified in rule 3;

general meeting means a general meeting of the members of SRV convened in accordance with Part 4 and includes an annual general meeting and a special general meeting;

life member means any natural person who is a life member of SRV at the date these Rules came into operation or any natural person who is appointed a life member of SRV after the date these Rules come into operation;

material personal interest includes, but may not be limited to, a direct or indirect interest (financial or otherwise) in a contract for the supply of goods or services to SRV;

member means a member of SRV and includes a life member;

member entitled to vote means a member who under rule 13(2) is entitled to vote at a general meeting;

police certificate means a report prepared by the Australian Federal Police or by the police force or police service of a State or Territory about a person's criminal conviction record;

proceedings means any proceedings, whether civil or criminal, being proceedings in which it is alleged that the person has done or omitted to do some act, matter or thing in his or her capacity as a board director or in the course of acting in connection with the affairs of SRV or otherwise arising out of the board director's holding such office (including proceedings alleging that the board director was guilty of negligence, default, breach of trust or breach of duty in relation to SRV);

special resolution means a resolution that requires not less than three-quarters of the members voting in person at a general meeting to vote in favour of the resolution;

the Act means the **Associations Incorporation Reform Act 2012** and includes any regulations made under that Act; and

the Registrar means the Registrar of Incorporated Associations.

PART 2—POWERS OF SRV

5. Powers of SRV

- (1) Subject to the Act, SRV has power to do all things incidental or conducive to achieve its purposes.
- (2) Without limiting subrule (1), SRV may—
 - (a) acquire, hold and dispose of real or personal property;
 - (b) open and operate accounts with financial institutions;

- (c) invest its money in any security in which trust monies may lawfully be invested;
 - (d) raise and borrow money on any terms and in any manner as it thinks fit;
 - (e) secure the repayment of money raised or borrowed, or the payment of a debt or liability;
 - (f) appoint agents to transact business on its behalf; and
 - (g) enter into any other contract it considers necessary or desirable.
- (3) SRV may only exercise its powers and use its income and assets (including any surplus) for its purposes.

6. Not for profit organisation

- (1) SRV must not distribute any surplus, income or assets directly or indirectly to its members.
- (2) Subrule (1) does not prevent SRV from paying a member—
 - (a) reimbursement for expenses properly incurred by the member; or
 - (b) for goods or services provided by the member—
 if this is done in good faith on terms no more favourable than if the member was not a member.

PART 3—MEMBERS, DISCIPLINARY PROCEDURES AND GRIEVANCES

Division 1—Membership

7. Who is eligible to be a member

Any person who supports the purposes of SRV is eligible for membership provided that person—

- (a) is at least 18 years old; and
- (b) is not an employee of SRV.

8. Application for membership

To apply to become a member of SRV, a person must submit a written application—

- (a) in the form set out in Appendix 1; and
- (b) be lodged with the Chief Executive Officer.

9. Consideration of application

- (1) As soon as practicable after an application for membership is received, the Chief Executive Officer must refer the application to the Board.
- (2) The Board must decide by resolution whether to accept or reject the application.
- (3) The Chief Executive Officer must notify the applicant in writing of the Board’s decision as soon as practicable after the decision is made.
- (4) No reason need be given for the rejection of an application.

10. New membership

- (1) If an application for membership is approved by the Board—
 - (a) the resolution to accept the membership must be recorded in the minutes of the board meeting; and
 - (b) the Chief Executive Officer must, as soon as practicable, enter the name and address of the new member, and the date of becoming a member, in the register of members.
- (2) A person becomes a member of SRV and, subject to rule 13(2), is entitled to exercise the rights of membership from the date his or her name is entered in the register of members.

11. Annual subscription and fee on joining

There shall be no entrance fee or annual subscription for membership of SRV.

12. Life Membership

- (1) A person may be nominated for life membership of SRV using the form set out in Appendix 2 to be lodged with the Chief Executive Officer.
- (2) As soon as practicable after receipt of a nomination for life membership, the Chief Executive Officer must refer the nomination to the Board.
- (3) The Board must decide by resolution whether to accept or reject the nomination and may only accept the nomination if the Board considers that the nominee has made an outstanding contribution to SRV.
- (4) If an application for life membership is approved by the Board—
 - (a) the resolution to accept the life membership must be recorded in the minutes of the board meeting;
 - (b) the nominee must accept life membership in the form set out in Appendix 3; and
 - (c) the Chief Executive Officer must, as soon as practicable, enter the name and address of the new life member, and the date of becoming a life member, in the register of members.
- (5) Notwithstanding that a person has been recorded as a life member in the register of members, that member shall have no greater rights or obligations than any other member.

13. General rights of members

- (1) A member of SRV who is entitled to vote has the right—
 - (a) to receive notice of general meetings and of proposed special resolutions in the manner and time prescribed by these Rules;
 - (b) to submit items of business for consideration at a general meeting;
 - (c) to attend and be heard at general meetings;
 - (d) to vote at a general meeting;
 - (e) to have access to the minutes of general meetings and other documents of SRV as provided under rule 70; and

(f) to inspect the register of members.

(2) A member is entitled to vote if the member's membership rights are not suspended for any reason.

14. Rights not transferable

The rights of a member are not transferable and end when membership ceases.

15. Suspending membership

(1) The membership of a member who becomes an employee of SRV shall be suspended and the Chief Executive Officer shall make in the register of members an entry recording the date on which that member's membership has been suspended pursuant to this rule.

(2) A membership which is suspended pursuant to subrule(1) may be reinstated by application to SRV once that member ceases to be an employee of SRV.

16. Ceasing membership

(1) The membership of a member ceases on—

(a) resignation by notice in writing given by the member to the Chief Executive Officer;

(b) expulsion in accordance with Division 2 of these Rules; or

(c) death.

(2) If a member ceases to be a member of SRV, the Chief Executive Officer must, as soon as practicable, enter the date the member ceased to be a member in the register of members.

(3) If a member, in the opinion of the Board, has not been an active member of SRV for a period exceeding 18 months the Chief Executive Officer may implement the following procedure—

(a) the Chief Executive Officer shall send a letter ("the first letter") to that member asking whether he or she wishes to remain a member and requesting a written reply within 60 days of the date of the first letter;

(b) in the event that a written reply is not received from the member in accordance with subrule (3)(a), the Chief Executive Officer shall send a further letter ("the second letter") to that member advising that his or her membership will cease unless a written reply is received within 60 days expressing the member's wish to remain a member; and

(c) in the event that a written reply is not received from the member in accordance with subrule (3)(b) the membership of that member shall cease and the Chief Executive Officer must, as soon as practicable, enter the date the member ceased to be a member in the register of members.

(4) Any notice given to a member pursuant to subrule (3) shall be sent to a member at the member's last known address as recorded in the register of members and for the purpose of this subrule shall conclusively be deemed to have been received by that member in the ordinary course of post.

(5) Any member whose membership has been terminated under this rule may apply for re-admission as a member.

17. Register of members

- (1) The Chief Executive Officer must keep and maintain a register of members that includes—
 - (a) for each current member—
 - (i) the member's name;
 - (ii) the address for notice last given by the member;
 - (iii) the date of becoming a member; and
 - (iv) any other information determined by the Board; and
 - (b) for each former member, the date of ceasing to be a member.
- (2) Any member may, at a reasonable time and free of charge, inspect the register of members.

Division 2—Disciplinary action

18. Grounds for taking disciplinary action

SRV may take disciplinary action against a member in accordance with this Division if it is determined that the member—

- (a) has failed to comply with these Rules;
- (b) refuses to support the purposes of SRV; or
- (c) has engaged in conduct prejudicial to SRV.

19. Disciplinary subcommittee

- (1) If the Board is satisfied that there are sufficient grounds for taking disciplinary action against a member, the Board must appoint a disciplinary subcommittee to hear the matter and determine what action, if any, to take against the member.
- (2) The members of the disciplinary subcommittee—
 - (a) may be board directors, members of SRV or anyone else; but
 - (b) must not be biased against, or in favour of, the member concerned.

20. Notice to member

- (1) Before disciplinary action is taken against a member, the Chief Executive Officer must give written notice to the member—
 - (a) stating that SRV proposes to take disciplinary action against the member;
 - (b) stating the grounds for the proposed disciplinary action;
 - (c) specifying the date, place and time of the meeting at which the disciplinary subcommittee intends to consider the disciplinary action (the disciplinary meeting); and
 - (d) advising the member that he or she may do one or both of the following—
 - (i) attend the disciplinary meeting and address the disciplinary subcommittee at that meeting; and/or
 - (ii) give a written statement to the disciplinary subcommittee at any time before the disciplinary meeting.

- (2) The notice must be given no earlier than 28 days, and no later than 14 days, before the disciplinary meeting is held.

21. Decision of disciplinary subcommittee

- (1) At the disciplinary meeting, the disciplinary subcommittee must—
 - (a) give the member an opportunity to be heard; and
 - (b) consider any written statement submitted by the member.
- (2) After complying with subrule (1), the disciplinary subcommittee may—
 - (a) take no further action against the member; or
 - (b) subject to subrule (3)—
 - (i) reprimand the member;
 - (ii) suspend the membership rights of the member for a specified period; or
 - (iii) expel the member from SRV.
- (3) The disciplinary subcommittee may not fine the member.
- (4) The suspension of membership rights or the expulsion of a member by the disciplinary subcommittee under this rule takes effect immediately after the vote is passed.

Division 3—Grievance procedure

22. Application

- (1) The grievance procedure set out in this Division applies to disputes under these Rules between—
 - (a) a member and another member;
 - (b) a member and the Board; or
 - (c) a member and SRV.
- (2) A member must not initiate a grievance procedure in relation to a matter that is the subject of a disciplinary procedure until the disciplinary procedure has been completed.

23. Parties must attempt to resolve the dispute

The parties to a dispute must attempt to resolve the dispute between themselves within 14 days of the dispute coming to the attention of each party.

24. Appointment of mediator

- (1) If the parties to a dispute are unable to resolve the dispute between themselves within the time required by rule 23, the parties must within 10 days—
 - (a) notify the Board of the dispute;
 - (b) agree to or request the appointment of a mediator; and
 - (c) attempt in good faith to settle the dispute by mediation.
- (2) The mediator must be—

- (a) a person chosen by agreement between the parties; or
- (b) in the absence of agreement—
 - (i) if the dispute is between a member and another member—a person appointed by the Board; or
 - (ii) if the dispute is between a member and the Board or SRV—a person appointed or employed by the Dispute Settlement Centre of Victoria.
- (3) A mediator appointed by the Board may be a member or former member of SRV but in any case must not be a person who—
 - (a) has a personal interest in the dispute; or
 - (b) is biased in favour of or against any party.

25. Mediation process

- (1) The mediator to the dispute, in conducting the mediation, must—
 - (a) give each party every opportunity to be heard;
 - (b) allow due consideration by all parties of any written statement submitted by any party; and
 - (c) ensure that natural justice is accorded to the parties throughout the mediation process.
- (2) The mediator must not determine the dispute.

26. Failure to resolve dispute by mediation

If the mediation process does not resolve the dispute, the parties may seek to resolve the dispute in accordance with the Act or otherwise at law.

PART 4—GENERAL MEETINGS OF SRV

27. Annual general meetings

- (1) The Board must convene an annual general meeting of SRV to be held within 4 months after the end of each financial year.
- (2) The Board may determine the date, time and place of the annual general meeting.
- (3) The ordinary business of the annual general meeting is as follows—
 - (a) to confirm the minutes of the previous annual general meeting and of any special general meeting held since then;
 - (b) to receive and consider—
 - (i) the annual report of the Board on the activities of SRV during the preceding financial year; and
 - (ii) the financial statements of SRV for the preceding financial year submitted by the Board in accordance with Part 7 of the Act and these Rules; and
 - (c) to elect the board directors.

- (4) The annual general meeting may also conduct any other business of which notice has been given in accordance with these Rules.

28. Special general meetings

- (1) Any general meeting of SRV, other than an annual general meeting, is a special general meeting.
- (2) The Board may convene a special general meeting whenever it thinks fit.
- (3) No business other than that set out in the notice under rule 30 may be conducted at the meeting.

29. Special general meeting held at request of members

- (1) The Board must convene a special general meeting if a request to do so is made in accordance with subrule (2) by at least 10 members of SRV.
- (2) A request for a special general meeting must—
 - (a) be in writing;
 - (b) state the business to be considered at the meeting and any resolutions to be proposed;
 - (c) include the names and signatures of the members requesting the meeting; and
 - (d) be given to the Chief Executive Officer.
- (3) If the Board does not convene a special general meeting within one month after the date on which the request is made, the members making the request (or any of them) may convene the special general meeting.
- (4) A special general meeting convened by members under subrule (3)—
 - (a) must be held within 3 months after the date on which the original request was made; and
 - (b) may only consider the business stated in that request.
- (5) SRV must reimburse all reasonable expenses incurred by the members convening a special general meeting under subrule (3).

30. Notice of general meetings

- (1) The Chief Executive Officer (or, in the case of a special general meeting convened under rule 29(3), the members convening the meeting) must advertise in a daily newspaper circulating in Shepparton and district and must give to each member a notice of the meeting in accordance with these Rules—
 - (a) at least 59 days' notice of the annual general meeting; or
 - (b) at least 7 days' notice of a special general meeting.
- (2) The notice must—
 - (a) specify the date, time and place of the meeting;
 - (b) indicate the general nature of each item of business to be considered at the meeting;
 - (c) state the names of the board directors who will retire at such meeting and the number of vacancies to be filled in accordance with rule 46(3);

- (d) state that nominations for board directors is required to be delivered to the Chief Executive Officer by the deadline; and
- (e) if a special resolution is to be proposed—
 - (i) state in full the proposed resolution; and
 - (ii) state the intention to propose the resolution as a special resolution.

31. Proxies

A member may not appoint another member as his or her proxy to vote and speak on his or her behalf at a general meeting.

32. Quorum at general meetings

- (1) No business may be conducted at a general meeting unless a quorum of members is present.
- (2) The quorum for a general meeting is the presence of 8 members entitled to vote.
- (3) If a quorum is not present within 45 minutes after the notified commencement time of a general meeting—
 - (a) in the case of a meeting convened by, or at the request of, members under rule 29—the meeting must be dissolved; and
 - (b) in any other case—the meeting must be adjourned to the same place and the same time on the same day of the following week.
- (4) If a quorum is not present within 30 minutes after the time to which a general meeting has been adjourned under subrule (3)(b), the members present at the meeting (if not fewer than 3) may proceed with the business of the meeting as if a quorum were present.

33. Adjournment of general meeting

- (1) The Chairperson of a general meeting at which a quorum is present may, with the consent of a majority of members present at the meeting, adjourn the meeting to another time at the same place or at another place.
- (2) Without limiting subrule (1), a meeting may be adjourned—
 - (a) if there is insufficient time to deal with the business at hand; or
 - (b) to give the members more time to consider an item of business.
- (3) No business may be conducted on the resumption of an adjourned meeting other than the business that remained unfinished when the meeting was adjourned.
- (4) Notice of the adjournment of a meeting under this rule is not required unless the meeting is adjourned for 14 days or more, in which case notice of the meeting must be given in accordance with rule 30.

34. Voting at general meeting

- (1) On any question arising at a general meeting—
 - (a) subject to subrule (3), each member who is entitled to vote has one vote;
 - (b) members may only vote in person; and
 - (c) except in the case of a special resolution, the question must be decided on a majority of votes.

- (2) If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- (3) If the question is whether or not to confirm the minutes of a previous meeting, only members who were present at that meeting may vote.

35. Special resolutions

A special resolution is passed if not less than three quarters of the members voting at a general meeting vote in favour of the resolution.

36. Determining whether resolution carried

- (1) Subject to subrule (2), the Chairperson of a general meeting may, on the basis of a show of hands, declare that a resolution has been—
 - (a) carried;
 - (b) carried unanimously;
 - (c) carried by a particular majority; or
 - (d) lost—

and an entry to that effect in the minutes of the meeting is conclusive proof of that fact.

- (2) If a poll is demanded by five or more members on any question—
 - (a) the poll must be taken at the meeting in the manner determined by the Chairperson of the meeting; and
 - (b) the Chairperson must declare the result of the resolution on the basis of the poll.
- (3) A poll demanded on the election of the Chairperson or on a question of an adjournment must be taken immediately.
- (4) A poll demanded on any other question must be taken before the close of the meeting at a time determined by the Chairperson.

37. Minutes of general meeting

- (1) The Board must ensure that minutes are taken and kept of each general meeting.
- (2) The minutes must record the business considered at the meeting, any resolution on which a vote is taken and the result of the vote.
- (3) In addition, the minutes of each annual general meeting must include—
 - (a) the names of the members attending the meeting;
 - (b) the financial statements submitted to the members in accordance with rule 27(3)(b)(ii);
 - (d) the certificate signed by two board directors certifying that the financial statements give a true and fair view of the financial position and performance of SRV; and
 - (e) any audited accounts and auditor's report or report of a review accompanying the financial statements that are required under the Act.

PART 5—BOARD

Division 1—Powers of Board

38. Role and powers

- (1) The business of SRV must be managed by or under the direction of the Board.
- (2) The Board may exercise all the powers of SRV except those powers that these Rules or the Act require to be exercised by general meetings of the members of SRV but no such power exercised by a general meeting shall invalidate any prior decision of the Board that was made within its powers.
- (3) The Board may—
 - (a) appoint and remove the Chief Executive Officer;
 - (b) establish board subcommittees to be chaired by a board director with terms of reference it considers appropriate; and
 - (c) make policies to govern the detailed administration of SRV.
- (4) Any board subcommittee established under subrule (3)(b) may—
 - (a) consist of both board directors and co-opted persons as its members; and
 - (b) have the President and Vice-President as its ex-officio members.

39. Delegation

- (1) The Board may delegate to a board director, board subcommittee, the Chief Executive Officer or other officer of SRV, any of its powers and functions other than—
 - (a) this power of delegation; or
 - (b) a duty imposed on the Board by the Act or any other law.
- (2) The delegation must be in writing and may be subject to the conditions and limitations the Board considers appropriate.
- (3) The Board may, in writing, revoke a delegation wholly or in part.

Division 2—Composition of Board and duties of board directors

40. Composition of Board

The Board shall consist of a minimum of 9 board directors and maximum of 11 board directors.

41. General Duties

- (1) As soon as practicable after being elected or appointed to the Board, each board director must become familiar with these Rules and the Act.
- (2) The Board is collectively responsible for ensuring that SRV complies with the Act and that individual board directors comply with these Rules.
- (3) Board directors must exercise their powers and discharge their duties with reasonable care and diligence.
- (4) Board directors must exercise their powers and discharge their duties—
 - (a) in good faith in the best interests of SRV; and

- (b) for a proper purpose.
- (5) Board directors and former board directors must not make improper use of—
 - (a) their position; or
 - (b) information acquired by virtue of holding their position—
 so as to gain an advantage for themselves or any other person or to cause detriment to SRV.
- (6) The Board is responsible for the appointment of the Chief Executive Officer.
- (7) In addition to any duties imposed by these Rules, a board director must perform any other duties imposed from time to time by resolution at a general meeting.

Division 3—Election of board directors and tenure of office

42. Who is eligible to be a board director

- (1) Subject to subrules (2) and (3), a member is only eligible to be elected, appointed or continue as a board director if that member—
 - (a) is entitled to vote at a general meeting;
 - (b) is under the age of 75 years, save that a board director who turns 75 years of age during a term shall be entitled to complete that term;
 - (c) is not —
 - (i) appointed to or retain any paid office of SRV;
 - (ii) a resident of SRV; or
 - (iii) receiving services from SRV; and
 - (d) is not prohibited by any law, including, but not limited to, the following—
 - (i) the *Aged Care Act 1997* (Cth) or any legislative instrument made under it; and
 - (ii) the *Retirement Villages Act 1986* (Vic) or any legislative instrument made under it.
- (2) A member who is either nominated for election or appointment as board director or a current board director must whenever reasonably required by the Chief Executive Officer—
 - (a) provide proof to the reasonable satisfaction of the Chief Executive Officer that he or she is not ineligible prior to election or appointment, or continuation as a current board director (as the case may be); and
 - (b) supply such consents to enable SRV to obtain the following—
 - (i) a police certificate;
 - (ii) insolvency searches; and
 - (iii) reports from treating medical practitioners as to the soundness of that member's mind.
- (3) If a member who is either nominated for election or appointment as board director or a current board director becomes aware that he or she is ineligible under subrule (1), that member must immediately notify the Chief Executive

Officer in writing of the relevant matters which that member considers may make him or her ineligible to be elected, appointed or continue as a current board director (as the case may be).

43. Nominations

Before the deadline, or such other period as may be applicable under these Rules, there must be delivered to the Chief Executive Officer a written nomination in the form set out in Appendix 4 that—

- (a) nominates a member as a candidate for election to the Board;
- (b) is signed by at least two members; and
- (c) contains the written acceptance and declaration by the nominee.

44. Election

- (1) If at the annual general meeting the number of eligible candidates duly nominated for board directorship is less than or equal to the number of vacancies to be filled the Chairperson of the annual general meeting must declare—
 - (a) those nominated members as elected board directors; and
 - (b) any vacancy as a vacant position to be filled by the Board.
- (2) If at the annual general meeting the number of eligible candidates duly nominated for board directorship exceeds the number of vacancies to be filled, a ballot must be held in accordance with rule 45.

45. Ballot

- (1) If a ballot is required for the election for a board director position, the Chairperson of the meeting must appoint a member to act as returning officer to conduct the ballot.
- (2) The returning officer must not be a member nominated for the position.
- (3) Before the ballot is taken, each candidate may make a short speech in support of his or her election.
- (4) The election must be by secret ballot.
- (5) The returning officer must give a blank piece of paper to each member present in person.
- (6) If the ballot is for a single position, the voter must write on the ballot paper the name of the candidate for whom they wish to vote.
- (7) If the ballot is for more than one position—
 - (a) the voter must write on the ballot paper the name of each candidate for whom they wish to vote; and
 - (b) the voter must not write the names of more candidates than the number to be elected.
- (8) Ballot papers that do not comply with subrule (7)(b) are not to be counted.
- (9) Each ballot paper on which the name of a candidate has been written counts as one vote for that candidate.

- (10) The returning officer must declare elected the candidate or, in the case of an election for more than one position, the candidates who received the most votes.
- (11) If the returning officer is unable to declare the result of an election under subrule (10) because 2 or more candidates received the same number of votes, the returning officer must—
 - (a) conduct a further election for the position in accordance with subrules (4) to (10) to decide which of those candidates is to be elected; or
 - (b) with the agreement of those candidates, decide by lot which of them is to be elected.

46. Term of office

- (1) A board director shall not, without being re-elected, hold office beyond the third annual general meeting following the board director's election.
- (2) A board director shall not be entitled to be elected for more than 4 consecutive terms, save that any board director currently serving a term that is more than their fourth consecutive term shall be entitled to complete that term and an additional term.
- (3) The Board shall determine the number of board vacancies to be filled at each annual general meeting – from a maximum number of 4 board vacancies to a minimum number of 3 board vacancies.

47. Vacation of office

- (1) A board director may resign from the Board by written notice addressed to the Board.
- (2) A person ceases to be a board director if he or she—
 - (a) ceases to be a member of SRV;
 - (b) becomes ineligible under rule 42;
 - (c) fails to attend 3 consecutive board meetings (other than special or urgent board meetings) without leave of absence under rule 60; or
 - (d) otherwise ceases to be a committee member by operation of section 78 of the Act.

48. Filling casual vacancies

- (1) The Board may appoint an eligible member of SRV to fill a position on the Board that—
 - (a) has become vacant under rule 57; or
 - (b) was not filled by election at the last annual general meeting.
- (2) No casual vacancy shall be filled unless—
 - (a) the name of the eligible member proposed to fill the vacancy is notified to each member of the Board at least 45 days prior to the resolution to appoint such person is put to the Board or the Board prior to filling the vacancy has resolved that a lesser period of notice or no notice is to be required; and
 - (b) a written nomination in the form set out in Appendix 4 is delivered to the Chief Executive Officer that—

- (i) nominates a member as a candidate for appointment to the Board;
 - (ii) is signed by at least two members; and
 - (iii) contains the written acceptance and declaration by the nominee.
- (3) The board director appointed to fill a casual vacancy pursuant to this rule shall, subject to these Rules, be entitled to—
- (a) continue in that position for the remainder of the term of that position; and
 - (b) subsequent to that term, be elected for no more than 4 further consecutive terms.
- (4) The Board may, subject to a quorum being present, continue to act despite any casual vacancy on the Board.

49. Insurance

To the extent permitted by law, SRV may resolve to pay a premium in respect of a contract insuring a person who is or has been a board director of SRV against a liability—

- (a) incurred by a person in his or her capacity—
 - (i) as a board director of SRV;
 - (ii) in the course of acting in connection with the affairs of SRV; or
 - (iii) otherwise arising out of the board director's holding of such office; and
- (b) for costs and expenses incurred by that person in defending proceedings, whatever their outcome—

provided that the liability does not arise out of conduct involving wilful breach of any duty that person has or had under the Act.

Division 4—Meetings of Board

50. President and Vice-President

- (1) The Board shall at its first meeting after each annual general meeting appoint from the board directors a President and a Vice-President to hold office until the first meeting of the Board after the next annual general meeting.
- (2) Subject to subrule (3), the President or, in the President's absence, the Vice-President is the Chairperson for any general meetings and for any board meetings.
- (3) If the President and the Vice-President are both absent, or are unable to preside, the Chairperson of the meeting must be—
 - (a) in the case of a general meeting—a member elected by the other members present; or
 - (b) in the case of a board meeting—a board director elected by the other board directors present.

51. Meetings of Board

The Board must meet at least 4 times in each year at the dates, times and places determined by the Board.

52. Notice of meetings

- (1) Notice of each board meeting must be given to each board director no later than 7 days before the date of the meeting.
- (2) Notice may be given of more than one board meeting at the same time.
- (3) The notice must state the date, time and place of the meeting.

53. Urgent meetings

- (1) On the requisition of either the President, 2 board directors or the Chief Executive Officer, an urgent meeting can be held without notice being given in accordance with rule 52 provided that as much notice as practicable is given to each board director by the quickest means practicable.
- (2) Any resolution made at the urgent meeting must be passed by an absolute majority of the Board.
- (3) The only business that may be conducted at an urgent meeting is the business for which the meeting is convened.

54. Procedure and order of business

- (1) The procedure to be followed at a meeting of the Board must be determined from time to time by the Board.
- (2) The order of business may be determined by the board directors present at the meeting.

55. Use of technology

- (1) A board director who is not physically present at a board meeting may participate in the meeting by the use of technology that allows that board director and the board directors present at the meeting to clearly and simultaneously communicate with each other.
- (2) For the purposes of this Part, a board director participating in a board meeting as permitted under subrule (1) is taken to be present at the meeting and, if the board director votes at the meeting, is taken to have voted in person.

56. Quorum

- (1) No business may be conducted at a board meeting unless a quorum is present.
- (2) The quorum for a board meeting is the presence (in person or as allowed under rule 55) of 5 board directors holding office.
- (3) If a quorum is not present within 30 minutes after the notified commencement time of a board meeting—
 - (a) in the case of a special meeting—the meeting lapses; or
 - (b) in any other case—the meeting must be adjourned to a date no later than 14 days after the adjournment and notice of the time, date and place to which the meeting is adjourned must be given in accordance with rule 52.

57. Voting

- (1) On any question arising at a board meeting, each board director present at the meeting has one vote.

- (2) A motion is carried if a majority of board directors present at the meeting vote in favour of the motion.
- (3) If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- (4) Voting by proxy is not permitted.

58. Conflict of interest

- (1) A board director who has a material personal interest in a matter being considered at a board meeting must disclose the nature and extent of that interest to the Board.
- (2) The board director—
 - (a) must not be present while the matter is being considered at the meeting; and
 - (b) must not vote on the matter.
- (3) Subject to these Rules, this rule does not apply to a material personal interest—
 - (a) that exists only because the member belongs to a class of persons for whose benefit SRV is established; or
 - (b) that the member has in common with all, or a substantial proportion of, the members of SRV.

59. Minutes of meeting

- (1) The Board must ensure that minutes are taken and kept of each board meeting.
- (2) The minutes must record the following—
 - (a) the names of the board directors in attendance at the meeting;
 - (b) the business considered at the meeting;
 - (c) any resolution on which a vote is taken and the result of the vote; and
 - (d) any material personal interest disclosed under rule 58.

60. Leave of absence

- (1) The Board may grant a board director leave of absence from board meetings for a period not exceeding 6 months.
- (2) The Board must not grant leave of absence retrospectively unless it is satisfied that it was not feasible for the board director to seek the leave in advance.

PART 6—FINANCIAL MATTERS

61. Source of funds

The funds of SRV may be derived from donations, fundraising, fees, charges, government payments, grants, interest and any other sources approved by the Board.

62. Management of funds

- (1) The Chief Executive Officer and/or his or her delegate shall—
 - (a) receive all moneys on account of SRV;

- (b) issue official receipts as required; and
 - (c) hold, pay or apply the moneys received in accordance with sound financial practice taking into account any resolutions and/or policies determined from time to time by the Board.
- (2) All accounts of SRV shall be paid in the manner determined by the Chief Executive Officer and/or his or her delegate taking into account any resolutions and/or policies determined from time to time by the Board.
- (3) All cheques, drafts, bills of exchange, promissory notes, electronic funds transfers, other negotiable instruments and other methods of payment shall be signed or authorised in accordance with resolutions and/or policies determined from time to time by the Board.

63. Financial records

- (1) SRV must keep financial records that are—
- (a) intended to accurately record and explain its transactions, financial position and performance; and
 - (b) enable financial statements to be prepared as required by the Act or any other law.
- (2) SRV must retain the financial records for 7 years after the transactions covered by the records are completed.
- (3) The Chief Executive Officer must keep in his or her custody, or under his or her control—
- (a) the financial records for the current financial year; and
 - (b) any other financial records as authorised by the Board.

64. Financial statements

- (1) For each financial year, the Board must ensure that the requirements under the Act or any other law relating to the financial statements of SRV are met.
- (2) Without limiting subrule (1), those requirements include—
- (a) the preparation of the financial statements;
 - (b) the auditing of the financial statements in accordance with rule 65;
 - (c) the certification of the financial statements by the Board;
 - (d) the submission of the financial statements to the annual general meeting of SRV; and
 - (e) the lodgement with the Registrar of the financial statements and accompanying reports, certificates, statements and fee.

65. Auditing of financial statements

- (1) The Board may—
- (a) appoint an auditor or auditors for each financial year or such longer period as the Board may consider appropriate;
 - (b) terminate the appointment of an auditor on reasonable grounds; and
 - (c) appoint a replacement auditor.

- (2) A board director, or an employer or employee of a board director, may not be appointed as an auditor.
- (3) The fees and expenses payable to an auditor shall be determined by the Board.
- (4) The auditor shall attend the offices of SRV to undertake the examination of the accounts and other records to be made available at all times during the examination—
 - (a) on such occasions as are arranged with the Board, but not less than on 2 occasions each financial year; and
 - (b) one such occasion shall occur between July to September following the financial year so as to enable the auditor to complete the audit programme relating to that financial year.
- (5) The auditor shall—
 - (a) make such direct reports to the Board as he or she considers necessary; and
 - (b) make a written report to the members at the annual general meeting stating whether in his or her opinion the accounts and other records of SRV for the financial year—
 - (i) are in accordance with the Act;
 - (ii) give a true and fair view of the financial position and financial performance of SRV;
 - (iii) comply with Australian Accounting Standards; and
 - (iv) that the audit was conducted in accordance with Australian Accounting Standards.
- (6) The auditor may, if he/she considers it desirable to do so, make a written or verbal report direct to the members at the annual general meeting on any matter falling within the scope of his or her duties.

PART 7—GENERAL MATTERS

66. Auxiliaries

- (1) The Board may promote the formation of such Auxiliaries as it deems expedient and may authorise the raising of funds by such auxiliaries for the purposes of SRV.
- (2) The Board may, if good cause is shown, withdraw any such authority given under subrule (1).

67. Common seal

SRV's common seal requirements include—

- (a) SRV's full name must appear in legible characters on the common seal;
- (b) a document may only be sealed with the common seal by the authority of the Board and the sealing must be witnessed by the signatures of two board directors; and
- (c) the common seal must be kept in the custody of the Chief Executive Officer.

68. Registered address

The registered address of SRV is—

- (a) the address determined from time to time by resolution of the Board; or
- (b) if the Board has not determined an address to be the registered address—the postal address of the Chief Executive Officer.

69. Notice requirements

- (1) Any notice required to be given to a member or a board director under these Rules may be given—
 - (a) by handing the notice to the member personally;
 - (b) by sending it by post to the member at the address recorded for the member on the register of members; or
 - (c) by email or facsimile transmission.
- (2) Subrule (1) does not apply to notice given under rule 53.
- (3) Any notice required to be given to SRV or the Board may be given—
 - (a) by sending the notice by post to the registered address;
 - (b) by leaving the notice at the registered address; or
 - (c) if the Board determines that it is appropriate in the circumstances—
 - (i) by email to the email address of SRV or the Chief Executive Officer; or
 - (ii) by facsimile transmission to the facsimile number of SRV.

70. Custody and inspection of books and records

- (1) Members may on request inspect free of charge—
 - (a) the register of members;
 - (b) the minutes of general meetings; and
 - (c) subject to subrule (2), the financial records, books, securities and any other relevant documents of SRV, including minutes of board meetings.
- (2) The Board may refuse to permit a member to inspect records of SRV that relate to confidential, personal, employment, commercial or legal matters or where to do so may be prejudicial to the interests of SRV.
- (3) The Board must on request make copies of these Rules available to members and applicants for membership free of charge.
- (4) Subject to subrule (2), a member may make a copy of any of the other records of SRV referred to in this rule and SRV may charge a reasonable fee for provision of a copy of such a record.
- (5) For purposes of this rule—

relevant documents means the records and other documents, however compiled, recorded or stored, that relate to the incorporation and management of SRV and includes the following—

 - (a) its membership records;

- (b) its financial statements;
- (c) its financial records; and
- (d) records and documents relating to transactions, dealings, business or property of SRV.

71. Winding up and cancellation

- (1) SRV may be wound up voluntarily by special resolution.
- (2) In the event of the winding up or the cancellation of the incorporation of SRV, the surplus assets of the SRV must not be distributed to any members or former members of SRV.
- (3) Subject to all requirements of law, including any requirements under—
 - (a) the Act;
 - (b) the *Aged Care Act 1997* (Cth) or any successor legislation;
 - (c) the *Retirement Villages Act 1986* (Vic) or any successor legislation; and
 - (d) Division 30 of the Income Tax Assessment Act 1997 (Cth) or any successor legislation—

the surplus assets must be given to a body that has both similar charitable purposes as SRV and has a deductible gift recipient status.

- (4) The special resolution must specify—
 - (a) the body to which the surplus assets are to be given; and
 - (b) the fund approved under Division 30 of the Income Tax Assessment Act 1997 (Cth), or any successor legislation, to which the surplus assets are to be transferred.

72. Alteration of Rules

These Rules may only be altered by special resolution of a general meeting of SRV.

Appendix 1

**APPLICATION FOR MEMBERSHIP
OF SHEPPARTON RETIREMENT VILLAGES INCORPORATED**

I,
(Full Name of Applicant)

of.....
(Address)

.....
(Occupation)

desire to become a member of Shepparton Retirement Villages Incorporated.
In the event of my admission as a member, I hereby agree to be bound by the Rules of Shepparton Retirement Villages Incorporated for the time being in force.

.....
Signature of Applicant

Date.....

I,
(Full Name of Nominator)

being a member of Shepparton Retirement Villages Incorporated, hereby nominate the above applicant who is personally known to me, for membership of Shepparton Retirement Villages Incorporated.

.....
Signature of Nominator

Date.....

Appendix 2

**NOMINATION FOR LIFE MEMBERSHIP
OF SHEPPARTON RETIREMENT VILLAGES INCORPORATED**

I,
(Full Name of Nominator)

of.....
(Address)

.....
(Occupation)

being a member of Shepparton Retirement Villages Incorporated hereby nominate—

.....
.
(Full Name of Nominated Life Member)

as a life member of Shepparton Retirement Villages Incorporated on the basis of the following outstanding contributions to Shepparton Retirements Villages Incorporated made by the nominee—

.....
Signature of Nominator

Date.....

Appendix 3

ACCEPTANCE BY NOMINATED LIFE MEMBER

I,
(Full Name of Nominated Life Member)

of.....
(Address)

hereby accept life membership of Shepparton Retirement Villages Incorporated.

.....
Signature of Nominated Life Member

Date.....

Appendix 4

**NOMINATION FOR BOARD DIRECTOR
OF SHEPPARTON RETIREMENT VILLAGES INCORPORATED**

We,.....
(Full Name of Nominator)

and.....
(Full Name of Nominator)

being members of Shepparton Retirement Villages Incorporated hereby nominate—

.....
(Full Name of Nominated Board Director)

of.....
(Address)

for election/appointment as a board director of Shepparton Retirement Villages Incorporated.

.....
Signature of Nominator

.....
Signature of Nominator

Date.....

Date.....

ACCEPTANCE AND DECLARATION BY NOMINATED BOARD DIRECTOR

I,
(Full Name of Nominated Board Director)

hereby accept my nomination for board director of Shepparton Retirement Villages Incorporated, and, pursuant to rule 44 of its Rules, hereby declare that to the best of my knowledge, information and belief I am eligible for election/appointment as a board director.

.....
Signature of Nominated Board Director

Date.....