



# VICTORIA GOVERNMENT GAZETTE.

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[1954

## CO-OPERATION ACT 1953.

*At the Executive Council Chamber, Melbourne, the  
twenty-seventh day of July, 1954.*

### PRESENT:

His Excellency the Governor of Victoria.

Mr. Shepherd  
Mr. Scully

Mr. Smith.

## CO-OPERATIVE SOCIETIES (MODEL RULES) REGULATIONS.

**P**URSUANT to the powers conferred by the *Co-operation Act 1953* and the *Acts Interpretation Act 1928*, His Excellency the Governor of the State of Victoria, by and with the advice of the Executive Council thereof, doth make the following Regulations, that is to say:—

1. These Regulations may be cited as the Co-operative Societies (Model Rules) Regulations.
2. The model rules for the several kinds of co-operative societies referred to in the Schedule to these Regulations shall be the rules respectively set forth in the said Schedule.

### SCHEDULE.

#### PART A.—MODEL RULES FOR A PRODUCERS SOCIETY.

##### *Interpretation.*

1. In these rules, unless inconsistent with the context or subject matter:—  
 "Act" means the *Co-operation Act 1953* and any amendment thereof.  
 "Month" means calendar month.  
 "Prescribed" means prescribed by the Act or the Regulations.  
 "Regulations" means regulations made under the Act.  
 "Registrar" means the Registrar of Co-operative Societies.  
 Expressions used have the same meanings as those ascribed to them by the Act.  
 Words importing the singular include the plural, and vice versa. Words importing the masculine gender include females.

##### *Rules.*

2. In accordance with section 58 of the Act, the rules of the society shall bind the society and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto and there were contained

in the rules a covenant on the part of each member and his legal representatives to observe all the provisions of the rules subject to the provisions of the Act and the regulations.

*Name.*

3. The name of the society shall be\*.....  
(hereinafter called "the society"). The society is a producers society under the *Co-operation Act* 1953.

\* The word "co-operative" must be in the name, and the word "limited" at the end thereof.

*Registered Office.*

4. The registered office of the society shall be at.....  
(Give address in full)

or at such other place as the board may determine from time to time. The board shall in accordance with section 57 of the Act, cause notice of any change therein to be lodged with the registrar in the form prescribed within fourteen days after the change.

*Use of Name.*

5. The board shall in accordance with section 57 of the Act cause the name of the society with a statement that the society is registered under the Act to be painted or affixed and kept painted or affixed on the outside of its office in a conspicuous place and in letters which are clearly legible.

*Objects.*

6. The objects of the society shall be\*

\* Here set out objects. As to what the objects may be, see section 5 of the Act.

*Powers.*

7. The society shall in accordance with section 6 of the Act have power to do any of the following things as incidental to its objects:—

- (a) raise money on loan for any objects of the society, subject to the Act and, in particular, to sections 51 to 53 thereof;
- (b) receive money on deposit, subject to the Act and, in particular, to sections 51 and 52 thereof;
- (c) acquire by purchase or otherwise shares in any other society;
- (d) make advances to its members or other persons against products delivered or to be delivered to the society.

*Purchase of Members' Shares.*

8. The society may in accordance with section 41 of the Act purchase out of its reserve fund any share of a member in the society: Provided that the shares so purchased in any one year shall not exceed one-twentieth of the paid-up capital of the society.

*Repayment of Share Capital.*

9. (1) The board may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society.

(2) The board shall not, except with the consent of the registrar, make any such repayment if the society has received from any person who is not a member any money on loan or deposit which is not secured by mortgage and it still unpaid.

(3) Where pursuant to this rule any member is repaid the whole of the amount paid up on all the shares held by him he shall cease to be a member.

*Contributions by Society.*

10. The board may make contributions out of the funds of the society to any organization or body, corporate or unincorporate, which includes amongst its objects the rendering of services to the society or its members or the operations of which are calculated to promote the economic interests of those members.

*Advance on Security of Shares.*

11. The society may in accordance with section 54 of the Act make an advance out of its reserve fund to a member upon the security of his shares in the society: Provided that the amount advanced shall not exceed one-half of the amount paid up on the shares.

*Property.*

12. (1) The society may in accordance with section 48 of the Act acquire by lease, purchase, donation, devise, bequest or otherwise any real or personal property for any objects of the society or for any purposes ancillary to those objects, and may sell or lease any such real or personal property.

(2) Any property to which the society may become entitled absolutely by foreclosure, surrender or other extinguishment of the right of redemption shall in accordance with section 54 of the Act be sold or converted into money as soon afterwards as may be conveniently practicable.

*Joining an Association.*

13. The society, with the approval of a majority at a general meeting of which due notice has been given, may join with any other producers society or, where section 22 of the Act so allows, with any trading society or foreign association to form an association under the said section 22.

*Dealings of Members with Society.*

14. The society may, in accordance with section 62 of the Act, make a contract with a member requiring him to have any specified dealings with the society for a fixed period and, in particular, without limiting the generality of the foregoing, requiring him to sell products through or to the society, or to obtain supplies or services through or from the society, with provision for the payment by him to the society of specified sums as liquidated damages for the breach of any term of the contract.

*Seal.*

15. (1) The society shall as required by section 57 of the Act have its name inscribed in legible characters upon a seal. The seal shall be kept at the registered office in such custody as the board directs.

(2) The device of the seal shall be the name of the society within two concentric circles.

(3) The seal shall be used only under the authority of a resolution of a general meeting or of the board, and shall be attested by the signatures of two directors and the secretary, or in the absence of the secretary by such other person as the board authorizes.

*Custody of Books and Documents.*

16. All books of account, securities, documents and papers of the society, other than such (if any) as the board may direct to be kept elsewhere, shall be kept at the registered office in such manner and with such provision for their security as the board directs.

*Membership.*

17. (1) The persons who shall be qualified to be members of the society shall be—

- (a) any persons who are not under the age of eighteen years; and
- (b) any other societies which have power to acquire shares in the society.

(2) Where another society is a member of the society, that other society may from time to time in such manner as the board of the society directs appoint a person, being a member of that other society, to represent it in respect of the share held by it, and the person so appointed shall during the continuance of his appointment be deemed a member of the society holding that share for all purposes except—

- (a) the liability in respect of the share;
- (b) the transfer thereof;
- (c) the giving of receipts for any dividends or payments thereon.

18. Application for membership shall be made at the registered office in or to the effect of the prescribed form, with a deposit of two shillings on each share applied for.

19. Upon approval of the application for membership the shares shall be allotted to the applicant, and his name shall be duly entered as a member in the register of members. He shall be notified of such allotment and shall thereupon be entitled to the privileges of membership.

20. If an application for membership be not approved, the deposit shall be returned to the applicant without interest.

21. The board may reject an application for membership and need not assign any reason for its action.

*Ceasing Membership.*

22. A person shall, as provided in section 36 (8) of the Act, cease to be a member in any of the following circumstances:—

- (a) where his share is transferred to another person in accordance with these rules and the transferee is registered as holder in his place;
- (b) where his share is forfeited in accordance with these rules;
- (c) where his share is sold by the society under a power conferred by these rules and the purchaser is registered as holder in his place;
- (d) where his share is purchased by the society in accordance with the Act and these rules;
- (e) where he becomes bankrupt under any law relating to bankruptcy and the official assignee disclaims in accordance with the provisions of that law;
- (f) on death: Provided that his estate shall remain liable until his executor or administrator or some other person is registered as holder in his place, or until the society pays the value of his share in accordance with the provisions of the Act;
- (g) where the contract of membership is rescinded on the ground of misrepresentation or mistake;
- (h) where he ceases to be a member in accordance with these rules;
- (i) in the case of a corporate body, where the corporate body is dissolved.

*Liability of a Member to Society.*

23. A member shall in accordance with section 40 of the Act be liable to the society for the amount, if any, unpaid on the shares held by him, together with any charges payable by him to the society as prescribed by these rules.

*Expulsion of Members.*

24. A member may be expelled from the society by special resolution to the effect:—

- (a) that he has failed to discharge his obligations to the society, whether prescribed by these rules or arising out of any contract; or
- (b) that a charge of conduct detrimental to the society has been proved:

Provided that in either case written notice of the proposed resolution shall be forwarded to the member not less than seven days before the meeting, and he shall be given an opportunity of being heard at the meeting.

25. (1) The shares of a member who has been expelled may by special resolution be forfeited to the society, but he shall be entitled to any other interest he may have in the society.

(2) Notice of the forfeiture shall be sent in accordance with these rules within seven days.

26. (1) No expelled member shall be re-admitted as a member of the society except by special resolution.

(2) A member so re-admitted shall not have restored to him any shares which were forfeited on his expulsion.

27. Where a member has been expelled but his shares have not been forfeited such shares may be sold by the society in such manner as the board determines and the proceeds of such sale less any expenses incurred in connection therewith shall be paid to the expelled member or set off against moneys owing to the society by him.

28. Where a member is expelled he shall, whether his shares are forfeited or not, cease to be a member.

*Capital and Shares.*

29. (1) The capital of the society shall be raised by the issue of shares.

(2) The capital shall vary in amount according to the nominal value of shares from time to time subscribed.

30. Shares, which shall be of one class, all ranking equally, shall be of the nominal value of £1 each.

31. Every member shall hold at least five shares, but no member shall hold shares exceeding the nominal value of One thousand pounds, nor shall any member hold more than one-fifth of the shares in the society.

*Certificate of Shares.*

32. Every person whose name is entered as a member in the register of members shall, without payment, be entitled upon application to a certificate under the seal of the society specifying the shares held by him and the amount paid up thereon: Provided that in respect of shares held jointly by several persons the society shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

33. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of One shilling, and on such terms as to evidence and indemnity as the board thinks fit.

*Charge on Shares.*

34. The society shall, as provided in section 45 of the Act, have a charge upon the share or interest in the capital and on the credit balance of a member or past member, and upon any dividend, bonus or rebate payable to a member or past member in respect of any debt due from the member or past member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of the debt.

*Calls on Shares.*

35. The board may from time to time make calls upon the members in respect of any moneys unpaid on their shares: Provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the society at the time or times so specified the amount called on his shares.

36. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

37. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of Five per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the board shall be at liberty to waive payment of that interest wholly or in part.

38. The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him.

39. Upon all or any of the moneys so advanced the board may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the society in general meeting, Five per centum per annum) as the board determines.

*Default in Payment of Calls.*

40. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

41. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the day appointed the shares in respect of which the call was made will be liable to be forfeited.

42. If the requirements of any such notice as aforesaid are not complied with by the member, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the board to that effect.

*Forfeited Shares.*

43. A person whose shares have been forfeited for a default in payment of calls or for any other reason shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the society all moneys which, at the date of forfeiture, were presently payable by him to the society in respect of the shares.

44. A statutory declaration in writing that the declarant is a director of the society, and that a share in the society has been duly forfeited on a date stated in the declaration, shall be evidence of the facts therein stated.

45. Shares forfeited for default in payment of calls or for any other reason shall be cancelled and shall not be sold and re-issued.

46. All moneys received by the society in respect of forfeited shares shall be added to the reserve fund.

*Investments.*

47. The board may, in accordance with the Act, invest any of the funds of the society in any of the following, that is to say:—

- (a) in any securities authorized by law for the investment of trust funds;
- (b) on deposit in the State Savings Bank of Victoria, or in the Commonwealth Savings Bank or in any bank prescribed by the regulations, or in any co-operative society, association or union which is authorized to receive deposits;
- (c) in any prescribed securities;
- (d) in any other way prescribed or allowed by the Act.

*Transfer of Shares.*

48. The instrument of transfer of any share shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.

49. Shares in the society shall be transferred in the following form or in any usual or common form which the board approves:—

I, A. B., of....., in consideration of the sum of £ ..... paid to me by C.D., of ..... (hereinafter called "the said transferee") do hereby transfer to the said transferee the share (or shares) numbered..... in the Society called the....., to hold unto the said transferee, his executors, administrators, and assigns, subject to the several conditions on which I held the same at the time of the execution hereof; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands, the..... day of ..... 19.....

.....transferor.  
in the presence of .....  
.....transferee.  
in the presence of .....

*Registration of Transfers, &c.*

50. (1) The board may decline to register any transfer of shares to a person not qualified to be a member or of whom it does not approve, and may also decline to register any transfer of shares on which the society has a charge.

(2) The board may suspend the registration of transfers during the fourteen days immediately preceding the annual general meeting in each year.

(3) The Board may decline to recognise any instrument of transfer unless—

- (a) a fee of One shilling is paid to the society in respect thereof, and
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the board may require to show the right of the transferor to make the transfer.

51. The board shall cause a record of all transfers to be made in the proper books of the society.

52. Any person becoming entitled to a share in consequence of the bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the board, if qualified, be registered as a member in respect of the share or, instead of being registered himself, may make such transfer of the share as the bankrupt person could have made; but the board shall in either case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by the bankrupt person before bankruptcy.

53. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the society.

*Dealing with Shares on Death of Member.*

54. On the death of a member the board shall transfer his share or interest in the society to one of the following persons (provided that the proposed transferee is qualified to be a member of the society, and that the transfer would not increase his holding in the society beyond the proportion or value allowed by these rules), viz:—

- (a) to the executor or administrator of the member; or
- (b) to such person as the executor or administrator specifies in an application made to the society within twelve months after the death of the member.

55. If there is no such transferee willing to have the share or interest transferred to him, the board shall pay the value thereof to the executor or administrator: Provided that, where the case so allows, the board may pay the value of the share in accordance with next succeeding rule: Provided further that the board shall not be bound to make any such payment until all moneys due from the deceased member or his estate have been paid to the society.

*Payments on Death of Member.*

56. When a member or person entitled in respect of any share loan or deposit to a sum not exceeding Two hundred pounds dies, then the board may—

- (a) after the expiration of two months from the death of the said member or person if probate or letters of administration have not been produced to any officer of the society and notice in writing of intention to apply therefor has not been received by any such officer; or
- (b) after the expiration of three months from the death of the said member or person if such notice of intention to apply has been received by any officer of the society within the period of two months from the death but probate or letters of administration have not been produced to any such officer—

pay the said sum to the person or persons appearing to the board to be entitled thereto according to law as on the intestacy of the deceased member or person.

*Value for Repayment of Share.*

57. The value of shares for repayment pursuant to rule 55 of these rules shall be the market value in accordance with the most recent transfer made for value, but if there has been no recent transfer, or if, in the opinion of the board, the consideration in the most recent transfer was not the true market value, the value shall be the amount that is offered for the same on their being submitted for sale over a reasonable period. In the event of dispute, the value shall be determined by the society's auditor on the basis above set forth, and his determination shall be conclusive as to the value.

*General Meetings.*

58. (1) A general meeting of the society, to be known as the "annual meeting," shall, as provided in section 70 of the Act, be held each year at such time (being within three months after the close of the financial year or within such further time as may be allowed by the registrar or prescribed by regulation), and at such place as the board appoints.

(2) In default of such meeting being so held, it shall, with the approval of the registrar, be held in the month next following, and may be convened by any five members of the society in the same manner as nearly as possible as that in which the meetings are to be convened by the board.

59. The ordinary business of the annual meeting shall be—

- (a) to confirm minutes of the last preceding annual meeting and of any general meetings held since that meeting;
- (b) to receive from the board, auditors, or any officers of the society, reports upon the transactions of the society during the financial year, including balance-sheet, trading account and profit and loss account, and the state of affairs at the end of the year;
- (c) to determine the rates of dividend, bonus and rebate.
- (d) to elect and determine the remuneration of directors and auditors.

60. The annual meeting may transact special business of which notice is given in accordance with these rules.

61. (1) The board may, whenever it thinks fit, convene a special general meeting of the society.

(2) The board shall, on the requisition of not less than fourteen members, being the holders of shares upon which calls or other sums then due have been paid, forthwith proceed to convene a special general meeting.

62. A requisition for a special general meeting shall state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the society, and may consist of several documents in the like form, each signed by one or more requisitionists.

63. If the board does not proceed to cause a special general meeting to be held within twenty-one days from the date on which a requisition therefor was deposited at the registered office the requisitionists, or any of them, may convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit of the requisition.

64. Any special general meeting convened by requisitionists in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which such meetings are convened by the board, and all reasonable expense incurred in so convening the meeting shall be refunded by the society to the persons who incurred it.

#### *Notice of General Meetings.*

65. (1) Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day, and the hour of meeting and, in case of special business, the general nature of that business shall be given of any general meeting in manner hereinafter mentioned to such persons as are, under these rules, entitled to receive such notices from the society; but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting.

(2) Any member, having a resolution to submit to a general meeting, shall give written notice thereof to the society not less than twenty-one days prior to the date of the meeting.

66. The board shall cause to be inserted in any notice convening a general meeting any business of which notice of motion has been duly given by a member in accordance with these rules before the notice of the meeting is issued.

#### *Proceedings at General Meetings.*

67. All business shall be deemed special that is transacted at special general meetings and all business that is transacted at the annual meeting shall also be deemed special with the exception of that specifically referred to in these rules as being the ordinary business of the annual meeting.

68. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided seven members shall be a quorum.

69. If within an hour after the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and (unless another place is specified by a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and, if at the adjourned meeting a quorum is not present within half-an-hour after the time appointed for the meeting the members present shall be a quorum.

70. The chairman, if any, of the board shall preside as chairman at every general meeting of the society.

71. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.

72. (1) The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(3) Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

73. At any general meeting every question for decision by the meeting shall as provided in section 71 of the Act be determined by a majority of members present in person thereat, and unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members the question shall be determined on a show of hands, and a declaration by the chairman that a resolution has, on a show of hands, been carried by a simple majority, or carried unanimously, or by a particular majority, or lost, shall be *prima facie* evidence of the fact.

74. If a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

75. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

76. (1) A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith.

(2) A poll demanded on any other question shall be taken at a time which the chairman of the meeting shall direct.

77. The following standing orders shall be observed at the society's meetings:—

- (a) the mover of a proposition shall not speak for more than ten minutes; subsequent speakers shall be allowed five minutes, and the mover of the proposition five minutes to reply;
- (b) whenever an amendment is proposed upon an original proposition, no second amendment shall be taken into consideration until the first amendment shall have been disposed of;
- (c) if an amendment be carried, it shall displace the original proposition and become itself the proposition to which any further amendment may be moved;
- (d) if an amendment be negatived, then a further amendment may be moved to the original proposition; but only one amendment shall be submitted to the meeting for discussion at one time;
- (e) the mover of every original proposition, but not of an amendment, shall have the right to reply, immediately after which the question shall be put from the chair, but no other member shall speak more than once on the same question, unless permission be given to explain, or the attention of the chairman be called to a point of order;
- (f) propositions and amendments shall be submitted in writing, when requested by the chairman;
- (g) any discussion may be closed by a resolution "that the question be now put" being moved, seconded, and carried, and any such resolution shall be put to the meeting without debate.

*Voting of Members.*

78. On a show of hands or on a poll every member present in person shall have one vote only.

79. In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

80. There shall be no voting by proxy.

*Special Resolution.*

81. (1) A special resolution in accordance with section 65 of the Act, means a resolution which is passed by a majority of not less than three-quarters of such members entitled under these rules to vote as may be present in person at any general meeting of which notice specifying the intention to propose the resolution has been duly given according to these rules.

(2) A copy of the special resolution shall be lodged with the registrar in accordance with section 65 of the Act.

*Board of Directors.*

82. There shall be a board of five directors.

83. The qualification of a director shall be the holding of not less than five shares in the society.

84. The first directors shall be elected at the meeting for the formation of the society.

85. At the first annual meeting of the society three of the directors shall retire and at the annual meeting in each subsequent year the directors shall retire in rotation of two and three.

86. The directors to retire in any year shall subject to the provision as to filling casual vacancies be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

87. A retiring director shall be eligible for re-election.

88. The society at the annual meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto.

89. The election of directors shall be conducted as nearly as practicable in the following manner:—

(1) An advertisement shall be published not less than eight weeks before the annual meeting, in at least one newspaper circulating in the district in which the society's registered office is situated, inviting nominations of candidates for election as directors.

(2) Such nominations other than in case of retiring directors shall be signed by two or more members and be accompanied by a notice in writing under the candidate's hand signifying his candidature for office, and shall be lodged at the registered office on or before the date and time fixed by such advertisement.

(3) Retiring directors shall be deemed to have been nominated unless they notify the society to the contrary.

(4) A printed ballot-paper containing the names of all the candidates, in alphabetical order and initialed and numbered by the returning officer shall be delivered or posted to every member entitled to vote at least twenty-one days before such annual meeting.

(5) Such ballot-papers shall be returned to the registered office on or before the date and time stated on such ballot-paper not being less than twenty-four hours before the annual meeting.



(6) Each candidate may appoint one scrutineer to attend the checking of envelopes and counting of votes.

(7) The returning officer shall be appointed by the board before each annual meeting and in default of such appointment in sufficient time to allow the above procedure to be followed, the officer of the society acting in the capacity of secretary shall be the returning officer.

(8) The board may cause to be issued ballot-papers in such manner that they may on return be checked with the register of members without the contents of the ballot-papers being disclosed at the time of such checking, and so that after such checking the votes may be counted without the identity of the voter being disclosed.

(9) The returning officer in the presence of such scrutineers, if any, as may be appointed shall count the votes and notify the result to the chairman of the annual meeting.

(10) The decision of the returning officer as to the formality of any ballot-paper shall be final.

90. (1) If at any annual meeting at which an election of directors ought to take place the places of the retiring directors or any of them are not filled, the meeting shall stand adjourned till the same day in the next week at the same time and (unless another place is specified by a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and such adjourned meeting may receive nominations and elect directors to the vacancies in such usual and proper manner as the chairman directs.

(2) If at the adjourned meeting the places of the retiring directors are not filled the retiring directors or such of them as have not had their places filled shall be deemed to have been re-elected at the adjourned meeting.

91. Any vacancy occurring in the board otherwise than by rotation of retirement may be filled by the board, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

92. The society may by special resolution remove any director before the expiration of his period of office, and may by a simple majority appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

#### *Proceedings of the Board.*

93. (1) The board may meet for the despatch of business, adjourn, and otherwise regulate its meetings, as it thinks fit: Provided that meetings of the board shall be held at intervals of not more than two months.

(2) Questions arising at any meeting shall be decided by a majority of votes.

(3) In case of an equality of votes the chairman shall have a second or casting vote.

(4) A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the board.

94. The quorum of any meeting of the board shall be three.

95. The continuing directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to these rules as the necessary quorum of directors, the continuing directors may act only for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the society, but not for any other purpose.

96. The board may elect a chairman of its meetings and determine the period for which he is to hold office, but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

97. (1) The board may delegate any of its powers to committees consisting of such members of the board as the board thinks fit.

(2) Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the board.

98. (1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected, or, if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

99. (1) A committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman shall have a second or casting vote.

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

100. (1) The business and operations of the society shall, in accordance with section 69 of the Act, be managed and controlled by the board, and for that purpose the board, except as hereinafter provided, shall have and may exercise the powers of the society as if they had been expressly conferred on the board by a general meeting of the society.

(2) The powers of the board shall be subject to any restrictions imposed thereon by the Act or by these rules.

101. Every director acting in the business or operations of the society in pursuance of a resolution duly passed by the board shall be deemed to be the agent of the society for all purposes within the objects of the society.

102. The directors shall receive such fees for their services (not exceeding any limits prescribed by the regulations) as are approved at a general meeting, and shall not receive any other remuneration from the society, but all necessary expenses incurred by them in the business of the society shall be refunded to them.

103. The board shall, in accordance with section 72 of the Act, cause minutes as prescribed by regulation of general and board meetings to be made in books provided for the purpose and, in particular—

- (a) of all appointments of officers and employees made by the directors;
- (b) of the names of the directors present at each meeting of the board and of any committee of the board;

and every director present at any meeting of the board or committee of the board shall sign his name in a book to be kept for that purpose.

104. The board shall, in accordance with section 67 (4) of the Act, cause to be supplied to every person on demand a copy of the rules on payment of a sum of Two shillings and sixpence.

105. The board shall, in accordance with section 60 of the Act, cause to be kept at the registered office of the society, and open at all reasonable hours to inspection by any member or creditor, without fee—

- (a) a copy of the Act and the regulations;
- (b) a copy of the rules of the society;
- (c) a copy of the last balance-sheet and profit and loss account for the time being, together with the auditor's report;
- (d) the prescribed register of directors, members, and shares;
- (e) the prescribed register of loans raised, securities given and deposits received by the society.

106. The board shall cause to be prepared and lodged with the registrar all returns and notices required by the Act or regulations and, in particular—

- (a) a list of the directors and alterations in membership during each year;
- (b) a statement of the assets and liabilities of the society as at the close of each financial year and of the accounts of the society for that year;
- (c) a copy of the report of the auditor on those accounts;
- (d) such other particulars as are prescribed by regulation.

107. (1) The board shall cause to be prepared a statement of the accounts of the society (including balance-sheet, trading account and profit and loss account) up to the end of each financial year, and shall submit it, with the auditor's report thereon, to the annual meeting of the society.

(2) The board shall also cause a copy of such statement to be displayed at the registered office of the society for a period of not less than fourteen days before the date of such meeting, and a copy to be sent to each member with the notice of the meeting, in accordance with section 75 (5) of the Act.

108. The board shall cause to be kept such registers and accounts as are prescribed by section 59 of the Act or by the regulations and, in particular, the following, viz:—

- (a) a register of the directors, members and shares;
- (b) a register of any loans raised, securities given, and deposits received by the society.

#### *Appointment and Removal of Employés.*

109. Without prejudice to the general powers conferred on the board by the Act or these rules, the board shall have power to appoint and, at its discretion, to remove or suspend officers, clerks, agents and servants and to determine their powers, duties, and remuneration, or, when so deemed necessary, to delegate all or any of such powers of appointment, suspension, removal, and determination.

#### *Security.*

110. The board shall cause every officer having the receipt or charge of any money of the society to give security, in accordance with section 73 (3) of the Act, to the amount, and in the manner prescribed by the regulations. The society shall pay all premiums in respect of any security given by such officer.

#### *Insurance.*

111. The board shall arrange insurance against loss or damage to or liability of the society by reason of fire, accident, or otherwise.

#### *Vacation of Office of Director.*

112. The office of a director shall be vacated in the circumstances set out in section 69 (13) of the Act and, in particular—

- (a) if he becomes bankrupt, or assigns his estate for the benefit of or compounds with his creditors;
- (b) if he becomes a lunatic or lunatic patient within the meaning of the Mental Hygiene Act or a defective within the meaning of the Mental Deficiency Act 1939;
- (c) if he is convicted of any offence under the Act, or if he is convicted of any indictable offence or any offence punishable on summary conviction for which he is sentenced to imprisonment otherwise than in default of payment of a fine;

- (d) if he absents himself from three consecutive ordinary meetings of the board without its leave;
- (e) if he ceases to be a member of the society;
- (f) if his resignation is accepted by the board, after he has given one month's notice of his intention to resign;
- (g) if he is removed from office by resolution of a general meeting of the society;
- (h) if he has a direct or indirect pecuniary interest in any agreement with the society otherwise than as a member and in common with the other members of another society or of an incorporated company consisting in either case of more than twenty persons: Provided that this paragraph shall not be deemed to extend to any of the following dealings, if made in good faith, in the ordinary course of the business of the society, and on such terms as are usual and proper in similar dealings between the society and its members, viz.:—
  - (i) any purchase of any goods or commodities by the director from the society;
  - (ii) any sale of any agricultural products or livestock or other goods or commodities by the director to the society;
  - (iii) any loan, whether by deposit or otherwise, by the director to the society;
  - (iv) any loan made to a society and in which the director's pecuniary interest consists in his having guaranteed or joined in guaranteeing the repayment of the loan or any part thereof;
  - (v) any other dealing between the society and a director which under its objects the society may have with its members but so that, in the case of an advance to the director pursuant to rule 11 of these rules, the advance shall be made in accordance with a special resolution;
  - (vi) such other dealings as may be prescribed by regulation;
- (i) if he fails to obtain the necessary share qualification as required by these rules.

#### *Banking.*

113. The board shall cause to be opened a banking account in the name of the society, into which all moneys received shall be paid as soon as possible after receipt.

114. All cheques drawn on such account, and all drafts, bills of exchange, promissory notes, and other negotiable instruments for and on behalf of the society, shall be signed by two directors and countersigned by the secretary.

#### *Members' Accounts.*

115. The board shall, in accordance with section 75 (6) of the Act, so provide that any member may inspect his own account in the books of the society at any reasonable time on payment of a fee of Two shillings.

#### *Rules.*

116. The board shall cause any member who so desires to be supplied with a copy of the rules of the society at a charge of Two shillings and sixpence.

#### *Financial Year.*

117. The financial year of the society shall end on the in each year.

#### *Audit.*

118. One or more auditors, who shall be approved by the registrar and who shall, unless the registrar otherwise authorizes, be persons licensed by the Companies' Auditors Board, shall be appointed at each annual meeting to hold office until the next annual meeting.

119. The first auditors of the society may be appointed by the board before the first annual meeting and, if so appointed, shall hold office until the first annual meeting, unless previously removed by a resolution of the members at a general meeting, in which case the members at that meeting may appoint auditors to act until the first annual meeting.

120. If an appointment of auditors is not made at an annual meeting the board shall appoint auditors of the society for the current year.

121. An officer or employé of the society shall not be capable of being appointed auditor of the society.

122. A person, other than a retiring auditor, shall not be capable of being appointed auditor at an annual meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member of the society not less than fourteen days before the annual meeting, and the society shall send a copy of any such notice to the retiring auditor, and shall give notice thereof to the members not less than seven days before the annual meeting:

Provided that if, after notice of the intention to nominate an auditor has been so given, an annual meeting is called for a date fourteen days or less after the notice has been given, the notice, though not given within the time required by this provision, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the society may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the annual meeting.

123. The board may fill any casual vacancy in the office of auditor, but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

124. The remuneration of the auditors of a society shall be fixed by the society in general meeting, except that the remuneration of any auditors appointed by the board may be fixed by the board.

125. The board shall cause the auditors to have access to all books, accounts, vouchers, securities and documents of the society, and to be furnished with such information and explanation by themselves or any other officers as may be necessary for the performance of their duties as auditors.

126. The auditors shall comply with section 75 (4) of the Act and, in particular, in making their report to the members of the society and, in signing any statement of assets and liabilities or of accounts to be presented to the members or lodged with the registrar, they shall state—

- (a) whether they have obtained the information and explanation required by them;
- (b) whether in their opinion the statements are drawn up so as to exhibit a true and correct view of the financial position of the society according to the information at their disposal and explanation given to them, and as shown by the books of the society;
- (c) whether the rules relating to the administration of the funds of the society have been observed.

#### *Application of Funds.*

127. (1) The funds of the society shall be applied to carrying out the objects of the society.

(2) Any surplus resulting from its operations during a financial year, after providing for depreciation in value of the society's property and for contingent liability for loss, shall in accordance with section 38 of the Act, at the end of the financial year, be applied as follows:—

- (a) in payment of at least Five per centum to a reserve fund to be created in accordance with section 38 (1) of the Act until the fund is at least one-fourth of the aggregate amount of the capital paid up for the time being, and of any moneys raised on loan or received on deposit and for the time being remaining unpaid;
- (b) after providing for a reserve fund, any remaining surplus may be applied in all or any of the following ways:—
  - (i) in payment to members of dividend not exceeding Five per centum per annum (or such other percentage as is fixed by regulation) on the amount paid up by them on their respective shares: Provided that no amount paid on a share in advance of calls shall, whilst carrying interest, be treated for the purpose of this rule as paid on the share;
  - (ii) in payment to members by way of a bonus or rebate based on the business done by them with the society during the year;
  - (iii) in crediting to any employé who is not a member, but is qualified to be a member, an amount by way of bonus in proportion to his salary or wages at a rate equal to the rate of bonus or rebate paid to a member on the business done by him with the society during the year;
  - (iv) in crediting to any person who is not a member, but is qualified to be a member, an amount by way of bonus or rebate in proportion to the business done by him with the society;
  - (v) in payment not exceeding Ten per centum (or such larger percentage as is determined by the Governor in Council pursuant to section 38 (4) of the Act) of the surplus to any charitable purpose, or for promoting co-operation or any community benefit.

128. A bonus or rebate shall only be credited to any employé or person who is not a member until the amount credited is equal to the nominal value of the minimum number of shares for which a member is required to subscribe, and in or towards payments for such minimum number of shares, which shall be issued to him on application as prescribed by these rules.

129. Any dividend, bonus or rebate which accrues to the holder of shares on which all calls due have been paid shall be paid to him, but any dividend, bonus or rebate which accrues to the holder of partially paid up shares shall be applied to paying off subscriptions or calls, if any, on shares which may at the time the dividend, bonus or rebate becomes payable be due by him and unpaid.

130. No dividend, bonus or rebate declared by the society in general meeting shall exceed the amount recommended by the board.

131. If several persons are registered as joint holders of any share any one of them may give an effectual receipt for any dividend payable on the share.

132. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

133. No dividend shall bear interest against the society.

#### *Reserve Fund.*

134. (1) In accordance with section 38 of the Act, the reserve fund created in accordance with that section shall not be distributed amongst the members of the society, except in the event of winding-up.

(2) The reserve fund shall be applicable at any time to any purpose to which the capital of the society is applicable, and shall together with any other funds available be applicable to meet any loss which the society may sustain.

*Depreciation of Assets.*

135. The value of the several fixed assets of the society shall be written down at least annually by an amount to be fixed by the board and approved by the auditors. If the board and the auditors are unable to agree on the amount to be written down in respect of any asset, the matter shall be referred to the registrar whose decision shall be final.

*Stocktaking.*

136. The board shall appoint one or more stocktakers each year and shall require such stocktakers to take stock and to submit to it in writing a report within fourteen days after the close of each financial year and also within fourteen days after such other date (if any) as the board appoints. The stocktakers shall hold office for one year from the date of appointment and may be removed by the board.

*Disputes.*

137. (1) Disputes between a member in his capacity of member and the society shall be settled by arbitration in accordance with the *Arbitration Act 1928*, and for this purpose the words "member" and "society" have the meanings ascribed to them in section 77 of the Act.

(2) Nothing in this rule shall apply to any dispute as to the construction or effect of any mortgage or of any contract contained in any document other than these rules.

*Winding Up.*

138. The winding up of the society shall be in accordance with Part IV. of the Act.

*Notices.*

139. A notice may be given by the society to any member either personally or by sending it by post to him at the address shown as his address in the register of members (hereinafter called his registered address), or, if he has no registered address in Victoria, at the address, if any, within Victoria supplied by him to the society for the giving of notices to him.

140. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.

141. If a member has no registered address in Victoria and has not supplied to the society an address within Victoria for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the society shall be deemed to be duly given to him on the date on which the advertisement appears.

142. A notice may be given by the society to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

143. A notice may be given by the society to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in Victoria, supplied for the purpose by the persons claiming to be so entitled or (until such an address has been supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

144. (1) Notice of every general meeting shall be given in some manner hereinbefore authorized to—

(a) every member of the society except those members who have no registered address within Victoria and have not supplied to the society an address within Victoria for the giving of notices to them; and

(b) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting.

(2) No other persons shall be entitled to receive notices of general meetings.

*Shares Not to be Listed.*

145. The shares of the society shall not be quoted for sale or purchase at any stock exchange or in any other public manner whatever.

*Charges.*

146. The following is a schedule of charges appearing in the foregoing rules:—

For duplicate share certificate as per rule 33, a sum of 1s.

For transfer of shares as per rule 50, a sum of 1s.

For inspection by a member of his account in the books of the society as per rule 115, a sum of 2s.

For a book of rules as per rule 104 or rule 116, a sum of 2s. 6d.

## PART B.—MODEL RULES FOR A TRADING SOCIETY.

*Interpretation.*

1. In these rules, unless inconsistent with the context or subject matter:—

"Act" means the *Co-operation Act* 1953 and any amendment thereof.

"Month" means calendar month.

"Prescribed" means prescribed by the Act or the Regulations.

"Regulations" means regulations made under the Act.

"Registrar" means the Registrar of Co-operative Societies.

Expressions used have the same meanings as those ascribed to them by the Act.

Words importing the singular include the plural, and vice versa. Words importing the masculine gender include females.

*Rules.*

2. In accordance with section 58 of the Act, the rules of the society shall bind the society and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto and there were contained in the rules a covenant on the part of each member and his legal representatives to observe all the provisions of the rules subject to the provisions of the Act and the regulations.

*Name.*

3. The name of the society shall be\*.....  
(hereinafter called "the society"). The society is a trading society under the *Co-operation Act* 1953.

\* The word "co-operative" must be in the name, and the word "limited" at the end thereof.

*Registered Office.*

4. The registered office of the society shall be at.....  
(Give address in full.)

or at such other place as the board may determine from time to time. The board shall in accordance with section 57 of the Act, cause notice of any change therein to be lodged with the registrar in the form prescribed within fourteen days after the change.

*Use of Name.*

5. The board shall in accordance with section 57 of the Act cause the name of the society with a statement that the society is registered under the Act to be painted or affixed and kept painted or affixed on the outside of its office in a conspicuous place and in letters which are clearly legible.

*Objects.*

6. The objects of the society shall be\*.....

\* Here set out objects. As to what the objects may be, see section 7 of the Act.

*Powers.*

7. The society shall in accordance with section 8 of the Act have power to do any of the following things as incidental to its objects:—

(a) raise money on loan for any objects of the society, subject to the Act, and, in particular, to sections 51 to 53 thereof;

(b) receive money on deposit, subject to the Act, and, in particular, to sections 51 and 52 thereof;

(c) acquire by purchase or otherwise shares in any other society;

(d) make advances to its members or other persons against goods or commodities agreed to be sold to the society.

*Purchase of Members' Shares.*

8. The society may in accordance with section 41 of the Act purchase out of its reserve fund any share of a member in the society: Provided that the shares so purchased in any one year shall not exceed one-twentieth of the paid-up capital of the society.

*Repayment of Share Capital.*

9. (1) The board may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society.

(2) The board shall not, except with the consent of the registrar, make any such repayment if the society has received from any person who is not a member any money on loan or deposit which is not secured by mortgage and is still unpaid.

(3) Where pursuant to this rule any member is repaid the whole of the amount paid up on all the shares held by him he shall cease to be a member.

*Contributions by Society.*

10. The board may make contributions out of the funds of the society to any organization or body, corporate or unincorporate, which includes amongst its objects the rendering of services to the society or its members or the operations of which are calculated to promote the economic interests of those members.

*Advance on Security of Shares.*

11. The society may in accordance with section 54 of the Act make an advance out of its reserve fund to a member upon the security of his shares in the society: Provided that the amount advanced shall not exceed one-half of the amount paid up on the shares.

*Property.*

12. (1) The society may in accordance with section 48 of the Act acquire by lease, purchase, donation, devise, bequest or otherwise any real or personal property for any objects of the society or for any purposes ancillary to those objects, and may sell or lease any such real or personal property.

(2) Any property to which the society may become entitled absolutely by foreclosure, surrender or other extinguishment of the right of redemption shall in accordance with section 54 of the Act be sold or converted into money as soon afterwards as may be conveniently practicable.

*Joining an Association.*

13. The society, with the approval of a majority at a general meeting of which due notice has been given, may join with any other trading society or, where section 22 of the Act so allows, with any producers society or foreign association to form an association under the said section 22.

*Dealings of Members with Society.*

14. The society may, in accordance with section 62 of the Act, make a contract with a member requiring him to have any specified dealings with the society for a fixed period and, in particular, without limiting the generality of the foregoing, requiring him to sell goods or commodities to the society, or to obtain supplies or services through or from the society, with provision for the payment by him to the society of specified sums as liquidated damages for the breach of any term of the contract.

*Seal.*

15. (1) The society shall as required by section 57 of the Act have its name inscribed in legible characters upon a seal. The seal shall be kept at the registered office in such custody as the board directs.

(2) The device of the seal shall be the name of the society within two concentric circles.

(3) The seal shall be used only under the authority of a resolution of a general meeting or of the board, and shall be attested by the signatures of two directors and the secretary, or in the absence of the secretary by such other person as the board authorizes.

*Custody of Books and Documents.*

16. All books of account, securities, documents and papers of the society, other than such (if any) as the board may direct to be kept elsewhere, shall be kept at the registered office in such manner and with such provision for their security as the board directs.

*Membership.*

17. (1) The persons who shall be qualified to be members of the society shall be—

- (a) any persons who are not under the age of eighteen years; and
- (b) any other societies which have power to acquire shares in the society.

(2) Where another society is a member of the society, that other society may from time to time in such manner as the board of the society directs appoint a person, being a member of that other society, to represent it in respect of the share held by it, and the person so appointed shall during the continuance of his appointment be deemed a member of the society holding that share for all purposes except—

- (a) the liability in respect of the share;
- (b) the transfer thereof;
- (c) the giving of receipts for any dividends or payments thereon.

18. Application for membership shall be made at the registered office in or to the effect of the prescribed form, with a deposit of Two shillings on each share applied for.

19. Upon approval of the application for membership the shares shall be allotted to the applicant, and his name shall be duly entered as a member in the register of members. He shall be notified of such allotment and shall thereupon be entitled to the privileges of membership.

20. If an application for membership be not approved, the deposit shall be returned to the applicant without interest.

21. The board may reject an application for membership and need not assign any reason for its action.

*Ceasing Membership.*

22. A person shall, as provided in section 36 (8) of the Act, cease to be a member in any of the following circumstances:—

- (a) where his share is transferred to another person in accordance with these rules and the transferee is registered as holder in his place;
- (b) where his share is forfeited in accordance with these rules;
- (c) where his share is sold by the society under a power conferred by these rules and the purchaser is registered as holder in his place;
- (d) where his share is purchased by the society in accordance with the Act and these rules;

- (e) where he becomes bankrupt under any law relating to bankruptcy and the official assignee disclaims in accordance with the provisions of that law;
- (f) on death: Provided that his estate shall remain liable until his executor or administrator or some other person is registered as holder in his place, or until the society pays the value of his share in accordance with the provisions of the Act;
- (g) where the contract of membership is rescinded on the ground of misrepresentation or mistake;
- (h) where he ceases to be a member in accordance with these rules;
- (i) in the case of a corporate body, where the corporate body is dissolved.

*Liability of a Member to Society.*

23. A member shall in accordance with section 40 of the Act be liable to the society for the amount, if any, unpaid on the shares held by him, together with any charges payable by him to the society as prescribed by these rules.

*Expulsion of Members.*

24. A member may be expelled from the society by special resolution to the effect:—

- (a) that he has failed to discharge his obligations to the society, whether prescribed by these rules or arising out of any contract; or
- (b) that a charge of conduct detrimental to the society has been proved:

Provided that in either case written notice of the proposed resolution shall be forwarded to the member not less than seven days before the meeting, and he shall be given an opportunity of being heard at the meeting.

25. (1) The shares of a member who has been expelled may by special resolution be forfeited to the society, but he shall be entitled to any other interest he may have in the society.

(2) Notice of the forfeiture shall be sent in accordance with these rules within seven days.

26. (1) No expelled member shall be re-admitted as a member of the society except by special resolution.

(2) A member so re-admitted shall not have restored to him any shares which were forfeited on his expulsion.

27. Where a member has been expelled but his shares have not been forfeited such shares may be sold by the society in such manner as the board determines and the proceeds of such sale less any expenses incurred in connexion therewith shall be paid to the expelled member or set off against moneys owing to the society by him.

28. Where a member is expelled he shall, whether his shares are forfeited or not, cease to be a member.

*Capital and Shares.*

29. (1) The capital of the society shall be raised by the issue of shares.

(2) The capital shall vary in amount according to the nominal value of shares from time to time subscribed.

30. Shares, which shall be of one class, all ranking equally, shall be of the nominal value of £1 each.

31. Every member shall hold at least five shares, but no member shall hold shares exceeding the nominal value of One thousand pounds, nor shall any member hold more than one-fifth of the shares in the society.

*Certificate of Shares.*

32. Every person whose name is entered as a member in the register of members shall, without payment, be entitled upon application to a certificate under the seal of the society specifying the shares held by him and the amount paid up thereon: Provided that in respect of shares held jointly by several persons the society shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

33. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of One shilling, and on such terms as to evidence and indemnity as the board thinks fit.

*Charge on Shares.*

34. The society shall, as provided in section 45 of the Act, have a charge upon the share or interest in the capital and on the credit balance of a member or past member, and upon any dividend, bonus or rebate payable to a member or past member in respect of any debt due from the member or past member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of the debt.

*Calls on Shares.*

35. The board may from time to time make calls upon the members in respect of any moneys unpaid on their shares: Provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the society at the time or times so specified the amount called on his shares.



36. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

37. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of Five pounds per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the board shall be at liberty to waive payment of that interest wholly or in part.

38. The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him.

39. Upon all or any of the moneys so advanced the board may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the society in general meeting, Five per centum per annum) as the board determines.

#### *Default in Payment of Calls.*

40. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

41. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the day appointed the shares in respect of which the call was made will be liable to be forfeited.

42. If the requirements of any such notice as aforesaid are not complied with by the member, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the board to that effect.

#### *Forfeited Shares.*

43. A person whose shares have been forfeited for a default in payment of calls or for any other reason shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the society all moneys which, at the date of forfeiture, were presently payable by him to the society in respect of the shares.

44. A statutory declaration in writing that the declarant is a director of the society, and that a share in the society has been duly forfeited on a date stated in the declaration, shall be evidence of the facts therein stated.

45. Shares forfeited for default in payment of calls or for any other reason shall be cancelled and shall not be sold and re-issued.

46. All moneys received by the society in respect of forfeited shares shall be added to the reserve fund.

#### *Investments.*

47. The board may, in accordance with the Act, invest any of the funds of the society in any of the following, that is to say:—

- (a) in any securities authorized by law for the investment of trust funds;
- (b) on deposit in the State Savings Bank of Victoria, or in the Commonwealth Savings Bank or in any bank prescribed by the regulations or in any co-operative society, association or union which is authorized to receive deposits;
- (c) in any prescribed securities;
- (d) in any other way prescribed or allowed by the Act.

#### *Transfer of Shares.*

48. The instrument of transfer of any share shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.

49. Shares in the society shall be transferred in the following form or in any usual or common form which the board approves:—

I, A. B., of....., in consideration of the sum of £..... paid to me by C.D., of..... (hereinafter called "the said transferee") do hereby transfer to the said transferee the share (or shares) numbered..... in the society called the....., to hold unto the said transferee, his executors administrators and assigns, subject to the several conditions on which I held the same at the time of the execution hereof; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands, the..... day of....., 19.....

..... transferor.  
in the presence of.....  
..... transferee.  
in the presence of.....

*Registration of Transfers, &c.*

50. (1) The board may decline to register any transfer of shares to a person not qualified to be a member or of whom it does not approve, and may also decline to register any transfer of shares on which the society has a charge.

(2) The board may suspend the registration of transfers during the fourteen days immediately preceding the annual general meeting in each year.

(3) The board may decline to recognize any instrument of transfer unless—

(a) a fee of One shilling is paid to the society in respect thereof, and

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the board may require to show the right of the transferor to make the transfer.

51. The board shall cause a record of all transfers to be made in the proper books of the society.

52. Any person becoming entitled to a share in consequence of the bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the board, if qualified, be registered as a member in respect of the share or, instead of being registered himself, may make such transfer of the share as the bankrupt person could have made; but the board shall in either case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by the bankrupt person before bankruptcy.

53. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the society.

*Dealing with Shares on Death of Member.*

54. On the death of a member the board shall transfer his share or interest in the society to one of the following persons (provided that the proposed transferee is qualified to be a member of the society, and that the transfer would not increase his holding in the society beyond the proportion or value allowed by these rules), viz.:—

(a) to the executor or administrator of the member; or

(b) to such person as the executor or administrator specifies in an application made to the society within twelve months after the death of the member.

55. If there is no such transferee willing to have the share or interest transferred to him, the board shall pay the value thereof to the executor or administrator: Provided that, where the case so allows, the board may pay the value of the share in accordance with the next succeeding rule: Provided further that the board shall not be bound to make any such payment until all moneys due from the deceased member or his estate have been paid to the society.

*Payments on Death of Member.*

56. When a member or person entitled in respect of any share loan or deposit to a sum not exceeding Two hundred pounds dies, then the board may—

(a) after the expiration of two months from the death of the said member or person if probate or letters of administration have not been produced to any officer of the society and notice in writing of intention to apply therefor has not been received by any such officer; or

(b) after the expiration of three months from the death of the said member or person if such notice of intention to apply has been received by any officer of the society within the period of two months from the death but probate or letters of administration have not been produced to any such officer—

pay the said sum to the person or persons appearing to the board to be entitled thereto according to law as on the intestacy of the deceased member or person.

*• Value for Repayment of Share.*

57. The value of shares for repayment pursuant to rule 55 of these rules shall be the market value in accordance with the most recent transfer made for value, but if there has been no recent transfer, or if, in the opinion of the board, the consideration in the most recent transfer was not the true market value, the value shall be the amount that is offered for the same on their being submitted for sale over a reasonable period. In the event of dispute, the value shall be determined by the society's auditor on the basis above set forth, and his determination shall be conclusive as to the value.

*General Meetings.*

58. (1) A general meeting of the society, to be known as the "annual meeting," shall, as provided in section 70 of the Act, be held each year at such time (being within three months after the close of the financial year or within such further time as may be allowed by the registrar or prescribed by regulation) and at such place as the board appoints.

(2) In default of such meeting being so held, it shall, with the approval of the registrar, be held in the month next following, and may be convened by any five members of the society in the same manner as nearly as possible as that in which the meetings are to be convened by the board.

59. The ordinary business of the annual meeting shall be—

(a) to confirm minutes of the last preceding annual meeting and of any general meetings held since that meeting;

- (b) to receive from the board, auditors, or any officers of the society, reports upon the transactions of the society during the financial year, including balance-sheet, trading account and profit and loss account, and the state of affairs at the end of the year;
- (c) to determine the rates of dividend, bonus and rebate;
- (d) to elect and determine the remuneration of directors and auditors.

60. The annual meeting may transact special business of which notice is given in accordance with these rules.

61. (1) The board may, whenever it thinks fit, convene a special general meeting of the society.

(2) The board shall, on the requisition of not less than twenty members, being the holders of shares upon which calls or other sums then due have been paid, forthwith proceed to convene a special general meeting.

62. A requisition for a special general meeting shall state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the society, and may consist of several documents in the like form, each signed by one or more requisitionists.

63. If the board does not proceed to cause a special general meeting to be held within twenty-one days from the date on which a requisition therefor was deposited at the registered office the requisitionists, or any of them, may convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit of the requisition.

64. Any special general meeting convened by requisitionists in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which such meetings are convened by the board, and all reasonable expense incurred in so convening the meeting shall be refunded by the society to the persons who incurred it.

#### *Notice of General Meetings.*

65. (1) Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given), specifying the place, the day, and the hour of meeting and, in case of special business, the general nature of that business, shall be given of any general meeting in manner hereinafter mentioned to such persons as are, under these rules, entitled to receive such notices from the society; but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting.

(2) Any member, having a resolution to submit to a general meeting, shall give written notice thereof to the society not less than twenty-one days prior to the date of the meeting.

66. The board shall cause to be inserted in any notice convening a general meeting a statement of any resolution of which notice of motion has been duly given by a member in accordance with these rules before the notice of the meeting is issued.

#### *Proceedings at General Meetings.*

67. All business shall be deemed special that is transacted at special general meetings and all business that is transacted at the annual meeting shall also be deemed special with the exception of that specifically referred to in these rules as being the ordinary business of the annual meeting.

68. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided seven members shall be a quorum.

69. If within an hour after the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and (unless another place is specified by the chairman or a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and if at the adjourned meeting a quorum is not present within half-an-hour after the time appointed for the meeting the members present shall be a quorum.

70. The chairman, if any, of the board shall preside as chairman at every general meeting of the society.

71. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.

72. (1) The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(3) Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

73. At any general meeting every question for decision by the meeting shall as provided in section 71 of the Act be determined by a majority of members present in person thereat, and unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members the question shall be determined on a show of hands, and a declaration by the chairman that a resolution has on a show of hands been carried by a simple majority, or carried unanimously, or by a particular majority, or lost shall be *prima facie* evidence of the fact.

74. If a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

75. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

76. (1) A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith.

(2) A poll demanded on any other question shall be taken at a time which the chairman of the meeting shall direct.

77. The following standing orders shall be observed at the society's meetings:—

- (a) the mover of a proposition shall not speak for more than ten minutes; subsequent speakers shall be allowed five minutes, and the mover of the proposition five minutes to reply;
- (b) whenever an amendment is proposed upon an original proposition, no second amendment shall be taken into consideration until the first amendment shall have been disposed of;
- (c) if an amendment be carried, it shall displace the original proposition and become itself the proposition to which any further amendment may be moved;
- (d) if an amendment be negatived, then a further amendment may be moved to the original proposition; but only one amendment shall be submitted to the meeting for discussion at one time;
- (e) the mover of every original proposition, but not of an amendment, shall have the right to reply, immediately after which the question shall be put from the chair, but no other member shall speak more than once on the same question, unless permission be given to explain, or the attention of the chairman be called to a point of order;
- (f) propositions and amendments shall be submitted in writing, when requested by the chairman;
- (g) any discussion may be closed by a resolution "that the question be now put" being moved, seconded, and carried, and any such resolution shall be put to the meeting without debate.

*Voting of Members.*

78. On a show of hands or on a poll every member present in person shall have one vote only.

79. In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

80. There shall be no voting by proxy.

*Special Resolution.*

81. (1) A special resolution in accordance with section 65 of the Act, means a resolution which is passed by a majority of not less than three-quarters of such members entitled under these rules to vote as may be present in person at any general meeting of which notice specifying the intention to propose the resolution has been duly given according to these rules.

(2) A copy of the special resolution shall be lodged with the registrar in accordance with section 65 of the Act.

*Board of Directors.*

82. There shall be a board of five directors.

83. The qualification of a director shall be the holding of not less than five shares in the society.

84. The first directors shall be elected at the meeting for the formation of the society.

85. At the first annual meeting of the society three of the directors shall retire and at the annual meeting in each subsequent year the directors shall retire in rotation of two and three.

86. The directors to retire in any year shall subject to the provision as to filling casual vacancies be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

87. A retiring director shall be eligible for re-election.

88. The society at the annual meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto.

89. The election of directors shall be conducted as nearly as practicable in the following manner:—

(1) An advertisement shall be published not less than eight weeks before the annual meeting, in at least one newspaper circulating in the district in which the society's registered office is situated, inviting nominations of candidates for election as directors.

(2) Such nominations other than in case of retiring directors shall be signed by two or more members and be accompanied by a notice in writing under the candidate's hand signifying his candidature for office, and shall be lodged at the registered office on or before the date and time fixed by such advertisement.

(3) Retiring directors shall be deemed to have been nominated unless they notify the society to the contrary.

(4) A printed ballot-paper containing the names of all the candidates, in alphabetical order and initialed and numbered by the returning officer shall be delivered or posted to every member entitled to vote at least twenty-one days before such annual meeting.

(5) Such ballot-papers shall be returned to the registered office on or before the date and time stated on such ballot-paper not being less than twenty-four hours before the annual meeting.

(6) Each candidate may appoint one scrutineer to attend the checking of envelopes and counting of votes.

(7) The returning officer shall be appointed by the board before each annual meeting and in default of such appointment in sufficient time to allow the above procedure to be followed, the officer of the society acting in the capacity of secretary shall be the returning officer.

(8) The board may cause to be issued ballot-papers in such manner that they may on return be checked with the register of members without the contents of the ballot-papers being disclosed at the time of such checking, and so that after such checking the votes may be counted without the identity of the voter being disclosed.

(9) The returning officer in the presence of such scrutineers, if any, as may be appointed shall count the votes and notify the result to the chairman at the annual meeting.

(10) The decision of the returning officer as to the formality of any ballot-paper shall be final.

90. (1) If at any annual meeting at which an election of directors ought to take place the places of the retiring directors or any of them are not filled, the meeting shall stand adjourned till the same day in the next week at the same time and (unless another place is specified by a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and such adjourned meeting may receive nominations and elect directors to the vacancies in such usual and proper manner as the chairman directs.

(2) If at the adjourned meeting the places of the retiring directors are not filled the retiring directors or such of them as have not had their places filled shall be deemed to have been re-elected at the adjourned meeting.

91. Any vacancy occurring in the board otherwise than by rotation of retirement may be filled by the board, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

92. The society may by special resolution remove any director before the expiration of his period of office, and may by a simple majority appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

#### *Proceedings of the Board.*

93. (1) The board may meet for the despatch of business, adjourn, and otherwise regulate its meetings as it thinks fit: Provided that meetings of the board shall be held at intervals of not more than two months.

(2) Questions arising at any meeting shall be decided by a majority of votes.

(3) In case of an equality of votes the chairman shall have a second or casting vote.

(4) A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the board.

94. The quorum for any meeting of the board shall be three.

95. The continuing directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to these rules as the necessary quorum of directors, the continuing directors may act only for the purpose of increasing the number of directors to that number or of summoning a general meeting of the society, but not for any other purpose.

96. The board may elect a chairman of its meetings and determine the period for which he is to hold office, but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

97. (1) The board may delegate any of its powers to committees consisting of such members of the board as the board thinks fit.

(2) Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the board.

98. (1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

99. (1) A committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.

*Duties and Powers of the Board.*

100. (1) The business and operations of the society shall, in accordance with section 69 of the Act, be managed and controlled by the board, and for that purpose the board, except as hereinafter provided, shall have and may exercise the powers of the society as if they had been expressly conferred on the board by a general meeting of the society.

(2) The powers of the board shall be subject to any restrictions imposed thereon by the Act or by these rules.

101. Every director acting in the business or operations of the society in pursuance of a resolution duly passed by the board shall be deemed to be the agent of the society for all purposes within the objects of the society.

102. The directors shall receive such fees for their services (not exceeding any limits prescribed by the regulations) as are approved at a general meeting, and shall not receive any other remuneration from the society, but all necessary expenses incurred by them in the business of the society shall be refunded to them.

103. The board shall, in accordance with section 72 of the Act, cause minutes as prescribed by regulation of general and board meetings to be made in books provided for the purpose and, in particular—

(a) of all appointments of officers and employees made by the directors;

(b) of the names of the directors present at each meeting of the board and of any committee of the board—

and every director present at any meeting of the board or committee of the board shall sign his name in a book to be kept for that purpose.

104. The Board shall, in accordance with section 67 (4) of the Act, cause to be supplied to every person on demand a copy of the rules on payment of a sum of Two shillings and sixpence.

105. The board shall, in accordance with section 60 of the Act, cause to be kept at the registered office of the society, and open at all reasonable hours to inspection by any member or creditor, without fee—

(a) a copy of the Act and the regulations;

(b) a copy of the rules of the society;

(c) a copy of the last balance-sheet and profit and loss account for the time being, together with the auditor's report;

(d) the prescribed register of directors, members, and shares;

(e) the prescribed register of loans raised, securities given and deposits received by the society.

106. The board shall cause to be prepared and lodged with the registrar all returns and notices required by the Act or regulations and, in particular—

(a) a list of the directors and alterations in membership during each year;

(b) a statement of the assets and liabilities of the society as at the close of each financial year and of the accounts of the society for that year;

(c) a copy of the report of the auditor on those accounts;

(d) such other particulars as are prescribed by regulation.

107. (1) The board shall cause to be prepared a statement of the accounts of the society (including balance-sheet, trading account and profit and loss account) up to the end of each financial year, and shall submit it, with the auditor's report thereon, to the annual meeting of the society.

(2) The board shall also cause a copy of such statement to be displayed at the registered office of the society for a period of not less than fourteen days before the date of such meeting, and a copy to be sent to each member with the notice of the meeting, in accordance with section 75 (5) of the Act.

108. The board shall cause to be kept such registers and accounts as are prescribed by section 59 of the Act or by the regulations and, in particular, the following, viz.:—

(a) a register of the directors, members and shares;

(b) a register of any loans raised, securities given, and deposits received by the society.

*Appointment and Removal of Employés.*

109. Without prejudice to the general powers conferred on the board by the Act or these rules, the board shall have power to appoint and, at its discretion, to remove or suspend officers, clerks, agents and servants and to determine their powers, duties, and remuneration, or, when so deemed necessary, to delegate all or any of such powers of appointment, suspension, removal, and determination.

*Security.*

110. The board shall cause every officer having the receipt or charge of any money of the society to give security, in accordance with section 73 (3) of the Act, to the amount, and in the manner prescribed by the regulations. The society shall pay all premiums in respect of any security given by such officer.

*Insurance.*

111. The board shall arrange insurance against loss or damage to or liability of the society by reason of fire, accident, or otherwise.

*Vacation of Office of Director.*

112. The office of a director shall be vacated in the circumstances set out in section 69 (13) of the Act and, in particular—

- (a) if he becomes bankrupt, or assigns his estate for the benefit of or compounds with his creditors;
- (b) if he becomes a lunatic or lunatic patient within the meaning of the Mental Hygiene Acts or a defective within the meaning of the *Mental Deficiency Act 1939*;
- (c) if he is convicted of any offence under the Act, or if he is convicted of any indictable offence or of any offence punishable on summary conviction for which he is sentenced to imprisonment otherwise than in default of payment of a fine;
- (d) if he absents himself from three consecutive ordinary meetings of the board without its leave;
- (e) if he ceases to be a member of the society;
- (f) if his resignation is accepted by the board, after he has given one month's notice of his intention to resign;
- (g) if he is removed from office by resolution of a general meeting of the society;
- (h) if he has a direct or indirect pecuniary interest in any agreement with the society otherwise than as a member and in common with the other members of another society or of an incorporated company consisting in either case of more than twenty persons: Provided that this paragraph shall not be deemed to extend to any of the following dealings, if made in good faith, in the ordinary course of the business of the society, and on such terms as are usual and proper in similar dealings between the society and its members, viz.:—
  - (i) any purchase of any goods or commodities by the director from the society;
  - (ii) any sale of any agricultural products or livestock or other goods or commodities by the director to the society;
  - (iii) any loan, whether by deposit or otherwise, by the director to the society;
  - (iv) any loan made to a society and in which the director's pecuniary interest consists in his having guaranteed or joined in guaranteeing the repayment of the loan or any part thereof;
  - (v) any other dealing between the society and a director which under its objects the society may have with its members but so that, in the case of an advance to the director pursuant to rule 11 of these rules, the advance shall be made in accordance with a special resolution;
  - (vi) such other dealings as may be prescribed by regulation;
- (i) if he fails to obtain the necessary share qualification as required by these rules.

*Banking.*

113. The board shall cause to be opened a banking account in the name of the society, into which all moneys received shall be paid as soon as possible after receipt.

114. All cheques drawn on such account, and all drafts, bills of exchange, promissory notes, and other negotiable instruments for and on behalf of the society, shall be signed by two directors and countersigned by the secretary.

*Members' Accounts.*

115. The board shall, in accordance with section 75 (6) of the Act, so provide that any member may inspect his own account in the books of the society at any reasonable time on payment of a fee of Two shillings.

*Rules.*

116. The board shall cause any member who so desires to be supplied with a copy of the rules of the society at a charge of Two shillings and sixpence.

*Financial Year.*

117. The financial year of the society shall end on the \_\_\_\_\_ in each year.

*Audit.*

118. One or more auditors, who shall be approved by the registrar and who shall, unless the registrar otherwise authorizes, be persons licensed by the Companies' Auditors Board, shall be appointed at each annual meeting to hold office until the next annual meeting.

119. The first auditors of the society may be appointed by the board before the first annual meeting and, if so appointed, shall hold office until the first annual meeting, unless previously removed by a resolution of the members at a general meeting, in which case the members at that meeting may appoint auditors to act until the first annual meeting.

120. If an appointment of auditors is not made at an annual meeting the board shall appoint auditors of the society for the current year.

121. An officer or employé of the society shall not be capable of being appointed auditor of the society.

122. A person, other than a retiring auditor, shall not be capable of being appointed auditor at an annual meeting unless notice of intention to nominate that person to the office of auditor has been given by a member of the society not less than fourteen days before the annual meeting, and the society shall send a copy of any such notice to the retiring auditor, and

shall give notice thereof to the members, not less than seven days before the annual meeting:

Provided that if, after notice of the intention to nominate an auditor has been so given, an annual meeting is called for a date fourteen days or less after the notice has been given, the notice, though not given within the time required by this provision, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the society may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the annual meeting.

123. The board may fill any casual vacancy in the office of auditor, but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

124. The remuneration of the auditors of a society shall be fixed by the society in general meeting, except that the remuneration of any auditors appointed by the board may be fixed by the board.

125. The board shall cause the auditors to have access to all books, accounts, vouchers, securities and documents of the society, and to be furnished with such information and explanation by themselves or any other officers as may be necessary for the performance of their duties as auditors.

126. The auditors shall comply with section 75 (4) of the Act and, in particular, in making their report to the members of the society and, in signing any statement of assets and liabilities or of accounts to be presented to the members or transmitted to the registrar, they shall state—

- (a) whether they have obtained the information and explanation required by them;
- (b) whether in their opinion the statements are drawn up so as to exhibit a true and correct view of the financial position of the society according to the information at their disposal and explanation given to them, and as shown by the books of the society;
- (c) whether the rules relating to the administration of the funds of the society have been observed.

#### *Application of Funds.*

127. (1) The funds of the society shall be applied to carrying out the objects of the society.

(2) Any surplus resulting from its operations during a financial year, after providing for depreciation in value of the society's property and for contingent liability for loss, shall in accordance with section 38 of the Act, at the end of the financial year, be applied as follows:—

- (a) in payment of at least Five per centum to a reserve fund to be created in accordance with section 38 (1) of the Act until the fund is at least one-fourth of the aggregate amount of the capital paid up for the time being, and of any moneys raised on loan or received on deposit and for the time being remaining unpaid;
- (b) after providing for a reserve fund, any remaining surplus may be applied in all or any of the following ways:—
  - (i) in payment to members of dividend not exceeding Five per centum per annum (or such other percentage as is fixed by regulation) on the amount paid up by them on their respective shares: Provided that no amount paid on a share in advance of calls shall, whilst carrying interest, be treated for the purpose of this rule as paid on the share;
  - (ii) in payment to members by way of a bonus or rebate based on the business done by them with the society during the year;
  - (iii) in crediting to any employé who is not a member, but is qualified to be a member, an amount by way of bonus in proportion to his salary or wages at a rate equal to the rate of bonus or rebate paid to a member on the business done by him with the society during the year;
  - (iv) in crediting to any person who is not a member, but is qualified to be a member, an amount by way of bonus or rebate in proportion to the business done by him with the society;
  - (v) in payment not exceeding Ten per centum (or such larger percentage as is determined by the Governor in Council pursuant to section 38 (4) of the Act) of the surplus to any charitable purpose, or for promoting co-operation or any community benefit.

128. A bonus or rebate shall only be credited to any employé or person who is not a member until the amount credited is equal to the nominal value of the minimum number of shares for which a member is required to subscribe, and in or towards payments for such minimum number of shares, which shall be issued to him on application as prescribed by these rules.

129. Any dividend, bonus or rebate which shall accrue to the holder of shares on which all calls due have been paid shall be paid to him, but any dividend, bonus or rebate which shall accrue to the holder of partially paid up shares shall be applied to paying off subscriptions or calls, if any, on shares which may at the time the dividend or bonus becomes payable be due by him and unpaid.



130. No dividend, bonus or rebate declared by the society in general meeting shall exceed the amount recommended by the board.

131. If several persons are registered as joint holders of any share any one of them may give an effectual receipt for any dividend payable on the share.

132. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

133. No dividend shall bear interest against the society.

*Reserve Fund.*

134. (1) In accordance with section 38 of the Act, the reserve fund created in accordance with that section shall not be distributed amongst the members of the society, except in the event of winding-up.

(2) The reserve fund shall be applicable at any time to any purpose to which the capital of the society is applicable, and shall together with any other funds available be applicable to meet any loss which the society may sustain.

*Depreciation of Assets.*

135. The value of the several fixed assets of the society shall be written down at least annually by an amount to be fixed by the board and approved by the auditors. If the board and the auditors are unable to agree on the amount to be written down in respect of any asset the matter shall be referred to the registrar whose decision shall be final.

*Stocktaking.*

136. The board shall appoint one or more stocktakers each year and shall require such stocktakers to take stock and to submit to it in writing a report within fourteen days after the close of each financial year and also within fourteen days after such other date (if any) as the board appoints. The stocktakers shall hold office for one year from the date of appointment and may be removed by the board.

*Disputes.*

137. (1) Disputes between a member in his capacity of member and the society shall be settled by arbitration in accordance with the *Arbitration Act 1928*, and for this purpose the words "member" and "society" have the meanings ascribed to them in section 77 of the Act.

(2) Nothing in this rule shall apply to any dispute as to the construction of effect of any mortgage or of any contract contained in any document other than these rules.

*Winding Up.*

138. The winding up of the society shall be in accordance with Part IV. of the Act.

*Notices.*

139. A notice may be given by the society to any member either personally or by sending it by post to him at the address shown as his address in the register of members (hereinafter called his registered address) or, if he has no registered address in Victoria, to the address, if any, within Victoria supplied by him to the society for the giving of notices to him.

140. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.

141. If a member has no registered address in Victoria and has not supplied to the society an address within Victoria for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the society shall be deemed to be duly given to him on the date on which the advertisement appears.

142. A notice may be given by the society to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

143. A notice may be given by the society to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in Victoria, supplied for the purpose by the persons claiming to be so entitled or (until such an address has been supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

144. (1) Notice of every general meeting shall be given in some manner hereinbefore authorized to—

(a) every member of the society except those members who have no registered address within Victoria and have not supplied to the society an address within Victoria for the giving of notices to them; and

(b) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting.

(2) No other persons shall be entitled to receive notices of general meetings.

*Shares Not to be Listed.*

145. The shares of the society shall not be quoted for sale or purchase at any stock exchange or in any other public manner whatever.

*Charges.*

146. The following is a schedule of charges appearing in the foregoing rules:—

- For duplicate share certificate as per rule 33, a sum of 1s.
- For transfer of shares as per rule 50 a sum of 1s.
- For inspection by a member of his account in the books of the society as per rule 115, a sum of 2s.
- For a book of rules as per rule 104 or rule 116, a sum of 2s. 6d.

## PART C.—MODEL RULES FOR A COMMUNITY SETTLEMENT SOCIETY.

*Interpretation.*

1. In these rules, unless inconsistent with the context or subject matter:—

- "Act" means the *Co-operation Act* 1953 and any amendment thereof.
- "Month" means calendar month.
- "Prescribed" means prescribed by the Act or the Regulations.
- "Regulations" means regulations made under the Act.
- "Registrar" means the Registrar of Co-operative Societies.

Expressions used have the same meanings as those ascribed to them by the Act.

Words importing the singular include the plural, and vice versa. Words importing the masculine gender include females.

*Rules.*

2. In accordance with section 58 of the Act, the rules of the society shall bind the society and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto and there were contained in the rules a covenant on the part of each member and his legal representatives to observe all the provisions of the rules subject to the provisions of the Act and the regulations.

*Name.*

3. The name of the society shall be\*.....  
(hereinafter called "the society"). The society is a community settlement society under the *Co-operation Act* 1953.

\* The word "co-operative" must be in the name, and the word "limited" at the end thereof.

*Registered Office.*

4. The registered office of the society shall be at.....  
(Give address in full.)  
or at such other place as the board may determine from time to time. The board shall in accordance with section 57 of the Act, cause notice of any change therein to be lodged with the registrar in the form prescribed within fourteen days after the change.

*Use of Name.*

5. The board shall in accordance with section 57 of the Act cause the name of the society with a statement that the society is registered under the Act to be painted or affixed and kept painted or affixed on the outside of its office in a conspicuous place and in letters which are clearly legible.

*Objects.*

6. The objects of the society shall be to settle and retain people on the land and to provide any community service or benefit and, in particular, without limiting the generality of the foregoing—

- (a) to acquire land and to prepare and improve it for settlement and to do anything thereon or in connexion therewith in order to fit the same for convenient and profitable use and to improve the conditions of life thereon;
- (b) to subdivide land, to set out construct and maintain private ways bridges culverts and drains and to set out and construct streets and roads;
- (c) to erect and maintain buildings;
- (d) to provide and maintain wells dams and irrigation and flood works;
- (e) to set apart land and buildings for any community service or benefit;
- (f) to sell or let land either with or without dwelling-houses or other buildings thereon to its members or other persons or to any other society;
- (g) to enter into share-farming or other agreements with its members;
- (h) to make or arrange loans to members of the society for any of the following purposes, that is to say, purchasing land, making improvements, carrying on farming operations, conserving fodder, procuring agricultural implements and machinery, live stock, fodder, seeds, fruit trees, fertilisers and other farming requisites, doing anything that may increase agricultural production and paying off any debt or liability incurred for any such purpose;

- (i) to arrange insurance on behalf of its members;
- (j) to provide and carry on any community service including transport and the supply of water, gas and electricity, to provide and install plant fittings and requisites in connexion with any community service and to do anything necessary or convenient therefor;
- (k) to do all such things calculated to promote the economic interests of its members as are prescribed by regulation.

*Powers.*

7. The society shall in accordance with section 10 of the Act have power to do any of the following things as incidental to its objects:—

- (a) raise money on loan for any objects of the society, subject to the Act, and, in particular, to sections 51 to 53 thereof;
- (b) receive money on deposit, subject to the Act, and, in particular, to sections 51 and 52 thereof;
- (c) acquire by purchase or otherwise shares in any other society.

*Loans to Members.*

8. An application for a loan shall be made in such form as the board may deem necessary.

9. The board may approve an application for a loan in whole or in part and may make or arrange the loan on such terms and subject to such conditions as to repayment and otherwise as it thinks proper.

*Purchase of Members' Shares.*

10. The society may in accordance with section 41 of the Act purchase out of its reserve fund any share of a member in the society: Provided that the shares so purchased in any one year shall not exceed one-twentieth of the paid-up capital of the society.

*Repayment of Share Capital.*

11. (1) The board may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society.

(2) The board shall not, except with the consent of the registrar, make any such repayment if the society has received from any person who is not a member any money on loan or deposit which is not secured by mortgage and is still unpaid.

(3) Where pursuant to this rule any member is repaid the whole of the amount paid up on all the shares held by him he shall cease to be a member.

*Contributions by Society.*

12. The board may make contributions out of the funds of the society to any organization or body, corporate or unincorporate, which includes amongst its objects the rendering of services to the society or its members or the operations of which are calculated to promote the economic interests of those members.

*Property.*

13. The society may in accordance with section 48 of the Act acquire by lease, purchase, donation, devise, bequest or otherwise any real or personal property for any objects of the society or for any purposes ancillary to those objects, and may sell or lease any such real or personal property.

*Joining an Association.*

14. The society, with the approval of a majority at a general meeting of which due notice has been given, may join with any other community settlement society or, where section 22 of the Act so allows, with any foreign association to form an association under the said section 22.

*Dealings of Members with Society.*

15. The society may, in accordance with section 62 of the Act, make a contract with a member requiring him to have any specified dealings with the society for a fixed period and, in particular, without limiting the generality of the foregoing, requiring him to make use of the services provided by the society, with provision for the payment by him to the society of specified sums as liquidated damages for the breach of any term of the contract.

*Seal.*

16. (1) The society shall as required by section 57 of the Act have its name inscribed in legible characters upon a seal. The seal shall be kept at the registered office in such custody as the board directs.

(2) The device of the seal shall be the name of the society within two concentric circles.

(3) The seal shall be used only under the authority of a resolution of a general meeting or of the board, and shall be attested by the signatures of two directors and the secretary, or in the absence of the secretary by such other person as the board authorizes.

*Custody of Books and Documents.*

17. All books of account, securities, documents and papers of the society, other than such (if any) as the board may direct to be kept elsewhere, shall be kept at the registered office in such manner and with such provision for their security as the board directs.

*Membership.*

18. (1) The persons who shall be qualified to be members of the society shall be—

- (a) any persons who are not under the age of eighteen years; and
- (b) any other societies which have power to acquire shares in the society.

(2) Where another society is a member of the society, that other society may from time to time in such manner as the board of the society directs appoint a person, being a member of that other society, to represent it in respect of the share held by it, and the person so appointed shall during the continuance of his appointment be deemed a member of the society holding that share for all purposes except—

- (a) the liability in respect of the share;
- (b) the transfer thereof;
- (c) the giving of receipts for any dividends or payments thereon.

19. Application for membership shall be made at the registered office in or to the effect of the prescribed form, with a deposit of Two shillings on each share applied for.

20. Upon approval of the application for membership the shares shall be allotted to the applicant, and his name shall be duly entered as a member in the register of members. He shall be notified of such allotment and shall thereupon be entitled to the privileges of membership. ○

21. If an application for membership be not approved, the deposit shall be returned to the applicant without interest.

22. The board may reject an application for membership and need not assign any reason for its action.

*Ceasing Membership.*

23. A person shall, as provided in section 36 (8) of the Act, cease to be a member in any of the following circumstances:—

- (a) where his share is transferred to another person in accordance with these rules and the transferee is registered as holder in his place;
- (b) where his share is forfeited in accordance with these rules;
- (c) where his share is sold by the society under a power conferred by these rules and the purchaser is registered as holder in his place;
- (d) where his share is purchased by the society in accordance with the Act and these rules;
- (e) where he becomes bankrupt under any law relating to bankruptcy and the official assignee disclaims in accordance with provisions of that law;
- (f) on death: Provided that his estate shall remain liable until his executor or administrator or some other person is registered as holder in his place, or until the society pays the value of his share in accordance with the provisions of the Act;
- (g) where the contract of membership is rescinded on the ground of misrepresentation or mistake;
- (h) where he ceases to be a member in accordance with these rules;
- (i) in the case of a corporate body, where the corporate body is dissolved.

*Liability of a Member to Society.*

24. A member shall in accordance with section 40 of the Act be liable to the society for the amount, if any, unpaid on the shares held by him, together with any charges payable by him to the society as prescribed by these rules.

*Expulsion of Members.*

25. A member may be expelled from the society by special resolution to the effect:—

- (a) that he has failed to discharge his obligations to the society, whether prescribed by these rules or arising out of any contract; or
- (b) that a charge of conduct detrimental to the society has been proved:

Provided that in either case written notice of the proposed resolution shall be forwarded to the member not less than seven days before the meeting, and he shall be given an opportunity of being heard at the meeting.

26. Where a member is expelled from the society all moneys owing by him to the society (not including unpaid share capital which has not been called) shall forthwith become payable in full.

27. (1) The shares of a member who has been expelled may by special resolution be forfeited to the society, but he shall be entitled to any other interests he may have in the society.

(2) Notice of the forfeiture shall be sent in accordance with these rules within seven days.

28. (1) No expelled member shall be re-admitted as a member of the society except by special resolution.

(2) A member so re-admitted shall not have restored to him any shares which were forfeited on his expulsion.

29. Where a member has been expelled but his shares have not been forfeited such shares may be sold by the society in such manner as the board determines and the proceeds of such sale less any expenses incurred in connexion therewith shall be paid to the expelled member or set off against moneys owing to the society by him.

30. Where a member is expelled he shall, whether his shares are forfeited or not, cease to be a member.

#### *Capital and Shares.*

31. (1) The capital of the society shall be raised by the issue of shares.

(2) The capital shall vary in amount according to the nominal value of shares from time to time subscribed.

32. Shares, which shall be of one class, all ranking equally, shall be of the nominal value of £1 each.

33. Every member shall hold at least five shares, but no member shall hold shares exceeding the nominal value of , nor shall any member hold more than one-fifth of the shares in the society.

#### *Certificate of Shares.*

34. Every person whose name is entered as a member in the register of members shall, without payment, be entitled upon application to a certificate under the seal of the society specifying the shares held by him and the amount paid up thereon: Provided that in respect of shares held jointly by several persons the society shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

35. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of One shilling, and on such terms as to evidence and indemnity as the board thinks fit.

#### *Charge on Shares.*

36. The society shall, as provided in section 45 of the Act, have a charge upon the share or interest in the capital and on the credit balance of a member or past member, and upon any dividend, bonus or rebate payable to a member or past member in respect of any debt due from the member or past member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of the debt.

#### *Calls on Shares.*

37. The board may from time to time make calls upon the members in respect of any moneys unpaid on their shares: Provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the society at the time or times so specified the amount called on his shares.

38. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

39. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of Five per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the board shall be at liberty to waive payment of that interest wholly or in part.

40. The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him.

41. Upon all or any of the moneys so advanced the board may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the society in general meeting, Five per centum per annum) as the board determines.

#### *Default in Payment of Calls.*

42. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

43. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the day appointed the shares in respect of which the call was made will be liable to be forfeited.

44. If the requirements of any such notice as aforesaid are not complied with by the member, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the board to that effect.

#### *Forfeited Shares.*

45. A person whose shares have been forfeited for a default in payment of calls or for any other reason shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the society all moneys which, at the date of forfeiture, were presently payable by him to the society in respect of the shares.

46. A statutory declaration in writing that the declarant is a director of the society, and that a share in the society has been duly forfeited on a date stated in the declaration, shall be evidence of the facts therein stated.

47. Shares forfeited for default in payment of calls or for any other reason shall be cancelled and shall not be sold and re-issued.

48. All moneys received by the society in respect of forfeited shares shall be added to the reserve fund.

#### *Investments.*

49. The board may, in accordance with the Act, invest any of the funds of the society in any of the following, that is to say:—

- (a) in any securities authorized by law for the investment of trust funds;
- (b) on deposit in the State Savings Bank of Victoria, or in the Commonwealth Savings Bank or in any bank prescribed by the regulations or in any co-operative society, association or union which is authorized to receive deposits;
- (c) in any prescribed securities;
- (d) in any other way prescribed or allowed by the Act.

#### *Transfer of Shares.*

50. The instrument of transfer of any share shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.

51. Shares in the society shall be transferred in the following form or in any usual or common form which the board approves:—

I, A. B., of....., in consideration of the sum of £.....paid to me by C.D., of.....(hereinafter called "the said transferee") do hereby transfer to the said transferee the share (or shares) numbered.....in the society called the....., to hold unto the said transferee, his executors administrators and assigns, subject to the several conditions on which I held the same at the time of the execution hereof; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands, the.....day of....., 19.....

.....transferor.  
in the presence of.....  
.....transferee.  
in the presence of.....

#### *Registration of Transfers, &c.*

52. (1) The board may decline to register any transfer of shares to a person not qualified to be a member or of whom it does not approve, and may also decline to register any transfer of shares on which the society has a charge.

(2) The board may suspend the registration of transfers during the fourteen days immediately preceding the annual general meeting in each year.

(3) The board may decline to recognize any instrument of transfer unless—

- (a) a fee of One shilling is paid to the society in respect thereof, and
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the board may require to show the right of the transferor to make the transfer.

53. The board shall cause a record of all transfers to be made in the proper books of the society.

54. Any person becoming entitled to a share in consequence of the bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the board, if qualified, be registered as a member in respect of the share or, instead of being registered himself, may make such transfer of the share as the bankrupt person could have made; but the board shall in either case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by the bankrupt person before bankruptcy.

55. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the society.

*Dealing with Shares on Death of Member.*

56. On the death of a member the board shall transfer his share or interest in the society to one of the following persons (provided that the proposed transferee is qualified to be a member of the society, and that the transfer would not increase his holding in the society beyond the proportion or value allowed by these rules), viz.:—

- (a) to the executor or administrator of the member; or
- (b) to such person as the executor or administrator specifies in an application made to the society within twelve months after the death of the member.

57. If there is no such transferee willing to have the share or interest transferred to him, the board shall pay the value thereof to the executor or administrator: Provided that, where the case so allows, the board may pay the value of the share in accordance with the next succeeding rule: Provided further that the board shall not be bound to make any such payment until all moneys due from the deceased member or his estate have been paid to the society.

*Payments on Death of Member.*

58. When a member or person entitled in respect of any share loan or deposit to a sum not exceeding Two hundred pounds dies, then the board may—

- (a) after the expiration of two months from the death of the said member or person if probate or letters of administration have not been produced to any officer of the society and notice in writing of intention to apply therefor has not been received by any such officer; or
  - (b) after the expiration of three months from the death of the said member or person if such notice of intention to apply has been received by any officer of the society within the period of two months from the death but probate or letters of administration have not been produced to any such officer—
- pay the said sum to the person or persons appearing to the board to be entitled thereto according to law as on the intestacy of the deceased member or person.

*Value for Repayment of Share.*

59. The value of shares for repayment pursuant to rule 57 of these rules shall be the market value in accordance with the most recent transfer made for value, but if there has been no recent transfer, or if, in the opinion of the board, the consideration in the most recent transfer was not the true market value, the value shall be the amount that is offered for the same on their being submitted for sale over a reasonable period. In the event of dispute, the value shall be determined by the society's auditor on the basis above set forth, and his determination shall be conclusive as to the value.

*General Meetings.*

60. (1) A general meeting of the society, to be known as the "annual meeting," shall, as provided in section 70 of the Act, be held each year at such time (being within three months after the close of the financial year or within such further time as may be allowed by the registrar or prescribed by regulation), and at such place as the board appoints.

(2) In default of such meeting being so held, it shall, with the approval of the registrar, be held in the month next following, and may be convened by any five members of the society in the same manner as nearly as possible as that in which the meetings are to be convened by the board.

61. The ordinary business of the annual meeting shall be—

- (a) to confirm minutes of the last preceding annual meeting and of any general meetings held since that meeting;
- (b) to receive from the board, auditors, or any officers of the society, reports upon the transactions of the society during the financial year, including balance-sheet, trading account and profit and loss account, and the state of affairs at the end of the year;
- (c) to determine the rates of dividend, bonus and rebate;
- (d) to elect and determine the remuneration of directors and auditors.

62. The annual meeting may transact special business of which notice is given in accordance with these rules.

63. (1) The board may, whenever it thinks fit, convene a special general meeting of the society.

(2) The board shall, on the requisition of not less than twenty members, being the holders of shares upon which calls or other sums then due have been paid, forthwith proceed to convene a special general meeting.

64. A requisition for a special general meeting shall state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the society, and may consist of several documents in the like form, each signed by one or more requisitionists.

65. If the board does not proceed to cause a special general meeting to be held within twenty-one days from the date on which a requisition therefor was deposited at the registered office the requisitionists, or any of them, may convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit of the requisition.

66. Any special general meeting convened by requisitionists in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which such meetings are convened by the board, and all reasonable expense incurred in so convening the meeting shall be refunded by the society to the persons who incurred it.

*Notice of General Meetings.*

67. (1) Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given), specifying the place, the day, and the hour of meeting and, in case of special business, the general nature of that business, shall be given of any general meeting in manner hereinafter mentioned to such persons as are, under these rules, entitled to receive such notices from the society; but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting.

(2) Any member, having a resolution to submit to a general meeting, shall give written notice thereof to the society not less than twenty-one days prior to the date of the meeting.

68. The board shall cause to be inserted in any notice convening a general meeting a statement of any resolution of which notice of motion has been duly given by a member in accordance with these rules, before the notice of the meeting is issued.

*Proceedings at General Meetings.*

69. All business shall be deemed special that is transacted at special general meetings and all business that is transacted at the annual meeting shall also be deemed special with the exception of that specifically referred to in these rules as being the ordinary business of the annual meeting.

70. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided seven members shall be a quorum.

71. If within an hour after the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and (unless another place is specified by the chairman or a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and if at the adjourned meeting a quorum is not present within half-an-hour after the time appointed for the meeting the members present shall be a quorum.

72. The chairman, if any, of the board shall preside as chairman at every general meeting of the society.

73. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.

74. (1) The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(3) Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

75. At any general meeting every question for decision by the meeting shall as provided in section 71 of the Act be determined by a majority of members present in person thereat, and unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members the question shall be determined on a show of hands, and a declaration by the chairman that a resolution has on a show of hands been carried by a simple majority, or carried unanimously, or by a particular majority, or lost shall be *prima facie* evidence of the fact.

76. If a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

77. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

78. (1) A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith.

(2) A poll demanded on any other question shall be taken at a time which the chairman of the meeting shall direct.

79. The following standing orders shall be observed at the society's meetings:—

- (a) the mover of a proposition shall not speak for more than ten minutes; subsequent speakers shall be allowed five minutes, and the mover of the proposition five minutes to reply;
- (b) whenever an amendment is proposed upon an original proposition, no second amendment shall be taken into consideration until the first amendment shall have been disposed of;
- (c) if an amendment be carried, it shall displace the original proposition and become itself the proposition to which any further amendment may be moved;
- (d) if an amendment be negatived, then a further amendment may be moved to the original proposition; but only one amendment shall be submitted to the meeting for discussion at one time;



- (e) the mover of every original proposition, but not of an amendment, shall have the right to reply, immediately after which the question shall be put from the chair, but no other member shall speak more than once on the same question, unless permission be given to explain, or the attention of the chairman be called to a point of order;
- (f) propositions and amendments shall be submitted in writing, when requested by the chairman;
- (g) any discussion may be closed by a resolution "that the question be now put" being moved, seconded, and carried, and any such resolution shall be put to the meeting without debate;

#### *Voting of Members.*

80. On a show of hands or on a poll every member present in person shall have one vote only.

81. In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

82. There shall be no voting by proxy.

#### *Special Resolution.*

83. (1) A special resolution in accordance with section 65 of the Act, means a resolution which is passed by a majority of not less than three-quarters of such members entitled under these rules to vote as may be present in person at any general meeting of which notice specifying the intention to propose the resolution has been duly given according to these rules.

(2) A copy of the special resolution shall be lodged with the registrar in accordance with section 65 of the Act.

#### *Board of Directors.*

84. There shall be a board of five directors.

85. The qualification of a director shall be the holding of not less than five shares in the society.

86. The first directors shall be elected at the meeting for the formation of the society.

87. At the first annual meeting of the society three of the directors shall retire and at the annual meeting in each subsequent year the directors shall retire in rotation of two and three.

88. The directors to retire in any year shall subject to the provision as to filling casual vacancies be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

89. A retiring director shall be eligible for re-election.

90. The society at the annual meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto in such usual and proper manner as the board directs.

91. (1) If at any annual meeting at which an election of directors ought to take place the places of the retiring directors or any of them are not filled, the meeting shall stand adjourned till the same day in the next week at the same time and (unless another place is specified by a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and such adjourned meeting may receive nominations and elect directors to the vacancies in such usual and proper manner as the chairman directs.

(2) If at the adjourned meeting the places of the retiring directors are not filled the retiring directors or such of them as have not had their places filled shall be deemed to have been re-elected at the adjourned meeting.

92. Any vacancy occurring in the board otherwise than by rotation of retirement may be filled by the board, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

93. The society may by special resolution remove any director before the expiration of his period of office, and may by a simple majority appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

#### *Proceedings of the Board.*

94. (1) The board may meet for the despatch of business, adjourn, and otherwise regulate its meetings as it thinks fit: Provided that meetings of the board shall be held at intervals of not more than two months.

(2) Questions arising at any meeting shall be decided by a majority of votes.

(3) In case of an equality of votes the chairman shall have a second or casting vote.

(4) A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the board.

95. The quorum for any meeting of the board shall be three.

96. The continuing directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to these rules as the necessary quorum of directors, the continuing directors may act only for the purpose of increasing the number of directors to that number or of summoning a general meeting of the society, but not for any other purpose.

97. The board may elect a chairman of its meetings and determine the period for which he is to hold office, but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

98. (1) The board may delegate any of its powers to committees consisting of such members of the board as the board thinks fit.

(2) Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the board.

99. (1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

100. (1) A committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.

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

101. (1) The business and operations of the society shall, in accordance with section 69 of the Act, be managed and controlled by the board, and for that purpose the board, except as hereinafter provided, shall have and may exercise the powers of the society as if they had been expressly conferred on the board by a general meeting of the society.

(2) The powers of the board shall be subject to any restrictions imposed thereon by the Act or by those rules.

102. Every director acting in the business or operations of the society in pursuance of a resolution duly passed by the board shall be deemed to be the agent of the society for all purposes within the objects of the society.

103. The directors shall receive such fees for their services (not exceeding any limits prescribed by the regulations) as are approved at a general meeting, and shall not receive any other remuneration from the society, but all necessary expenses incurred by them in the business of the society shall be refunded to them.

104. The board shall, in accordance with section 72 of the Act, cause minutes as prescribed by regulation of general and board meetings to be made in books provided for the purpose and, in particular—

(a) of all appointments of officers and employees made by the directors;

(b) of the names of the directors present at each meeting of the board and of any committee of the board—  
and every director present at any meeting of the board or committee of the board shall sign his name in a book to be kept for that purpose.

105. The board shall, in accordance with section 67 (4) of the Act, cause to be supplied to every person on demand a copy of the rules on payment of a sum of Two shillings and sixpence.

106. The board shall, in accordance with section 60 of the Act, cause to be kept at the registered office of the society, and open at all reasonable hours to inspection by any member or creditor, without fee—

(a) a copy of the Act and the regulations;

(b) a copy of the rules of the society;

(c) a copy of the last balance-sheet and profit and loss account for the time being, together with the auditor's report;

(d) the prescribed register of directors, members, and shares;

(e) the prescribed register of loans raised, securities given and deposits received by the society.

107. The board shall cause to be prepared and lodged with the registrar all returns and notices required by the Act or regulations and, in particular—

(a) a list of the directors and alterations in membership during each year;

(b) a statement of the assets and liabilities of the society as at the close of each financial year and of the accounts of the society for that year;

(c) a copy of the report of the auditor on those accounts;

(d) such other particulars as are prescribed by regulation.

108. (1) The board shall cause to be prepared a statement of the accounts of the society (including balance-sheet, trading account and profit and loss account) up to the end of each financial year, and shall submit it, with the auditor's report thereon, to the annual meeting of the society.

(2) The board shall also cause a copy of such statement to be displayed at the registered office of the society for a period of not less than fourteen days before the date of such meeting, and a copy to be sent to each member with the notice of the meeting, in accordance with section 75 (5) of the Act.

109. The board shall cause to be kept such registers and accounts as are prescribed by section 59 of the Act or by the regulations and, in particular, the following, viz.:—

- (a) a register of the directors, members and shares;
- (b) a register of any loans raised, securities given, and deposits received by the society;
- (c) a register of loans made or arranged by the society and of any securities taken by the society.

*Appointment and Removal of Employés.*

110. Without prejudice to the general powers conferred on the board by the Act or these rules, the board shall have power to appoint and, at its discretion, to remove or suspend officers, clerks, agents and servants and to determine their powers, duties, and remuneration, or when so deemed necessary, to delegate all or any of such powers of appointment, suspension, removal, and determination.

*Security.*

111. The board shall cause every officer having the receipt or charge of any money of the society to give security, in accordance with section 73 (3) of the Act, to the amount and in the manner prescribed by the regulations. The society shall pay all premiums in respect of any security given by such officer.

*Insurance.*

112. The board shall arrange insurance against loss or damage to or liability of the society by reason of fire, accident, or otherwise.

*Vacation of Office of Director.*

113. The office of a director shall be vacated in the circumstances set out in section 69 (13) of the Act and, in particular—

- (a) if he becomes bankrupt, or assigns his estate for the benefit of or compounds with his creditors;
- (b) if he become a lunatic or lunatic patient within the meaning of the Mental Hygiene Acts or a defective within the meaning of the *Mental Deficiency Act 1939*;
- (c) if he is convicted of any offence under the Act, or if he is convicted of any indictable offence or of any offence punishable on summary conviction for which he is sentenced to imprisonment otherwise than in default of payment of a fine;
- (d) if he absents himself from three consecutive ordinary meetings of the board without its leave;
- (e) if he ceases to be a member of the society;
- (f) if his resignation is accepted by the board, after he has given one month's notice of his intention to resign;
- (g) if he is removed from office by resolution of a general meeting of the society;
- (h) if he has a direct or indirect pecuniary interest in any agreement with the society otherwise than as a member and in common with the other members of another society or of an incorporated company consisting in either case of more than twenty persons: Provided that this paragraph shall not be deemed to extend to any of the following dealings, if made in good faith, in the ordinary course of the business of the society, and on such terms as are usual and proper in similar dealings between the society and its members, viz.:—
  - (i) any purchase of land by the director from the society;
  - (ii) any loan by the society to the director;
  - (iii) the provision by the society of any community service to the director;
  - (iv) any loan, whether by deposit or otherwise, by the director to the society;
  - (v) any loan made to a society and in which the director's pecuniary interest consists in his having guaranteed or joined in guaranteeing the repayment of the loan or any part thereof;
  - (vi) any other dealing between the society and a director which under its objects the society may have with its members;
  - (vii) such other dealings as may be prescribed by regulation; but so that, in the case of a purchase by the director referred to in sub-paragraph (i) or a loan to the director referred to in sub-paragraph (ii) of this paragraph, the purchase or loan shall be made in accordance with a special resolution;
- (i) if he fails to obtain the necessary share qualification as required by these rules.

*Banking.*

114. The board shall cause to be opened a banking account in the name of the society, into which all moneys received shall be paid as soon as possible after receipt.

115. All cheques drawn on such account, and all drafts, bills of exchange promissory notes, and other negotiable instruments for and on behalf of the society, shall be signed by two directors and countersigned by the secretary.

*Member's Accounts:*

116. The board shall, in accordance with section 75 (6) of the Act; so provide that any member may inspect his own account in the books of the society at any reasonable time on payment of a fee of Two shillings.

*Rules.*

117. The board shall cause any member who so desires to be supplied with a copy of the rules of the society at a charge of Two shillings and sixpence.

*Financial Year.*

118. The financial year of the society shall end on the in each year.

*Audit.*

119. One or more auditors, who shall be approved by the registrar and who shall, unless the registrar otherwise authorizes, be persons licensed by the Companies' Auditors Board, shall be appointed at each annual meeting, to hold office until the next annual meeting.

120. The first auditors of the society may be appointed by the board before the first annual meeting and, if so appointed, shall hold office until the first annual meeting, unless previously removed by a resolution of the members at a general meeting, in which case the members at that meeting may appoint auditors to act until the first annual meeting.

121. If an appointment of auditors is not made at an annual meeting the board shall appoint auditors of the society for the current year.

122. An officer or employé of the society shall not be capable of being appointed auditor of the society.

123. A person, other than a retiring auditor shall not be capable of being appointed auditor at an annual meeting unless notice of intention to nominate that person to the office of auditor has been given by a member of the society not less than fourteen days before the annual meeting, and the society shall send a copy of any such notice to the retiring auditor, and shall give notice thereof to the members not less than seven days before the annual meeting:

Provided that if, after notice of the intention to nominate an auditor has been so given, an annual meeting is called for a date fourteen days or less after the notice has been given, the notice, though not given within the time required by this provision, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the society may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the annual meeting.

124. The board may fill any casual vacancy in the office of auditor, but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

125. The remuneration of the auditors of a society shall be fixed by the society in general meeting, except that the remuneration of any auditors appointed by the board may be fixed by the board.

126. The board shall cause the auditors to have access to all books, accounts, vouchers, securities and documents of the society; and to be furnished with such information and explanation by themselves or any other officers as may be necessary for the performance of their duties as auditors.

127. The auditors shall comply with section 75 (4) of the Act and, in particular, in making their report to the members of the society and, in signing any statement of assets and liabilities or of accounts to be presented to the members or lodged with the registrar, they shall state—

- (a) whether they have obtained the information and explanation required by them;
- (b) whether in their opinion the statements are drawn up so as to exhibit a true and correct view of the financial position of the society according to the information at their disposal and explanation given to them, and as shown by the books of the society;
- (c) whether the rules relating to the administration of the funds of the society have been observed.

*Application of Funds.*

128. (1) The funds of the society shall be applied to carrying out the objects of the society.

(2) Any surplus resulting from its operation during a financial year, after providing for depreciation in value of the society's property and for contingent liability for loss, shall in accordance with section 38 of the Act, at the end of the financial year, be applied as follows:—

- (a) in payment of at least Five per centum to a reserve fund to be created in accordance with section 38 (1) of the Act until the fund is at least one-fourth of the aggregate amount of the capital paid up for the time being, and of any moneys raised on loan or received on deposit and for the time being remaining unpaid;

(b) after providing for a reserve fund, any remaining surplus may be applied in all or any of the following ways:—

- (i) in payment to members of dividend not exceeding Five per centum per annum (or such other percentage as is fixed by regulation) on the amount paid up by them on their respective shares: Provided that no amount paid on a share in advance of calls shall, whilst carrying interest, be treated for the purpose of this rule as paid on the share;
- (ii) in payment to members by way of a bonus or rebate based on the business done by them with the society during the year;
- (iii) in crediting to any employé who is not a member, but is qualified to be a member, an amount by way of bonus in proportion to his salary or wages at a rate equal to the rate of bonus or rebate paid to a member on the business done by him with the society during the year;
- (iv) in crediting to any person who is not a member, but is qualified to be a member, an amount by way of bonus or rebate in proportion to the business done by him with the society;
- (v) in payment not exceeding Ten per centum (or such larger percentage as is determined by the Governor in Council pursuant to section 38 (4) of the Act) of the surplus to any charitable purpose, or for promoting co-operation or any community benefit.

129. A bonus or rebate shall only be credited to any employé or person who is not a member until the amount credited is equal to the nominal value of the minimum number of shares for which a member is required to subscribe, and in or towards payments for such minimum number of shares, which shall be issued to him on application as prescribed by these rules.

130. Any dividend, bonus or rebate which accrues to the holder of shares on which all calls due have been paid shall be paid to him, but any dividend, bonus or rebate which accrues to the holder of partially paid up shares shall be applied to paying off subscriptions or calls, if any, on shares which may at the time the dividend, bonus or rebate becomes payable be due by him and unpaid.

131. No dividend, bonus or rebate declared by the society in general meeting shall exceed the amount recommended by the board.

132. If several persons are registered as joint holders of any share any one of them may give an effectual receipt for any dividend payable on the share.

133. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

134. No dividend shall bear interest against the society.

#### *Reserve Fund.*

135. (1) In accordance with section 38 of the Act, the reserve fund created in accordance with that section shall not be distributed amongst the members of the society, except in the event of winding-up.

(2) The reserve fund shall be applicable at any time to any purpose to which the capital of the society is applicable, and shall together with any other funds available be applicable to meet any loss which the society may sustain.

#### *Depreciation of Assets.*

136. The value of the several fixed assets of the society shall be written down at least annually by an amount to be fixed by the board and approved by the auditors. If the board and the auditors are unable to agree on the amount to be written down in respect of any asset the matter shall be referred to the registrar whose decision shall be final.

#### *Stocktaking.*

137. The board shall appoint one or more stocktakers each year and shall require such stocktakers to take stock and to submit to it in writing a report within fourteen days after the close of each financial year and also within fourteen days after such other date (if any) as the board appoints. The stocktakers shall hold office for one year from the date of appointment and may be removed by the board.

#### *Disputes.*

138. (1) Disputes between a member in his capacity of member and the society shall be settled by arbitration in accordance with the *Arbitration Act 1928*, and for this purpose the words "member" and "society" have the meaning ascribed to them in section 77 of the Act.

(2) Nothing in this rule shall apply to any dispute as to the construction or effect of any mortgage or of any contract contained in any document other than these rules.

#### *Winding Up.*

139. The winding up of the society shall be in accordance with Part IV. of the Act.

*Notices.*

140. A notice may be given by the society to any member either personally or by sending it by post to him at the address shown as his address in the register of members (hereinafter called his registered address), or, if he has no registered address in Victoria, to the address, if any, within Victoria, supplied by him to the society for the giving of notices to him.

141. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.

142. If a member has no registered address in Victoria and has not supplied to the society an address within Victoria for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the society shall be deemed to be duly given to him on the date on which the advertisement appears.

143. A notice may be given by the society to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

144. A notice may be given by the society to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in Victoria, supplied for the purpose by the persons claiming to be so entitled or (until such an address has been supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

145. (1) Notice of every general meeting shall be given in some manner hereinbefore authorized to—

(a) every member of the society except those members who have no registered address within Victoria and have not supplied to the society an address within Victoria for the giving of notices to them; and

(b) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy would be entitled to receive notice of the meeting.

(2) No other persons shall be entitled to receive notices of general meetings.

*Shares Not to be Listed.*

146. The shares of the Society shall not be quoted for sale or purchase at any stock exchange or in any other public manner whatever.

*Charges.*

147. The following is a schedule of charges appearing in the foregoing rules:—

For duplicate share certificate as per rule 35, a sum of 1s.

For transfer of shares as per rule 52, a sum of 1s.

For inspection by member of his account in books of society as per rule 116, a sum of 2s.

For book of rules as per rules 105 and 117, a sum of 2s. 6d.

**PART D.—MODEL RULES FOR A COMMUNITY ADVANCEMENT SOCIETY.***Interpretation.*

1. In these rules, unless inconsistent with the context or subject matter:—

"Act" means the *Co-operation Act* 1953 and any amendment thereof.

"Month" means calendar month.

"Prescribed" means prescribed by the Act or the Regulations.

"Regulations" means regulations made under the Act.

"Registrar" means the Registrar of Co-operative Societies.

Expressions used have the same meanings as those ascribed to them by the Act.

Words importing the singular include the plural, and vice versa. Words importing the masculine gender include females.

*Rules.*

2. In accordance with section 58 of the Act, the rules of the society shall bind the society and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto and there were contained in the rules a covenant on the part of each member and his legal representative to observe all the provisions of the rules subject to the provisions of the Act and the regulations.

*Name.*

3. The name of the society shall be\*..... (hereinafter called "the society"). The society is a community advancement society under the *Co-operation Act* 1953.

\*The word "co-operative" must be in the name, and the word "limited" at the end thereof.

*Registered Office.*

4. The registered office of the society shall be at.....  
(Give address in full.)  
or at such other place as the board may determine from time to time.  
The board shall, in accordance with section 57 of the Act, cause notice of any change in the registered office to be lodged with the registrar in the form prescribed within fourteen days after the change.

*Use of Name.*

5. The board shall in accordance with section 57 of the Act cause the name of the society with a statement that the society is registered under the Act to be painted or affixed and kept painted or affixed on the outside of its office in a conspicuous place and in letters which are clearly legible.

*Objects.*

6. The objects of the society shall be\*

\* Here set out objects of the society. As to what the objects may be, see sections 11 and 13 of Act.

*Powers.*

7. The society shall in accordance with sections 12 and 13 of the Act have power to do any of the following things as incidental to its objects:—

- (a) raise money on loan for any objects of the society, subject to the Act, and, in particular, to sections 51 to 53 thereof, so far as applicable to a community advancement society;
- (b) acquire by purchase or otherwise shares in any other society.
- (c) where section 13 of the Act applies, make or guarantee loans to its members subject to the appropriate provisions of the Act.

*Restrictions on Loans.*

8. (1) The society shall not make or guarantee a loan unless the member to whom the loan is made\*

\* Define area of operations or class to which the member must belong.

(2) A loan shall not be made or guaranteed unless the member first furnishes to the board a statutory declaration setting out whether or not he is a member of any credit society and, if he is a member of a credit society particulars of any moneys owing by him to that society.

(3) The total amount owing by a member in respect of any loans made or guaranteed by the society shall not exceed the sum of Three hundred pounds.

*Loan Procedure.*

9. (1) An application for a loan shall be made in such form as the board deems necessary and shall be accompanied by the statutory declaration referred to in the last preceding rule.

(2) Every application shall state—

- (a) the amount required and the purpose for which it is to be used;
- (b) the term for which the loan is required;
- (c) the occupation of the member and by whom he is employed;
- (d) the weekly income of the member;
- (e) particulars of any other loan outstanding; and
- (f) such other particulars as the board requires.

10. The board may approve an application for a loan in whole or in part and may make the loan on such terms and subject to such conditions as to repayment and otherwise as it thinks proper and, in particular, may require repayment to be guaranteed by another member or other members or such other security as it deems necessary or both such guarantee and security.

11. (1) Where a member is unable to repay a loan in full on or before the agreed date the board or the lender may grant an extension of the time for repayment.

(2) An application for an extension of time for repayment shall be made in such form as the board deems necessary and shall state—

- (a) the reason why the member is unable to repay the loan by the agreed date, and
- (b) the date by which he undertakes to repay the loan.

*Purchase of Members' Shares.*

12. The society may in accordance with section 41 of the Act purchase out of its reserve fund any share of a member in the society: Provided that the shares so purchased in any one year shall not exceed one-twentieth of the paid-up capital of the society.

*Repayment of Share Capital.*

13. (1) The board may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society.

(2) The board shall not, except with the consent of the registrar, make any such repayment if the society has received from any person who is not a member any money on loan which is not secured by mortgage and is still unpaid.

(3) Where pursuant to this rule any member is repaid the whole of the amount paid up on all the shares held by him he shall cease to be a member.

*Contributions by Society.*

14. The board may make contributions out of the funds of the society to any organization or body, corporate or incorporate, which includes amongst its objects the rendering of services to the society or its members or the operations of which are calculated to promote the economic interests of those members.

*Property.*

15. The society may, in accordance with section 48 of the Act, acquire by lease, purchase, donation, devise, bequest or otherwise any real or personal property for any objects of the society or for any purposes ancillary to those objects, and may sell or lease any such real or personal property.

*Joining an Association.*

16. The society, with the approval of a majority at a general meeting of which due notice has been given, may join with any other community advancement society or, where section 22 of the Act so allows, with any foreign association to form an association under the said section 22.

*Dealings of Members with Society.*

17. The society may, in accordance with section 62 of the Act, make a contract with a member requiring him to have any specified dealings with the society for a fixed period and, in particular, without limiting the generality of the foregoing, requiring him to make use of the services provided by the society, with provision for the payment by him to the society of specified sums as liquidated damages for the breach of any term of the contract.

*Seal.*

18. (1) The society shall as required by section 57 of the Act have its name inscribed in legible characters upon a seal. The seal shall be kept at the registered office in such custody as the board directs.

(2) The device of the seal shall be the name of the society within two concentric circles.

(3) The seal shall be used only under the authority of a resolution of a general meeting or of the board, and shall be attested by the signatures of two directors and the secretary, or in the absence of the secretary by such other person as the board authorizes.

*Custody of Books and Documents.*

19. All books of account, securities, documents and papers of the society, other than such (if any) as the board may direct to be kept elsewhere, shall be kept at the registered office in such manner and with such provision for their security as the board directs.

*Membership.*

20. (1) The persons who shall be qualified to be members of the society shall be—

- (a) any persons who are not under the age of eighteen years; and
- (b) any other societies which have power to acquire shares in the society.

(2) Where another society is a member of the society, that other society may from time to time in such manner as the board of the society directs appoint a person, being a member of that other society, to represent it in respect of the share held by it, and the person so appointed shall during the continuance of his appointment be deemed a member of the society holding that share for all purposes except—

- (a) the liability in respect of the share;
- (b) the transfer thereof;
- (c) the giving of receipts for any dividends or payments thereon.

21. Application for membership shall be made at the registered office in or to the effect of the prescribed form, with a deposit of Two shillings on each share applied for.

22. Upon approval of the application for membership the shares shall be allotted to the applicant, and his name shall be duly entered as a member in the register of members. He shall be notified of such allotment and shall thereupon be entitled to the privileges of membership.

23. If an application for membership be not approved, the deposit shall be returned to the applicant without interest.

24. The board may reject an application for membership and need not assign any reason for its action.

*Pass Books.*

25. Every member of the society to whom any loan has been made by the society shall be issued with a pass book in which his financial transactions with the society in relation to that loan shall be clearly recorded. Entries shall be made in a member's pass book only by or under the authority of the secretary.

26. No money shall be received from or paid to a member in relation to a loan unless his pass book is presented for the appropriate entry at the time of payment.



27. If a pass book is defaced, stolen or destroyed, notice of the fact should be given immediately to the society and a written application made for the issue of a fresh pass book.

28. The member shall be charged a fee of Two shillings for such new pass book.

*Ceasing Membership.*

29. A person shall, as provided in section 36 (8) of the Act, cease to be a member in any of the following circumstances:—

- (a) where his share is transferred to another person in accordance with these rules and the transferee is registered as holder in his place;
- (b) where his share is forfeited in accordance with these rules;
- (c) where his share is sold by the society under a power conferred by these rules and the purchaser is registered as holder in his place;
- (d) where his share is purchased by the society in accordance with the Act and these rules;
- (e) where he becomes bankrupt under any law relating to bankruptcy and the official assignee disclaims in accordance with provisions of that law;
- (f) on death: Provided that his estate shall remain liable until his executor or administrator or some other person is registered as holder in his place, or until the society pays the value of his share in accordance with the provisions of the Act;
- (g) where the contract of membership is rescinded on the ground of misrepresentation or mistake;
- (h) where he ceases to be a member in accordance with these rules;
- (i) in the case of a corporate body, where the corporate body is dissolved.

*Liability of a Member to Society.*

30. A member shall in accordance with section 40 of the Act be liable to the society for the amount, if any, unpaid on the shares held by him, together with any charges payable by him to the society as prescribed by these rules.

*Expulsion of Members.*

31. A member may be expelled from the society by special resolution to the effect:—

- (a) that he has failed to discharge his obligations to the society, whether prescribed by these rules or arising out of any contract, or
- (b) that a charge of conduct detrimental to the society has been proved against him:

Provided that in either case written notice of the proposed resolution shall be forwarded to the member not less than seven days before the meeting, and he shall be given an opportunity of being heard at the meeting.

32. Where a member is expelled from the society all moneys owing by him to the society (not including unpaid share capital which has not been called) shall forthwith become payable in full.

33. (1) The shares of a member who has been expelled may by special resolution be forfeited to the society, but he shall be entitled to any other interest he may have in the society.

(2) Notice of the forfeiture shall be sent in accordance with these rules within seven days.

34. (1) No expelled member shall be re-admitted as a member of the society except by special resolution.

(2) A member so re-admitted shall not have restored to him any shares which were forfeited on his expulsion.

35. Where a member has been expelled but his shares have not been forfeited such shares may be sold by the society in such manner as the board determines and the proceeds of such sale less any expenses incurred in connexion therewith shall be paid to the expelled member or set off against moneys owing to the society by him.

36. Where a member is expelled he shall, whether his shares are forfeited or not, cease to be a member.

*Capital and Shares.*

37. (1) The capital of the society shall be raised by the issue of shares.

(2) The capital shall vary in amount according to the nominal value of shares from time to time subscribed.

38. Shares, which shall be of one class, all ranking equally, shall be of the nominal value of £1 each.

39. Every member shall hold at least five shares, but no member shall hold shares exceeding the nominal value of \_\_\_\_\_, nor shall any member hold more than one-fifth of the shares in the society.

*Certificate of Shares.*

40. Every person whose name is entered as a member in the register of members shall, without payment, be entitled upon application to a certificate under the seal of the society specifying the shares held by him and the amount paid up thereon: Provided that in respect of shares held jointly by several persons the society shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

41. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of One shilling, and on such terms as to evidence and indemnity as the board thinks fit.

*Charge on Shares.*

42. The society shall, as provided in section 45 of the Act, have a charge upon the share or interest in the capital and on the credit balance of a member or past member, and upon any dividend, bonus or rebate payable to a member or past member in respect of any debt due from the member or past member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of the debt.

*Calls on Shares.*

43. The board may from time to time make calls upon the members in respect of any moneys unpaid on their shares: Provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the society at the time or times so specified the amount called on his shares.

44. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

45. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of Five per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the board shall be at liberty to waive payment of that interest wholly or in part.

46. The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him.

47. Upon all of any of the moneys so advanced the board may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the society in general meeting, Five per centum per annum) as the board determines.

*Default in Payment of Calls.*

48. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

49. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the day appointed the shares in respect of which the call was made will be liable to be forfeited.

50. If the requirements of any such notice as aforesaid are not complied with by the member, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the board to that effect.

*Forfeited Shares.*

51. A person whose shares have been forfeited for a default in payment of subscriptions or for any other reason shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the society all moneys which, at the date of forfeiture, were presently payable by him to the society in respect of the shares.

52. A statutory declaration in writing that the declarant is a director of the society, and that a share in the society has been duly forfeited on a date stated in the declaration, shall be evidence of the facts therein stated.

53. Shares forfeited for default in payment of subscriptions or for any other reason shall be cancelled and shall not be sold and re-issued.

54. All moneys received by the society in respect of forfeited shares shall be added to the reserve fund.

*Investments.*

55. The board may, in accordance with the Act, invest any of the funds of the society in any of the following, that is to say:—

- (a) in any securities authorized by law for the investment of trust funds;
- (b) on deposit in the State Savings Bank of Victoria, or in the Commonwealth Savings Bank or in any bank prescribed by the regulations or in any co-operative society, association or union which is authorized to receive deposits;
- (c) in any prescribed securities;
- (d) in any other way prescribed or allowed by the Act.

*Transfer of Shares.*

56. The instrument of transfer of any share shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.

57. Shares in the society shall be transferred in the following form or in any usual or common form which the board approves:—

I, A.B., of..... in consideration of the sum of £..... paid to me by C.D. of..... (hereinafter called "the said transferee") do hereby transfer to the said transferee the share (or shares) numbered..... in the society called the....., to hold unto the said transferee, his executors, administrators and assigns, subject to the several conditions on which I held the same at the time of the execution hereof; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands, the..... day of....., 19.....

.....transferor.

In the presence of.....

.....transferee.

In the presence of.....

#### *Registration of Transfers, &c.*

58. (1) The board may decline to register any transfer of shares to a person not qualified to be a member or of whom it does not approve, and may also decline to register any transfer of shares on which the society has a charge.

(2) The board may suspend the registration of transfers during the fourteen days immediately preceding the annual general meeting in each year.

(3) The board may decline to recognize any instrument of transfer unless—

- (a) a fee of One shilling is paid to the society in respect thereof, and
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the board may require to show the right of the transferor to make the transfer.

59. The board shall cause a record of all transfers to be made in the proper books of the society.

60. Any person becoming entitled to a share in consequence of the bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the board, if qualified, be registered as a member in respect of the share or, instead of being registered himself, may make such transfer of the share as the bankrupt person could have made; but the board shall in either case have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by the bankrupt person before bankruptcy.

61. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the society.

#### *Dealing with Shares on Death of Member.*

62. On the death of a member the board shall transfer his share or interest in the society to one of the following persons (provided that the proposed transferee is qualified to be a member of the society, and that the transfer would not increase his holding in the society beyond the proportion or value allowed by these rules), viz.:—

- (a) to the executor or administrator of the member; or
- (b) to such person as the executor or administrator specifies in an application made to the society within twelve months after the death of the member.

63. If there is no such transferee willing to have the share or interest transferred to him, the board shall pay the value thereof to the executor or administrator: Provided that, where the case so allows, the board may pay the value of the share in accordance with the next succeeding rule: Provided further that the board shall not be bound to make any such payment until all moneys due from the deceased member or his estate have been paid to the society.

#### *Payments on Death of Member.*

64. When a member or person entitled in respect of any share or loan to a sum not exceeding Two hundred pounds dies, then the board may—

- (a) after the expiration of two months from the death of the said member or person if probate or letters of administration have not been produced to any officer of the society and notice in writing of intention to apply therefor has not been received by any such officer; or
- (b) after the expiration of three months from the death of the said member or person if such notice of intention to apply has been received by any office of the society within the period of two months from the death but probate or letters of administration have not been produced to any such officer—

pay the said sum to the person or persons appearing to the board to be entitled thereto according to law as on the intestacy of the deceased member or person.

*Value for Repayment of Share.*

65. The value of shares for repayment pursuant to rule 63 of these rules shall be the market value in accordance with the most recent transfer made for value, but if there has been no recent transfer, or if, in the opinion of the board, the consideration in the most recent transfer was not the true market value, the value shall be the amount that is offered for the same on their being submitted for sale over a reasonable period. In the event of dispute, the value shall be determined by the society's auditor on the basis above set forth, and his determination shall be conclusive as to the value.

*General Meetings.*

66. (1) A general meeting of the society, to be known as the "annual meeting," shall, as provided in section 70 of the Act, be held each year at such time (being within three months after the close of the financial year or within such further time as may be allowed by the registrar or prescribed by regulation) and at such place as the board appoints.

(2) In default of such meeting being so held, it shall, with the approval of the registrar, be held in the month next following, and may be convened by any five members of the society in the same manner as nearly as possible as that in which the meetings are to be convened by the board.

67. The ordinary business of the annual meeting shall be—

- (a) to confirm minutes of the last preceding annual meeting and of any general meetings held since that meeting;
- (b) to receive from the board, auditors, or any officers of the society, reports upon the transactions of the society during the financial year, including balance-sheet, trading account and profit and loss account, and the state of affairs at the end of the year;
- (c) to determine the rates of dividend on share capital and any rebate of interest;
- (d) to elect and determine the remuneration of directors and auditors.

68. The annual meeting may transact special business of which notice is given in accordance with these rules.

69. (1) The board may, whenever it thinks fit, convene a special general meeting of the society.

(2) The board shall, on the requisition of not less than twenty members, being the holders of shares upon which subscriptions or other sums then due have been paid, forthwith proceed to convene a special general meeting.

70. A requisition for a special general meeting shall state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the society, and may consist of several documents in the like form, each signed by one or more requisitionists.

71. If the board does not proceed to cause a special general meeting to be held within twenty-one days from the date on which a requisition therefor was deposited at the registered office the requisitionists, or any of them, may convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit of the requisition.

72. Any special general meeting convened by requisitionists in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which such meetings are convened by the board, and all reasonable expense incurred in so convening the meeting shall be refunded by the society to the persons who incurred it.

*Notice of General Meetings.*

73. (1) Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given), specifying the place, the day, and the hour of meeting and, in case of special business, the general nature of that business, shall be given of any general meeting in manner hereinafter mentioned to such persons as are, under these rules, entitled to receive such notices from the society; but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting.

(2) Any member, having a resolution to submit to a general meeting, shall give written notice thereof to the society not less than twenty-one days prior to the date of the meeting.

74. The board shall cause to be inserted in any notice convening a general meeting a statement of any resolution of which notice of motion has been duly given by a member in accordance with these rules before the notice of the meeting is issued.

*Proceedings at General Meetings.*

75. All business shall be deemed special that is transacted at special general meetings and all business that is transacted at the annual meeting shall also be deemed special with the exception of that specifically referred to in these rules as being the ordinary business of the annual meeting.

76. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided seven members shall be a quorum.

77. If within an hour after the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and (unless another place is specified by the chairman or a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and if at the adjourned meeting a quorum is not present within half-an-hour after the time appointed for the meeting the members present shall be a quorum.

78. The chairman, if any, of the board shall preside as chairman at every general meeting of the society.

79. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.

80. (1) The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(3) Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

81. At any general meeting every question for decision by the meeting shall as provided in section 71 of the Act be determined by a majority of members present in person thereat, and unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members the question shall be determined on a show of hands, and a declaration by the chairman that a resolution has on a show of hands been carried by a simple majority, or carried unanimously, or by a particular majority, or lost shall be *prima facie* evidence of the fact.

82. If a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

83. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

84. (1) A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith.

(2) A poll demanded on any other question shall be taken at a time which the chairman of the meeting shall direct.

85. The following standing orders shall be observed at the society's meetings:—

- (a) the mover of a proposition shall not speak for more than ten minutes; subsequent speakers shall be allowed five minutes; and the mover of the proposition five minutes to reply;
- (b) whenever an amendment is proposed upon an original proposition, no second amendment shall be taken into consideration until the first amendment shall have been disposed of;
- (c) if an amendment be carried, it shall displace the original proposition and become itself the proposition to which any further amendment may be moved;
- (d) if an amendment be negatived, then a further amendment may be moved to the original proposition; but only one amendment shall be submitted to the meeting for discussion at one time;
- (e) the mover of every original proposition, but not of an amendment, shall have the right to reply, immediately after which the question shall be put from the chair, but no other member shall speak more than once on the same question, unless permission be given to explain, or the attention of the chairman be called to a point of order;
- (f) propositions and amendments shall be submitted in writing, when requested by the chairman;
- (g) any discussion may be closed by a resolution "that the question be now put," being moved, seconded, and carried, and any such resolution shall be put to the meeting without debate.

#### *Voting of Members:*

86. On a show of hands or on a poll every member present in person shall have one vote only.

87. In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

88. There shall be no voting by proxy:

#### *Special Resolution.*

89. (1) A special resolution in accordance with section 65 of the Act means a resolution which is passed by a majority of not less than three-quarters of such members entitled under these rules to vote as may be present in person at any general meeting of which notice specifying the intention to propose the resolution has been duly given according to these rules.

(2) A copy of the special resolution shall be lodged with the registrar in accordance with section 65 of the Act.

#### *Board of Directors.*

90. There shall be a board of five directors.

91. The qualification of a director shall be the holding of not less than five shares in the society.

92. The first directors shall be elected at the meeting for the formation of the society:

93. At the first annual meeting of the society three of the directors shall retire and at the annual meeting in each subsequent year the directors shall retire in rotation of two and three.

94. The directors to retire in any year shall subject to the provisions as to filling casual vacancies be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

95. A retiring director shall be eligible for re-election.

96. The society at the annual meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto in such usual and proper manner as the board directs.

97. (1) If at any annual meeting at which an election of directors ought to take place the places of the retiring directors or any of them are not filled, the meeting shall stand adjourned till the same day in the next week at the same time and (unless another place is specified by a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and such adjourned meeting may receive nominations and elect directors to the vacancies in such usual and proper manner as the chairman directs.

(2) If at the adjourned meeting the places of the retiring directors are not filled the retiring directors or such of them as have not had their places filled shall be deemed to have been re-elected at the adjourned meeting.

98. Any vacancy occurring in the board otherwise than by rotation of retirement may be filled by the board, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

99. The society may by special resolution remove any director before the expiration of his period of office, and may by a simple majority appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

#### *Proceedings of the Board.*

100. (1) The board may meet for the despatch of business, adjourn, and otherwise regulate its meetings, as it thinks fit: Provided that meetings of the board shall be held at intervals of not more than two months.

(2) Questions arising at any meeting shall be decided by a majority of votes.

(3) In case of an equality of votes the chairman shall have a second or casting vote.

(4) A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the board.

101. The quorum for any meeting of the board shall be three.

102. The continuing directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to these rules as the necessary quorum of directors, the continuing directors may act only for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the society, but not for any other purpose.

103. The board may elect a chairman of its meetings and determine the period for which he is to hold office, but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

104. (1) The board may delegate any of its powers to committees consisting of such members of the board as the board thinks fit.

(2) Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the board.

105. (1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected, or, if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

106. (1) A committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman shall have a second or casting vote.

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

107. (1) The business and operations of the society shall, in accordance with section 69 of the Act, be managed and controlled by the board, and for that purpose the board, except as hereinafter provided, shall have and may exercise the powers of the society as if they had been expressly conferred on the board by a general meeting of the society.

(2) The powers of the board shall be subject to any restrictions imposed thereon by the Act or by these rules.

108. Every director acting in the business or operations of the society in pursuance of a resolution duly passed by the board shall be deemed to be the agent of the society for all purposes within the objects of the society.

109. The directors shall receive such fees for their services (not exceeding any limits prescribed by the regulations) as are approved at a general meeting, and shall not receive any other remuneration from the society, but all necessary expenses incurred by them in the business of the society shall be refunded to them.

110. The board shall, in accordance with section 72 of the Act, cause minutes as prescribed by regulation of general and board meetings to be made in books provided for the purpose and, in particular—

- (a) of all appointments of officers and employees made by the directors;
- (b) of the names of the directors present at each meeting of the board and of any committee of the board;

and every director present at any meeting of the board or committee of the board shall sign his name in a book to be kept for that purpose.

111. The board shall, in accordance with section 67 (4) of the Act, cause to be supplied to every person on demand a copy of the rules on payment of a sum of Two shillings and sixpence.

112. The board shall, in accordance with section 60 of the Act, cause to be kept at the registered office of the society, and open at all reasonable hours to inspection by any member or creditor, without fee—

- (a) a copy of the Act and the regulations;
- (b) a copy of the rules of the society;
- (c) a copy of the last balance-sheet and profit and loss account for the time being, together with the auditor's report;
- (d) the prescribed register of directors, members, and shares;
- (e) the prescribed register of loans raised, securities given and deposits received by the society.

113. The board shall cause to be prepared and lodged with the registrar all returns and notices required by the Act or regulations and, in particular—

- (a) a list of the directors and alterations in membership during each year;
- (b) a statement of the assets and liabilities of the society as at the close of each financial year and of the accounts of the society for that year;
- (c) a copy of the report of the auditor on those accounts;
- (d) such other particulars as are prescribed by regulation.

114. (1) The board shall cause to be prepared a statement of the accounts of the society (including balance-sheet, trading account and profit and loss account) up to the end of each financial year, and shall submit it, with the auditor's report thereon, to the annual meeting of the society.

(2) The board shall also cause a copy of such statement to be displayed at the registered office of the society for a period of not less than fourteen days before the date of such meeting, and a copy to be sent to each member with the notice of the meeting, in accordance with section 75 (5) of the Act.

115. The board shall cause to be kept such registers and accounts as are prescribed by section 59 of the Act or by the regulations and, in particular, the following, viz.:—

- (a) a register of the directors, members and shares;
- (b) a register of any loans raised, and securities given by the society;
- (c) a register of loans made or guaranteed by the society and of any securities taken by the society;

#### *Appointment and Removal of Employés.*

116. Without prejudice to the general powers conferred on the board by the Act or these rules, the board shall have power to appoint and, at its discretion, to remove or suspend officers, clerks, agents and servants and to determine their powers, duties, and remuneration, or, when so deemed necessary, to delegate all or any of such powers of appointment.

#### *Security.*

117. The board shall cause every officer having the receipt or charge of any money of the society to give security, in accordance with section 73 (3) of the Act to the amount, and in the manner prescribed by the regulations. The society shall pay all premiums in respect of any security given by such person.

#### *Insurance.*

118. The board shall arrange insurance against loss or damage to or liability of the society by reason of fire, accident, or otherwise.

#### *Vacation of Office of Director.*

119. The office of a director shall be vacated in the circumstances set out in section 69 (13) of the Act and, in particular—

- (a) if he becomes bankrupt, or assigns his estate for the benefit of or compounds with his creditors;
- (b) if he becomes a lunatic or lunatic patient within the meaning of the Mental Hygiene Acts or a defective within the meaning of the *Mental Deficiency Act 1939*;
- (c) if he is convicted of any offence under the Act, or if he is convicted of any indictable offence or any offence punishable on summary conviction for which he is sentenced to imprisonment otherwise than in default of payment of a fine;
- (d) if he absents himself from three consecutive ordinary meetings of the board without its leave;

- (e) if he ceases to be a member of the society;
- (f) if his resignation is accepted by the board, after he has given one month's notice of his intention to resign;
- (g) if he is removed from office by resolution of a general meeting of the society;
- (h) if he has a direct or indirect pecuniary interest in any agreement with the society otherwise than as a member and in common with the other members of another society or of an incorporated company consisting in either case of more than twenty persons: Provided that this paragraph shall not be deemed to extend to any of the following dealings, if made in good faith, in the ordinary course of the business of the society, and on such terms as are usual and proper in similar dealings between the society and its members, viz.:—
  - (i) the purchase of land by the director from the society;
  - (ii) any loan by the society to the director;
  - (iii) the provision by the society of any community service to the director;
  - (iv) any loan made to a society and in which the director's pecuniary interest consists in his having guaranteed or joined in guaranteeing the repayment of the loan or any part thereof;
  - (v) any other dealing between the society and a director which under its objects the society may have with its members;
  - (vi) such other dealings as may be prescribed by regulations—but so that, in the case of a purchase by the director referred to in sub-paragraph (i) or a loan to the director referred to in sub-paragraph (ii) of this paragraph, the purchase or loan shall be made in accordance with a special resolution;
- (i) if he fails to obtain the necessary share qualification as required by these rules.

#### *Banking.*

120. The board shall cause to be opened a banking account in the name of the society, into which all moneys received shall be paid as soon as possible after receipt.

121. All cheques drawn on such account, and all drafts, bills of exchange, promissory notes, and other negotiable instruments for and on behalf of the society, shall be signed by two directors and countersigned by the secretary.

#### *Members' Accounts.*

122. The board shall, in accordance with section 75 (6) of the Act, so provide that any member may inspect his own account in the books of the society at any reasonable time on payment of a fee of Two shillings.

#### *Rules.*

123. The board shall cause any member who so desires to be supplied with a copy of the rules of the society at a charge of Two shillings and sixpence.

#### *Financial Year.*

124. The financial year of the society shall end on the \_\_\_\_\_ in each year.

#### *Audit.*

125. One or more auditors, who shall, unless the registrar otherwise authorizes, be persons licensed by the Companies' Auditors Board and approved by the registrar, shall be appointed at each annual meeting to hold office until the next annual meeting.

126. The first auditors of the society may be appointed by the board before the first annual meeting and, if so appointed, shall hold office until the first annual meeting, unless previously removed by a resolution of the members at a general meeting, in which case the members at that meeting may appoint auditors to act until the first annual meeting.

127. If an appointment of auditors is not made at an annual meeting the board shall appoint auditors of the society for the current year.

128. An officer or employé of the society shall not be capable of being appointed auditor of the society.

129. A person, other than a retiring auditor, shall not be capable of being appointed auditor at an annual meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member of the society not less than fourteen days before the annual meeting, and the society shall send a copy of any such notice to the retiring auditor, and shall give notice thereof to the members not less than seven days before the annual meeting:

Provided that if, after notice of the intention to nominate an auditor has been so given, an annual meeting is called for a date fourteen days or less after the notice has been given, the notice, though not given within the time required by this provision, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the society may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the annual meeting.



130. The board may fill any casual vacancy in the office of auditor, but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

131. The remuneration of the auditors of a society shall be fixed by the society in general meeting, except that the remuneration of any auditors appointed by the board may be fixed by the board.

132. The board shall cause the auditors to have access to all books, accounts, vouchers, securities and documents of the society, and to be furnished with such information and explanation by themselves or any other officers as may be necessary for the performance of their duties as auditors.

133. The auditors shall comply with section 75 (4) of the Act and, in particular, in making their report to the members of the society and, in signing any statement of assets and liabilities or of accounts to be presented to the members or lodged with the registrar, they shall state—

- (a) whether they have obtained the information and explanation required by them;
- (b) whether in their opinion the statements are drawn up so as to exhibit a true and correct view of the financial position of the society according to the information at their disposal and explanation given to them, and as shown by the books of the society;
- (c) whether the rules relating to the administration of the funds of the society have been observed.

*Application of Funds.*

134. (1) The funds of the society shall be applied to carrying out the objects of the society.

(2) Any surplus resulting from its operations during a financial year, after providing for depreciation in value of the society's property and for contingent liability for loss, shall in accordance with section 38 of the Act, at the end of the financial year, be applied as follows:—

- (a) in payment of at least Five per centum to a reserve fund to be created in accordance with section 38 (1) of the Act until the fund is at least one-fourth of the aggregate amount of the capital paid up for the time being, and of any moneys raised on loan and for the time being remaining unpaid;
- (b) after providing for a reserve fund, any remaining surplus may be applied in all or any of the following ways:—
  - (i) in payment to members of dividend not exceeding Five per centum per annum (or such other percentage as is fixed by regulation) on the amount paid up by them on their respective shares: Provided that no amount paid on a share in advance of calls shall, whilst carrying interest, be treated for the purpose of this rule as paid on the share;
  - (ii) in payment to members by way of a bonus or rebate based on the business done by them with the society during the year;
  - (iii) in crediting to any employé who is not a member, but who is qualified to be a member, an amount by way of bonus in proportion to his salary or wages at a rate equal to the rate of bonus or rebate paid to a member on the business done by him with the society during the year;
  - (iv) in crediting to any person who is not a member, but is qualified to be a member, an amount by way of bonus or rebate in proportion to the business done by him with the society;
  - (v) in payment not exceeding Ten per centum (or such larger percentage as is determined by the Governor in Council pursuant to section 38 (4) of the Act) of the surplus to any charitable purpose, or for promoting co-operation or any community benefit.

135. A bonus or rebate shall only be credited to any employé or person who is not a member until the amount credited is equal to the nominal value of the minimum number of shares for which a member is required to be subscribed, and in or towards payments for such minimum number of shares, which shall be issued to him on application as prescribed by these rules.

136. Any dividend, bonus or rebate which accrues to the holder of shares on which all subscriptions due have been paid shall be paid to him, but any dividend, bonus or rebate which accrues to the holder of partially paid up shares shall be applied to paying off subscriptions, if any, on shares which may at the time the dividend, bonus or rebate becomes payable be due by him and unpaid.

137. No dividend, bonus or rebate declared by the society in general meeting shall exceed the amount recommended by the board.

138. If several persons are registered as joint holders of any share any one of them may give an effectual receipt for any dividend payable on the share.

139. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

140. No dividend shall bear interest against the society.

*Reserve Fund.*

141. (1) In accordance with section 38 of the Act, the reserve fund created in accordance with that section shall not be distributed amongst the members of the society, except in the event of winding up.

(2) The reserve fund shall be applicable at any time to any purpose to which the capital of the society is applicable, and shall together with any other funds available be applicable to meet any loss which the society may sustain.

*Depreciation of Assets.*

142. The value of the several fixed assets of the society shall be written down at least annually by an amount to be fixed by the board and approved by the auditors. If the board and the auditors are unable to agree on the amount to be written down in respect of any asset the matter shall be referred to the registrar whose decision shall be final.

*Stocktaking.*

143. The board shall appoint one or more stocktakers each year and shall require such stocktakers to take stock and to submit to it in writing a report within fourteen days after the close of each financial year and also within fourteen days after such other date (if any) as the board appoints. The stocktakers shall hold office for one year from the date of appointment and may be removed by the board.

*Disputes.*

144. (1) Disputes between a member in his capacity of member and the society shall be settled by arbitration in accordance with the *Arbitration Act 1928*, and for this purpose the words "member" and "society" have the meanings ascribed to them in section 77 of the Act.

(2) Nothing in this rule shall apply to any dispute as to the construction or effect of any mortgage or of any contract contained in any document other than these rules.

*Winding Up.*

145. The winding up of the society shall be in accordance with Part IV. of the Act.

*Notices.*

146. A notice may be given by the society to any member either personally or by sending it by post to him at the address shown as his address in the register of members, (hereinafter called his registered address), or, if he has no registered address within Victoria, to the address, if any, within Victoria supplied by him to the society for the giving of notices to him.

147. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.

148. If a member has no registered address within Victoria and has not supplied to the society an address within Victoria for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the society shall be deemed to be duly given to him on the date on which the advertisement appears.

149. A notice may be given by the society to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

150. A notice may be given by the society to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in Victoria, supplied for the purpose by the persons claiming to be so entitled or (until such an address has been supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

151. (1) Notice of every general meeting shall be given in some manner hereinafter authorized to—

(a) every member of the society except those members who have no registered address within Victoria and have not supplied to the society an address within Victoria for the giving of notices to them; and

(b) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting.

(2) No other persons shall be entitled to receive notices of general meetings.

*Shares Not to be Listed.*

152. The shares of the society shall not be quoted for sale or purchase at any stock exchange or in any other public manner whatever.

*Charges.*

153. The following is a schedule of charges appearing in the foregoing rules:—

For a new pass book as per rule 23, a sum of 2s.

For duplicate share certificate as per rule 41, a sum of 1s.

For transfer of shares as per rule 53, a sum of 1s.

For inspection by member of his account in books of society as per rule 122, a sum of 2s.

For book of rules as per rules 111 and 123, a sum of 2s. 6d.

## PART E.—MODEL RULES FOR A CREDIT SOCIETY.

*Interpretation.*

1. In these rules, unless inconsistent with the context or subject matter:—

"Act" means the *Co-operation Act* 1953 and any amendment thereof.

"Month" means calendar month.

"Prescribed" means prescribed by the Act or the Regulations.

"Regulations" means regulations made under the Act.

"Registrar" means the Registrar of Co-operative Societies.

Expressions used have the same meanings as those ascribed to them by the Act.

Words importing the singular include the plural, and vice versa. Words importing the masculine gender include females.

*Rules.*

2. In accordance with section 58 of the Act, the rules of the society shall bind the society and all members thereof and all persons claiming through them respectively to the same extent as if each member had subscribed his name and affixed his seal thereto and there were contained in the rules a covenant on the part of each member and his legal representatives to observe all the provisions of the rules subject to the provisions of the Act and the regulations.

*Name.*

3. The name of the society shall be\*.....  
(hereinafter called "the society"). The society is a credit society under the *Co-operation Act* 1953.

\* The word "co-operative" must be in the name, and the word "limited" at the end thereof.

*Registered Office.*

4. The registered office of the society shall be at .....  
(Give address in full.)  
or at such other place as the board may determine from time to time. The board shall in accordance with section 57 of the Act, cause notice of any change therein to be lodged with the registrar in the form prescribed within fourteen days after the change.

*Use of Name.*

5. The board shall in accordance with section 57 of the Act cause the name of the society with a statement that the society is registered under the Act to be painted or affixed and kept painted or affixed on the outside of its office in a conspicuous place and in letters which are clearly legible.

*Objects.*

6. The objects of the society shall be—

- (a) to assist its members to purchase furniture for homes;
- (b) to assist its members to purchase materials for the erection of homes;
- (c) to assist its members to defray the cost of painting or effecting additions or repairs to their homes;
- (d) to assist its members to pay the expenses of removing household furniture and effects;
- (e) to assist its members to acquire tools, implements, machinery, materials or stock-in-trade for any business trade or industry;
- (f) to assist its members to commence acquire or carry on any business trade or industry;
- (g) to assist its members to purchase or lease a place of business trade or industry;
- (h) to assist its members to discharge any financial liabilities;
- (i) to make or arrange loans to its members for any such purpose or for any purpose prescribed by regulation;
- (j) to guarantee loans made by any persons to its members for any such purpose;
- (k) to supervise the expenditure of loans made to its members for any such purpose.

*Powers.*

7. The society shall in accordance with section 15 of the Act have power to do any of the following things as incidental to its objects:—

- (a) raise money on loan for any objects of the society, subject to the Act, and, in particular, to sections 51 to 53 thereof;
- (b) receive money on deposit, subject to the Act, and, in particular, to section 51 and 52 thereof;
- (c) acquire by purchase or otherwise shares in any other society.

*Restrictions on Loans.*

8. (1) The society shall not make or guarantee a loan unless the member to whom the loan is made\*

\* Define area of operations or class to which the member must belong.

(2) A loan shall not be made or guaranteed unless the member first furnishes to the board a statutory declaration setting out whether or not he is a member of any other credit society and, if he is a member of another credit society, particulars of any moneys owing by him to that other society.

(3) The total amount owing by a member in respect of any loans made or guaranteed by the society shall not exceed the sum of Three hundred pounds.

*Loan Procedure.*

9. (1) An application for a loan shall be made in such form as the board deems necessary and shall be accompanied by the statutory declaration referred to in the last preceding rule.

## (2) Every application shall state—

- (a) the amount required and the purpose for which it is to be used;
- (b) the term for which the loan is required;
- (c) the occupation of the member and by whom he is employed;
- (d) the weekly income of the member;
- (e) particulars of any other loan outstanding; and
- (f) such other particulars as the board requires.

10. The board may approve an application for a loan in whole or in part and may make the loan on such terms and subject to such conditions as to repayment and otherwise as it thinks proper and, in particular, may require repayment to be guaranteed by another member or other members or such other security as it deems necessary or both such guarantee and security.

11. (1) Where a member is unable to repay a loan in full on or before the agreed date the board or the lender may grant an extension of the time for repayment.

(2) An application for an extension of time for repayment shall be made in such form as the board deems necessary and shall state—

- (a) the reason why the member is unable to repay the loan by the agreed date, and
- (b) the date by which he undertakes to repay the loan.

*Purchase of Members' Shares.*

12. The society may in accordance with section 41 of the Act purchase out of its reserve fund any share of a member in the society; Provided that the shares so purchased in any one year shall not exceed one-twentieth of the paid-up capital of the society.

*Repayment of Share Capital.*

13. (1) The board may repay to a member with his consent the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the society.

(2) The board shall not, except with the consent of the registrar, make any such repayment if the society has received from any person who is not a member any money on loan or deposit which is not secured by mortgage and is still unpaid.

(3) Where pursuant to this rule any member is repaid the whole of the amount paid up on all the shares held by him he shall cease to be a member.

*Contributions by Society.*

14. The board may make contributions out of the funds of the society to any organization or body, corporate or unincorporate, which includes amongst its objects the rendering of services to the society or its members or the operations of which are calculated to promote the economic interests of those members.

*Property.*

15. (1) The society may in accordance with section 48 of the Act acquire by lease, purchase, donation, devise, bequest or otherwise any real or personal property for any objects of the society or for any purposes ancillary to those objects, and may sell or lease any such real or personal property.

(2) Any property to which the society may become entitled absolutely by foreclosure, surrender or other extinguishment of the right of redemption shall in accordance with section 54 of the Act be sold or converted into money as soon afterwards as may be conveniently practicable.

*Joining an Association.*

16. The society, with the approval of a majority at a general meeting of which due notice has been given, may join with any other credit society to form an association under section 22 of the Act.

*Seal.*

17. (1) The society shall as required by section 57 of the Act have its name inscribed in legible characters upon a seal. The seal shall be kept at the registered office in such custody as the board directs.

(2) The device of the seal shall be the name of the society within two concentric circles.

(3) The seal shall be used only under the authority of a resolution of a general meeting or of the board, and shall be attested by the signatures of two directors and the secretary, or in the absence of the secretary by such other person as the board authorizes.

*Custody of Books and Documents.*

18. All books of account, securities, documents and papers of the society, other than such (if any) as the board may direct to be kept elsewhere, shall be kept at the registered office in such manner and with such provision for their security as the board directs.

*Membership.*

19. (1) The persons who shall be qualified to be members of the society shall be—

- (a) any persons who are not under the age of eighteen years; and
- (b) any other societies which have power to acquire shares in the society.

(2) Where another society is a member of the society, that other society may from time to time in such manner as the board of the society directs appoint a person, being a member of that other society, to represent it in respect of the share held by it, and the person so appointed shall during the continuance of his appointment be deemed a member of the society holding that share for all purposes except—

- (a) the liability in respect of the share;
- (b) the transfer thereof;
- (c) the giving of receipts for any dividends or payments thereon.

20. Application for membership shall be made at the registered office in or to the effect of the prescribed form, with a deposit of Two shillings on each share applied for.

21. Upon approval of the application for membership the shares shall be allotted to the applicant, and his name shall be duly entered as a member in the register of members. He shall be notified of such allotment and shall thereupon be entitled to the privileges of membership.

22. If an application for membership be not approved, the deposit shall be returned to the applicant without interest.

23. The board may reject an application for membership and need not assign any reason for its action.

#### *Pass Books.*

24. Every member of the society to whom a loan has been made by the society shall be issued with a pass book in which his financial transactions with the society in relation to that loan shall be clearly recorded. Entries shall be made in a member's pass book only by or under the authority of the secretary.

25. No money shall be received from or paid to a member in relation to a loan unless his pass book is presented for the appropriate entry at the time of payment.

26. If a pass book is defaced, stolen or destroyed, notice of the fact should be given immediately to the society and a written application made for the issue of a fresh pass book.

27. The member shall be charged a fee of Two shillings for such new pass book.

#### *Ceasing Membership.*

28. A person shall, as provided in section 36 (8) of the Act, cease to be a member in any of the following circumstances:—

- (a) where his share is transferred to another person in accordance with these rules and the transferee is registered as holder in his place;
- (b) where his share is forfeited in accordance with these rules;
- (c) where his share is sold by the society under a power conferred by these rules and the purchaser is registered as holder in his place;
- (d) where his share is purchased by the society in accordance with the Act and these rules;
- (e) where he becomes bankrupt under any law relating to bankruptcy and the official assignee disclaims in accordance with provisions of that law;
- (f) on death: Provided that his estate shall remain liable until his executor or administrator or some other person is registered as holder in his place, or until the society pays the value of his share in accordance with the provisions of the Act;
- (g) where the contract of membership is rescinded on the ground of misrepresentation or mistake;
- (h) where he ceases to be a member in accordance with these rules;
- (i) in the case of a corporate body, where the corporate body is dissolved.

#### *Liability of a Member to Society.*

29. A member shall in accordance with section 40 of the Act be liable to the society for the amount, if any, unpaid on the shares held by him, together with any charges payable by him to the society as prescribed by these rules.

#### *Expulsion of Members.*

30. A member may be expelled from the society by special resolution to the effect:—

- (a) that he has failed to discharge his obligations to the society, whether prescribed by these rules or arising out of any contract; or
- (b) that a charge of conduct detrimental to the society has been proved:

Provided that in either case written notice of the proposed resolution shall be forwarded to the member not less than seven days before the meeting, and he shall be given an opportunity of being heard at the meeting.

31. Where a member is expelled from the society all moneys owing by him to the society (not including unpaid share capital which has not become due and payable) shall forthwith become repayable in full.

32. (1) The shares of a member who has been expelled may by special resolution be forfeited to the society, but he shall be entitled to any other interest he may have in the society.

(2) Notice of the forfeiture shall be sent in accordance with these rules within seven days.

33. (1) No expelled member shall be re-admitted as a member of the society except by special resolution.

(2) A member so re-admitted shall not have restored to him any shares which were forfeited on his expulsion.

34. Where a member has been expelled but his shares have not been forfeited such shares may be sold by the society in such manner as the board determines and the proceeds of such sale less any expenses incurred in connexion therewith shall be paid to the expelled member or set off against moneys owing to the society by him.

35. Where a member is expelled he shall, whether his shares are forfeited or not, cease to be a member.

*Capital and Shares.*

36. (1) The capital of the society shall be raised by the issue of shares.

(2) The capital shall vary in amount according to the nominal value of shares from time to time subscribed.

37. Shares, which shall be of one class, all ranking equally, shall be of the nominal value of £1 each.

38. Every member shall hold at least five shares, but no member shall hold shares exceeding the nominal value of £100, nor shall any member hold more than one-fifth of the shares in the society.

*Certificate of Shares.*

39. Every person whose name is entered as a member in the register of members shall, without payment, be entitled upon application to a certificate under the seal of the society specifying the shares held by him and the amount paid up thereon: Provided that in respect of shares held jointly by several persons the society shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

40. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of One shilling, and on such terms as to evidence and indemnity as the board thinks fit.

*Charge on Shares.*

41. The society shall, as provided in section 45 of the Act, have a charge upon the share or interest in the capital and on the credit balance of a member or past member, and upon any dividend, or rebate payable to a member or past member in respect of any debt due from the member or past member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of the debt.

*Payments on Shares.*

42. A member shall pay such periodic subscriptions in respect of his shares as may be determined by the board.

43. The joint holders of a share shall be jointly and severally liable to pay all subscriptions due in respect thereof.

44. If a subscription in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the subscription is due shall pay interest upon the sum at the rate of Five per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the board shall be at liberty to waive payment of that interest wholly or in part.

45. The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys not due upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the society in general meeting, Five per centum per annum) as the board determines.

*Default in Payment of Subscriptions.*

46. If a member fails to pay any subscription on the day appointed for payment thereof, the board may, at any time thereafter during such time as any part of such subscription remains unpaid, serve a notice on him requiring payment of so much of the subscription as is unpaid, together with any interest which may have accrued.

47. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the day appointed the shares in respect of which the subscription is due will be liable to be forfeited.

48. If the requirements of any such notice as aforesaid are not complied with by the member, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the board to that effect.

*Forfeited Shares.*

49. A person whose shares have been forfeited for a default in payment of subscriptions or for any other reason shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the society all moneys which, at the date of forfeiture, were presently payable by him to the society in respect of the shares.

50. A statutory declaration in writing that the declarant is a director of the society, and that a share in the society has been duly forfeited on a date stated in the declaration, shall be evidence of the facts therein stated.

51. Shares forfeited for default in payment of subscriptions or for any other reason shall be cancelled and shall not be sold and re-issued.

52. All moneys received by the society in respect of forfeited shares shall be added to the reserve fund.

53. The board may, in accordance with the Act, invest any of the funds of the society in any of the following, that is to say—

- (a) in any securities authorized by law for the investment of trust funds;
- (b) on deposit in the State Savings Bank of Victoria, or in the Commonwealth Savings Bank or in any bank prescribed by the regulations or in any co-operative society, association or union which is authorized to receive deposits;
- (c) in any prescribed securities;
- (d) in any other way prescribed or allowed by the Act.

*Transfer of Shares.*

54. The instrument of transfer of any share shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.

55. Shares in the society shall be transferred in the following form or in any usual or common form which the board approves:—

I, A.B., of....., in consideration of the sum of £.....paid to me by C.D. of.....(hereinafter called "the said transferee") do hereby transfer to the said transferee the share (or shares) numbered.....in the society called the....., to hold unto the said transferee, his executors administrators and assigns, subject to the several conditions on which I held the same at the time of the execution hereof; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands, the.....day of....., 19.....

.....transferor.  
in the presence of.....  
.....transferee.  
in the presence of.....

*Registration of Transfers, &c.*

56. (1) The board may decline to register any transfer of shares to a person not qualified to be a member or of whom it does not approve, and may also decline to register any transfer of shares on which the society has a charge.

(2) The board may suspend the registration of transfers during the fourteen days immediately preceding the annual general meeting in each year.

(3) The board may decline to recognize any instrument of transfer unless—

- (a) a fee of One shilling is paid to the society in respect thereof, and
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the board may require to show the right of the transferor to make the transfer.

57. The board shall cause a record of all transfers to be made in the proper books of the society.

58. Any person becoming entitled to a share in consequence of the bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the board, if qualified, be registered as a member in respect of the share or, instead of being registered himself, may make such transfer of the share as the bankrupt person could have made; but the board shall in either case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by the bankrupt person before bankruptcy.

59. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the society.

*Dealing with Shares on Death of Member.*

60. On the death of a member the board shall transfer his share or interest in the society to one of the following persons (provided that the proposed transferee is qualified to be a member of the society, and that the transfer would not increase his holding in the society beyond the proportion or value allowed by these rules), viz.:—

- (a) to the executor or administrator of the member; or
- (b) to such person as the executor or administrator specifies in an application made to the society within twelve months after the death of the member.

61. If there is no such transferee willing to have the share or interest transferred to him, the board shall pay the value thereof to the executor or administrator. Provided that, where the case so allows, the board may pay the value of the share in accordance with the next succeeding rule: Provided further that the board shall not be bound to make any such payment until all moneys due from the deceased member or his estate have been paid to the society.

*Payments on Death of Member.*

62. When a member or person entitled in respect of any share loan or deposit to a sum not exceeding Two hundred pounds dies, then the board may—

- (a) after the expiration of two months from the death of the said member or person if probate or letters of administration have not been produced to any officer of the society and notice in writing of intention to apply therefor has not been received by any such officer; or
- (b) after the expiration of three months from the death of the said member or person if such notice of intention to apply has been received by any officer of the society within the period of two months from the death but probate or letters of administration have not been produced to any such officer—

pay the said sum to the person or persons appearing to the board to be entitled thereto according to law as on the intestacy of the deceased member or person.

*Value for Repayment of Share.*

63. The value of shares for repayment pursuant to rule 61 of these rules shall be the market value in accordance with the most recent transfer made for value, but if there has been no recent transfer, or if, in the opinion of the board, the consideration in the most recent transfer was not the true market value, the value shall be the amount that is offered for the same on their being submitted for sale over a reasonable period. In the event of dispute, the value shall be determined by the society's auditor on the basis above set forth, and his determination shall be conclusive as to the value.

*General Meetings.*

64. (1) A general meeting of the society, to be known as the "annual meeting," shall, as provided in section 70 of the Act, be held each year at such time (being within three months after the close of the financial year or within such further time as may be allowed by the registrar or prescribed by regulation) and at such place as the board appoints.

(2) In default of such meeting being so held, it shall, with the approval of the registrar, be held in the month next following, and may be convened by any five members of the society in the same manner as nearly as possible as that in which the meetings are to be convened by the board.

65. The ordinary business of the annual meeting shall be—

- (a) to confirm minutes of the last preceding annual meeting and of any general meetings held since that meeting;
- (b) to receive from the board, auditors, or any officers of the society, reports upon the transactions of the society during the financial year, including balance-sheet and profit and loss account, and the state of affairs at the end of the year;
- (c) to determine the rates of dividend on share capital and any rebate of interest;
- (d) to elect and determine the remuneration of directors and auditors.

66. The annual meeting may transact special business of which notice is given in accordance with these rules.

67. (1) The board may, whenever it thinks fit, convene a special general meeting of the society.

(2) The board shall, on the requisition of not less than fourteen members, being the holders of shares upon which subscriptions or other sums then due have been paid, forthwith proceed to convene a special general meeting.

68. A requisition for a special general meeting shall state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the society, and may consist of several documents in the like form, each signed by one or more requisitionists.

69. If the board does not proceed to cause a special general meeting to be held within twenty-one days from the date on which a requisition therefor was deposited at the registered office the requisitionists, or any of them, may convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit of the requisition.

70. Any special general meeting convened by requisitionists in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which such meetings are convened by the board, and all reasonable expense incurred in so convening the meeting shall be refunded by the society to the persons who incurred it.

*Notice of General Meetings.*

71. (1) Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given), specifying the place, the day, and the hour of meeting and, in case of special business, the general nature of that business, shall be given of any general meeting in manner hereinafter mentioned to such persons as are, under these rules, entitled to receive such notices from the society; but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting.

(2) Any member, having a resolution to submit to a general meeting, shall give written notice thereof to the society not less than twenty-one days prior to the date of the meeting.

72. The board shall cause to be inserted in any notice convening a general meeting a statement of any resolution of which notice of motion has been duly given by a member in accordance with these rules before the notice of the meeting is issued.



*Proceedings at General Meetings.*

73. All business shall be deemed special that is transacted at special general meetings and all business that is transacted at the annual meeting shall also be deemed special with the exception of that specifically referred to in these rules as being the ordinary business of the annual meeting.

74. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided seven members personally present shall be a quorum.

75. If within an hour after the time appointed for the meeting a quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and (unless another place is specified by the chairman or a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and if at the adjourned meeting a quorum is not present within half-an-hour after the time appointed for the meeting the members present shall be a quorum.

76. The chairman, if any, of the board shall preside as chairman at every general meeting of the society.

77. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some one of their number to be chairman.

78. (1) The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(3) Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

79. At any general meeting every question for decision by the meeting shall as provided in section 71 of the Act be determined by a majority of members present in person thereat, and unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members the question shall be determined on a show of hands, and a declaration by the chairman that a resolution has on a show of hands been carried by a simple majority, or carried unanimously, or by a particular majority, or lost shall be *prima facie* evidence of the fact.

80. If a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

81. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

82. (1) A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith.

(2) A poll demanded on any other question shall be taken at a time which the chairman of the meeting shall direct.

83. The following standing orders shall be observed at the society's meetings:—

- (a) the mover of a proposition shall not speak for more than ten minutes; subsequent speakers shall be allowed five minutes; and the mover of the proposition five minutes to reply;
- (b) whenever an amendment is proposed upon an original proposition, no second amendment shall be taken into consideration until the first amendment shall have been disposed of;
- (c) if an amendment be carried, it shall displace the original proposition and become itself the proposition to which any further amendment may be moved;
- (d) if an amendment be negatived, then a further amendment may be moved to the original proposition; but only one amendment shall be submitted to the meeting for discussion at one time;
- (e) the mover of every original proposition, but not of an amendment, shall have the right to reply, immediately after which the question shall be put from the chair, but no other member shall speak more than once on the same question, unless permission be given to explain, or the attention of the chairman be called to a point of order;
- (f) propositions and amendments shall be submitted in writing, when requested by the chairman;
- (g) any discussion may be closed by a resolution "that the question be now put" being moved, seconded, and carried, and any such resolution shall be put to the meeting without debate.

*Voting of Members.*

84. On a show of hands or on a poll every member present in person shall have one vote only.

85. In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

86. There shall be no voting by proxy.

*Special Resolution.*

87. (1) A special resolution in accordance with section 65 of the Act, means a resolution which is passed by a majority of not less than three-quarters of such members entitled under these rules to vote as may be present in person at any general meeting of which notice specifying the intention to propose the resolution has been duly given according to these rules.

(2) A copy of the special resolution shall be lodged with the registrar in accordance with section 65 of the Act.

*Board of Directors.*

88. There shall be a board of five directors.

89. The qualification of a director shall be the holding of not less than five shares in the society.

90. The first directors shall be elected at the meeting for the formation of the society.

91. At the first annual meeting of the society three of the directors shall retire and at the annual meeting in each subsequent year the directors shall retire in rotation of two and three.

92. The directors to retire in any year shall subject to the provision as to filling casual vacancies be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

93. A retiring director shall be eligible for re-election.

94. The society at the annual meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto in such usual and proper manner as the board directs.

95. (1) If at any annual meeting at which an election of directors ought to take place the places of the retiring directors or any of them are not filled, the meeting shall stand adjourned till the same day in the next week at the same time and (unless another place is specified by a director or officer at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place, and such adjourned meeting may receive nominations and elect directors to the vacancies in such usual and proper manner as the board directs.

(2) If at the adjourned meeting the places of the retiring directors are not filled the retiring directors or such of them as have not had their places filled shall be deemed to have been re-elected at the adjourned meeting.

96. Any vacancy occurring in the board otherwise than by rotation of retirement by effluxion of time may be filled by the board, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

97. The society may by special resolution remove any director before the expiration of his period of office, and may by a simple majority appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

*Proceedings of the Board.*

98. (1) The board may meet together for the despatch of business, adjourn, and otherwise regulate its meetings, as it thinks fit: Provided that meetings of the board shall be held at intervals of not more than two months.

(2) Questions arising at any meeting shall be decided by a majority of votes.

(3) In case of an equality of votes the chairman shall have a second or casting vote.

(4) A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the board.

99. The quorum for any meeting of the board shall be three.

100. The continuing directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to these rules as the necessary quorum of directors, the continuing directors may act only for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the society, but not for any other purpose.

101. The board may elect a chairman of its meetings and determine the period for which he is to hold office, but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

102. (1) The board may delegate any of its powers to committees consisting of such members of the board as the board thinks fit.

(2) Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the board.

103. (1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected, or, if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

104. (1) A committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman shall have a second or casting vote.

*Duties and Powers of the Board.*

105. (1) The business and operations of the society shall, in accordance with section 69 of the Act, be managed and controlled by the board, and for that purpose the board, except as hereinafter provided, shall have and may exercise the powers of the society as if they had been expressly conferred on the board by a general meeting of the society.

(2) The powers of the board shall be subject to any restrictions imposed thereon by the Act or by these rules.

106. Every director acting in the business or operations of the society in pursuance of a resolution duly passed by the board shall be deemed to be the agent of the society for all purposes within the objects of the society.

107. The directors shall receive such fees for their services (not exceeding any limits prescribed by the regulations) as are approved at a general meeting, and shall not receive any other remuneration from the society, but all necessary expenses incurred by them in the business of the society shall be refunded to them.

108. The board shall, in accordance with section 72 of the Act, cause minutes as prescribed by regulation of general and board meetings to be made in books provided for the purpose and, in particular—

(a) of all appointments of officers and employees made by the directors;

(b) of the names of the directors present at each meeting of the board and of any committee of the board; and every director present at any meeting of the board or committee of the board shall sign his name in a book to be kept for that purpose.

109. The board shall, in accordance with section 67 (4) of the Act, cause to be supplied to every person on demand a copy of the rules on payment of a sum of Two shillings and sixpence.

110. The board shall, in accordance with section 60 of the Act, cause to be kept at the registered office of the society, and open at all reasonable hours to inspection by any member or creditor, without fee—

(a) a copy of the Act and the regulations;

(b) a copy of the rules of the society;

(c) a copy of the last balance-sheet and profit and loss account for the time being, together with the auditor's report;

(d) the prescribed register of directors, members, and shares;

(e) the prescribed register of loans raised, securities given and deposits received by the society.

111. The board shall cause to be prepared and lodged with the registrar all returns and notices required by the Act or regulations and, in particular—

(a) a list of the directors and alterations in membership during each year;

(b) a statement of the assets and liabilities of the society as at the close of each financial year and of the accounts of the society for that year;

(c) a copy of the report of the auditor on those accounts;

(d) such other particulars as are prescribed by regulation.

112. (1) The board shall cause to be prepared a statement of the accounts of the society (including balance-sheet and profit and loss account) up to the end of each financial year, and shall submit it, with the auditor's report thereon, to the annual meeting of the society.

(2) The board shall also cause a copy of such statement to be displayed at the registered office of the society for a period of not less than fourteen days before the date of such meeting, and a copy to be sent to each member with the notice of the meeting, in accordance with section 75 (5) of the Act.

113. The board shall cause to be kept such registers and accounts as are prescribed by section 59 of the Act or by the regulations and, in particular, the following, viz.:—

(a) a register of the directors, members and shares;

(b) a register of any loans raised, securities given, and deposits received by the society;

(c) a register of loans made or guaranteed by the society and of any securities taken by the society;

(d) a ledger containing the full name of each member, the shares acquired or disposed of by him and the amounts paid or credited on shares held.

*Appointment and Removal of Employés.*

114. Without prejudice to the general powers conferred on the board by the Act or these rules, the board shall have power to appoint and, at its discretion, to remove or suspend officers, clerks, agents and servants and to determine their powers, duties, and remuneration, or, when so deemed necessary, to delegate all or any of such powers of appointment, suspension, removal and determination.

*Security.*

115. The board shall cause every officer having the receipt or charge of any money of the society to give security, in accordance with section 73 (3) of the Act to the amount, and in the manner prescribed by the regulations. The society shall pay all premiums in respect of any security given by such officer.

*Insurance.*

116. The board shall arrange insurance against loss or damage to or liability of the society by reason of fire, accident, or otherwise.

*Vacation of Office of Director.*

117. The office of a director shall be vacated in the circumstances set out in section 69 (13) of the Act and, in particular—

- (a) if he becomes bankrupt, or assigns his estate for the benefit of or compounds, with his creditors;
- (b) if he becomes a lunatic or lunatic patient within the meaning of the Mental Hygiene Acts or a defective within the meaning of the *Mental Deficiency Act 1939*;
- (c) if he is convicted of any offence under the Act, or if he is convicted of any indictable offence or any offence punishable on summary conviction for which he is sentenced to imprisonment otherwise than in default of payment of a fine;
- (d) if he absents himself from three consecutive ordinary meetings of the board without its leave;
- (e) if he ceases to be a member of the society;
- (f) if his resignation is accepted by the board, after he has given one month's notice of his intention to resign;
- (g) if he is removed from office by resolution of a general meeting of the society;
- (h) if he has a direct or indirect pecuniary interest in any agreement with the society otherwise than as a member and in common with the other members of another society or of an incorporated company consisting in either case of more than twenty persons: Provided that this paragraph shall not be deemed to extend to any of the following dealings, if made in good faith, in the ordinary course of the business of the society, and on such terms as are usual and proper in similar dealings between the society and its members, viz.:—
  - (i) any loan by the society to the director but so that, the loan shall be made in accordance with a special resolution;
  - (ii) any loan made to a society and in which the director's pecuniary interest consists in his having guaranteed or joined in guaranteeing the repayment of the loan or any part thereof;
  - (iii) such other dealings as may be prescribed by regulations;
- (i) if he fails to obtain the necessary share qualification as required by these rules.

*Banking.*

118. The board shall cause to be opened a banking account in the name of the society, into which all moneys received shall be paid as soon as possible after receipt.

119. All cheques drawn on such account, and all drafts, bills of exchange promissory notes, and other negotiable instruments for and on behalf of the society, shall be signed by two directors and countersigned by the secretary.

*Members' Accounts.*

120. The board shall, in accordance with section 75 (6) of the Act, so provide that any member may inspect his own account in the books of the society at any reasonable time on payment of a fee of Two shillings.

*Rules.*

121. The board shall cause any member who so desires to be supplied with a copy of the rules of the society at a charge of Two shillings and sixpence.

*Financial Year.*

122. The financial year of the society shall end on the  
in each year.

*Audit.*

123. One or more auditors, who shall, unless the registrar otherwise authorizes, be persons licensed by the Companies' Auditors Board and approved by the registrar, shall be appointed at each annual meeting to hold office until the next annual meeting.

124. The first auditors of the society may be appointed by the board before the first annual meeting and, if so appointed, shall hold office until the first annual meeting, unless previously removed by a resolution of the members at a general meeting, in which case the members at that meeting may appoint auditors to act until the first annual meeting.

125. If an appointment of auditors is not made at an annual meeting the board shall appoint auditors of the society for the current year.

126. An officer or employé of the society shall not be capable of being appointed auditor of the society.

127. A person, other than a retiring auditor, shall not be capable of being appointed auditor at an annual meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member of the society not less than fourteen days before the annual meeting, and the society shall send a copy of any such notice to the retiring auditor, and shall give notice thereof to the members not less than seven days before the annual meeting:

Provided that if, after notice of the intention to nominate an auditor has been so given, an annual meeting is called for a date fourteen days or less after the notice has been given, the notice, though not given within the time required by this provision, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the society may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the annual meeting.

128. The board may fill any casual vacancy in the office of auditor, but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

129. The remuneration of the auditors of a society shall be fixed by the society in general meeting, except that the remuneration of any auditors appointed by the board may be fixed by the board.

130. The board shall cause the auditors to have access to all books, accounts, vouchers, securities and documents of the society, and to be furnished with such information and explanation by themselves or any other officers as may be necessary for the performance of their duties as auditors.

131. The auditors shall comply with section 75 (4) of the Act and, in particular, in making their report to the members of the society and, in signing any statement of assets and liabilities or of accounts to be presented to the members or lodged with the registrar, they shall state—

- (a) whether they have obtained the information and explanation required by them;
- (b) whether in their opinion the statements are drawn up so as to exhibit a true and correct view of the financial position of the society according to the information at their disposal and explanation given to them, and as shown by the books of the society;
- (c) whether the rules relating to the administration of the funds of the society have been observed.

#### *Application of Funds.*

132. (1) The funds of the society shall be applied to carrying out the objects of the society.

(2) Any surplus resulting from its operations during a financial year, after providing for contingent liability for loss, shall in accordance with section 38 of the Act, at the end of the financial year, be applied as follows:—

- (a) in payment of at least Five per centum to a reserve fund to be created in accordance with section 38 (1) of the Act until the fund is at least one-fourth of the aggregate amount of the capital paid up for the time being, and of any moneys raised on loan or received on deposit and for the time being remaining unpaid;
- (b) after providing for a reserve fund, any remaining surplus may be applied in all or any of the following ways:—
  - (i) in payment to members of dividend not exceeding Five per centum per annum (or such other percentage as is fixed by regulation) on the amount paid up by them on their respective shares: Provided that no amount paid on a share in advance of subscriptions due shall, whilst carrying interest, be treated for the purpose of this rule as paid on the share;
  - (ii) in payment to members to whom loans have been made by the society by way of a rebate of interest paid during the year.
  - (iii) in payment not exceeding Ten per centum (or such larger percentage as is determined by the Governor in Council pursuant to section 38 (4) of the Act) of the surplus to any charitable purpose, or for promoting co-operation or any community benefit.

133. Any dividend or rebate which accrues to the holder of shares on which all subscriptions due have been paid shall be paid to him, but any dividend or rebate which accrues to the holder of partially paid up shares shall be applied to paying off subscriptions, if any, on shares which may at the time the dividend or rebate becomes payable be due by him and unpaid.

134. No dividend or rebate declared by the society in general meeting shall exceed the amount recommended by the board.

135. If several persons are registered as joint holders of any share any one of them may give an effectual receipt for any dividend payable on the share.

136. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.

137. No dividend shall bear interest against the society.

#### *Reserve Fund.*

138. (1) In accordance with section 38 of the Act, the reserve fund created in accordance with that section shall not be distributed amongst the members of the society, except in the event of winding-up.

(2) The reserve fund shall be applicable at any time to any purpose to which the capital of the society is applicable, and shall together with any other funds available be applicable to meet any loss which the society may sustain.

*Disputes.*

139. (1) Disputes between a member in his capacity of member and the society shall be settled by arbitration in accordance with the *Arbitration Act 1928*, and for this purpose the words "member" and "society" have the meanings ascribed to them in section 77 of the Act.

(2) Nothing in this rule shall apply to any dispute as to the construction or effect of any mortgage or of any contract contained in any document other than these rules.

*Winding Up.*

140. The winding up of the society shall be in accordance with Part IV. of the Act.

*Notices.*

141. A notice may be given by the society to any member either personally or by sending it by post to him at the address shown as his address in the register of members (hereinafter called his registered address) or, if he has no registered address in Victoria to the address, if any, within Victoria supplied by him to the society for the giving of notices to him.

142. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post.

143. If a member has no registered address in Victoria and has not supplied to the society an address within Victoria for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the society shall be deemed to be duly given to him on the date on which the advertisement appears.

144. A notice may be given by the society to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

145. A notice may be given by the society to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address, if any, in Victoria, supplied for the purpose by the persons claiming to be so entitled or (until such an address has been supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

146. (1) Notice of every general meeting shall be given in some manner hereinbefore authorized to—

(a) every member of the society except those members who have no registered address within Victoria and have not supplied to the society an address within Victoria for the giving of notices to them; and

(b) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting.

(2) No other persons shall be entitled to receive notices of general meetings.

*Shares Not to be Listed.*

147. The shares of the society shall not be quoted for sale or purchase at any stock exchange or in any other public manner whatever.

*Charges.*

148. The following is a schedule of charges appearing in the foregoing rules:—

For a new pass book as per rule 27, a sum of 2s.

For duplicate share certificate as per rule 40, a sum of 1s.

For transfer of shares as per rule 56, a sum of 1s.

For inspection by member of his account in books of society as per rule 120, a sum of 2s.

For book of rules as per rules 109 and 121, a sum of 2s. 6d.

And the Honorable Samuel Merrifield, for and on behalf of Her Majesty's Treasurer of the State of Victoria, shall give the necessary directions herein accordingly.

A. MAHLSTEDT,  
Clerk of the Executive Council.

## CO-OPERATION ACT 1953.

*At the Executive Council Chamber, Melbourne, the twenty-seventh day of July, 1954.*

## PRESENT:

His Excellency the Governor of the State of Victoria.

Mr. Shepherd  
Mr. Scully

Mr. Smith.

## CO-OPERATIVE SOCIETIES (GENERAL) REGULATIONS.

PURSUANT to the powers conferred by the *Co-operation Act 1953* and the *Acts Interpretation Act 1928*, His Excellency the Governor of the State of Victoria, by and with the advice of the Executive Council thereof, doth make the following Regulations, that is to say:—

## CITATION.

1. These Regulations may be cited as the Co-operative Societies (General) Regulations.

## INTERPRETATION.

2. (1) In these Regulations, unless inconsistent with the context or subject matter—

“Act” means the *Co-operation Act 1953*.

Expressions used have the same meaning as those ascribed to them by the *Co-operation Act 1953*.

(2) Wherever in these Regulations there is a reference to a form by a number such reference shall be deemed to be a reference to the form of the like number set forth in the Schedule to these Regulations. Any form to the like effect of the appropriate form set forth in the said Schedule shall be sufficient for the purpose of these Regulations.

## FORMATION OF SOCIETIES.

*Application to Register.*

3. Every application for the registration of a society formed under the Act shall be made in the form of Form No. 1A and shall be lodged with the registrar at his office.
4. Every statutory declaration accompanying the application for registration from the persons who acted as chairman and secretary respectively of the meeting for the purpose of forming the society as to compliance with the requirements of section 31 of the Act shall be in the form of Form No. 2.
5. The list of directors required to be furnished with the application for registration and every annual list of directors required by the Act to be furnished shall be in the form of Form No. 3.
6. The list of applicants for membership of a society which is to accompany the application for registration shall be in the form of Form No. 4A.

*Application to bring Existing Companies and Societies under the Act.*

7. Every application for registration of a society pursuant to section 29 of the Act shall be made in the form of Form No. 1B and shall be lodged with the registrar at his office.
8. The list of directors required to be furnished with the application for registration and every annual list of directors required by the Act to be furnished shall be in the form of Form No. 3.
9. The list of shareholders which is to accompany the application for registration shall be in the form of Form No. 4B.

*Registration and Incorporation.*

10. Every certificate of registration of a society and its rules under the Act (excepting an amalgamated society) shall be in the form of Form No. 5.

11. (1) Every certificate of incorporation of a society under the Act (excepting where a society has changed its name or where two or more societies have amalgamated) shall be in the form of Form No. 6A.

(2) Every notice published in the *Government Gazette* of the registration and incorporation of a society, registered pursuant to section 29 of the Act, shall be in the form of Form No. 6B.

## REGISTERED OFFICE.

12. (1) Every society shall have a registered office in Victoria.
- (2) Every application to register the office of a society shall be in the form of Form No. 7 and shall be filed with the registrar who shall register the same by an appropriate entry in the register of societies kept by him.
- (3) Every notice of any change of address of the registered office shall be in the form of Form No. 8.

## APPLICATION FOR MEMBERSHIP.

13. Every application for membership of a society or for additional shares in a society shall be in the form of Form No. 9, and shall be filed numerically in the records of the society.

## LIST OF MEMBERS.

14. Every full list of members of a society to be transmitted to the registrar triennially shall be in the form of Form No. 10.

15. Every supplementary list of members of a society to be transmitted to the registrar in each year in which a full list is not transmitted shall be in the form of Form No. 11.

## MINUTES OF MEETING.

16. (1) Separate minutes shall be kept of the meetings of the society, the board and every committee upon which any powers or functions are conferred by or under the Act or the rules.

(2) At every meeting of the society or the board or any committee the secretary or other person deputed for the purpose by the board shall take minutes of the proceedings and such minutes shall be recorded in the appropriate minute book.

(3) The minutes of every meeting shall be taken into consideration as the first ordinary business of the next meeting of the society, board or committee (as the case may be) in order that they may be confirmed by such latter meeting and shall be signed after confirmation by the chairman of the meeting at which they are confirmed.

(4) Minutes may be confirmed at any special meeting of the society or of the board or of any committee.

## CHANGE OF NAME OF A SOCIETY.

17. Every application for registration of any change of the name of a society shall be made in duplicate in the form of Form No. 12 and shall be lodged with the registrar within one month of the passing of the special resolution approving the change of name or within such further time as the registrar in any particular case allows.

18. The provisions of sub-regulations (2), (3), (4), (5), (6) and (7) of Regulation 21 of these Regulations shall apply to and in respect of every application for registration of any change of name of a society.

19. The change of name shall be advertised in the *Government Gazette*.

20. Every new certificate of incorporation issued consequent on the change of name shall be in the form of Form No. 13.

## REGISTRATION OF SPECIAL RESOLUTION.

21. (1) Every application for registration of any special resolution other than a resolution by which the name of a society is changed shall be made in duplicate in the form of Form No. 14.

(2) Every such application shall be accompanied by a copy of the notice convening the meeting at which the special resolution was passed.

(3) Where the special resolution is a resolution altering the rules of the society the application shall also be accompanied by two copies of the rule in its altered form or of the new rule (as the case may be).

(4) Upon registration of the special resolution, the registrar shall return one copy of the application to the society with an acknowledgment of registration as provided therein.

(5) Where the special resolution is a resolution altering the rules of the society the registrar, upon being satisfied that the alteration is not contrary to the Act or the Regulations and is such as may reasonably be approved by him, shall register and certify the alteration by endorsing on the two copies of the altered rule, or the new rule (as the case may be), lodged as aforesaid a certificate in the following form:—

"The foregoing alteration of the rules (being \_\_\_\_\_) of this \_\_\_\_\_ day of \_\_\_\_\_ Limited is registered 19 \_\_\_\_\_

(L.S.)

*Registrar of Co-operative Societies."*

(6) One copy of the rules so registered and certified shall be returned to the society.

(7) Every certificate of registration of any special resolution shall be in the form of Form No. 15.

## AMALGAMATION OF SOCIETIES.

22. Every application for the registration of an amalgamated society shall be made in the form of Form No. 16 and shall be lodged with the registrar at his office.

## Registrations.

23. Every certificate of incorporation of an amalgamated society shall be in the form of Form No. 17.

24. Every certificate of registration of an amalgamated society and its rules under the Act shall be in the form of Form No. 18.

## Notice of Registration.

25. Every notice of registration of an amalgamated society published in the *Government Gazette*, pursuant to sub-section (3) of section 34 of the Act, shall be in the form of Form No. 19.



## SECURITY BY OFFICERS.

26. (1) Every officer of a society having the receipt or charge of any money of the society, immediately upon his appointment and before entering on the duties of his office, shall obtain the guarantee of some company society or association approved by the board and the registrar in a form approved by the board and the registrar in the sum of not less than One thousand pounds to secure that the officer will render a just and true account of all money received and paid by him for the society and for payment of all money due from him to the society and every such officer shall at all times have such a guarantee in force.

(2) Every such officer who at any time fails to have such a guarantee in force and every director of the society who knowingly permits any such officer to act as an officer of the society whilst any such failure persists shall be guilty of an offence against this Regulation and for every such offence shall be liable to a penalty of not more than Twenty pounds.

## SECURITY AND FEES FOR LIQUIDATOR.

27. (1) Where a society is wound up upon a certificate of the registrar, the liquidator appointed by the registrar shall immediately upon his appointment and before entering upon his duties obtain the guarantee of some company society or association approved by the registrar to such an amount and in such a form as the registrar shall approve to secure the faithful execution of his duties by the liquidator.

(2) Every liquidator so appointed by the registrar who at any time during the period of his liquidation fails to have such a guarantee in force shall be guilty of an offence against this Regulation and for every such offence shall be liable to a penalty of not more than Twenty pounds.

(3) The liquidator so appointed by the registrar shall be entitled to receive as fees such sum not exceeding the maximum fees payable to official liquidators pursuant to Regulations made by the Governor in Council under section 305 of the *Companies Act 1938* as the registrar approves.

## REGISTERS.

28. (1) Every society shall keep such registers and accounts in such a manner as will enable it to compile therefrom, in accordance with the appropriate prescribed form, a balance sheet and such other accounts as the prescribed form requires, for each accounting period and, in particular, it shall keep the following registers:—

- (a) a register of members and shares in the form of Form No. 20;
  - (b) a register of share transfers in the form of Form No. 21;
  - (c) a register of withdrawals and forfeitures in the form of Form No. 22;
  - (d) a register of directors in the form of Form No. 23; and
  - (e) a register of loans raised and securities given in the form of Form No. 24.
- (2) A Producers Society or a Trading Society shall also keep the following register:—
- (a) a register of deposits received in the form of Form No. 25.
- (3) A Community Settlement Society shall also keep the following registers:—
- (a) a register of deposits received in the form of Form No. 25; and
  - (b) a register of loans made, securities taken and insurances effected on securities taken in the form of Form No. 26.
- (4) A Credit Society shall also keep the following registers:—
- (a) a register of deposits received in the form of Form No. 25;
  - (b) a register of loans made, securities taken and insurance effected on securities taken in the form of Form No. 26; and
  - (c) a register of loans guaranteed in the form of Form No. 27.
- (5) A Community Advancement Society shall also keep the following registers:—
- (a) a register of loans made, securities taken and insurances effected on securities taken in the form of Form No. 26; and
  - (b) a register of loans guaranteed in the form of Form No. 27.
- (6) An Investment Society shall also keep the following register:—
- (a) a register of investments in the form of Form No. 28.

(7) Notwithstanding anything in the foregoing provisions of this Regulation, in the case of a society formerly registered under any other Act any register required to be kept as aforesaid shall, where the registrar so approves, be in the form in which that register was kept by that society immediately before its registration under the *Co-operation Act 1953* with such variations or alterations of such form as the registrar directs.

## INDEX.

29. Every society shall keep an index of the names of the members of the society and shall within fourteen days after the date on which any entry, addition or alteration is made in the Register of Members and Shares, the Register of Withdrawals and Forfeitures or the Register of Transfers, make any necessary alteration in the index.

The index, which may be in the form of a card index, shall in respect of each member contain sufficient indication to enable the account of that member in the Register of Members and Shares to be readily found.

## ACCOUNTS.

*Accounts to be kept.*

30. Every society shall keep proper books of account of the financial dealings and transactions of the society and in particular it shall keep an account of the following matters, that is to say:—

- (a) of all money received and paid by the society, and of every matter in respect of which such receipts and payments are made;
- (b) of the stock in trade of the society and of goods received;
- (c) of the assets and liabilities, specifying separately all contingent assets and liabilities;
- (d) of the operations of any manufacturing business or treatment process conducted by the society;
- (e) of the trading operations of the society, whether in purchasing or disposing of goods; and
- (f) of the profit and loss made by the society and of the application of any surplus.

*Double Entry.*

31. The accounts shall be kept by double entry and shall be kept in a manner which will enable the whole of the income to be taken into account in the financial year in which it accrues, and the whole of the expenditure in the financial year in which it is incurred.

*Payments by Cheque.*

32. All payments made by a society shall be made by cheque save such payments as the board may direct to be paid out of any petty cash advance. The accounts of any petty cash advance shall be kept on the imprest system.

*Stocktaking.*

33. An account shall be taken, at least once in every twelve months, of the quantity and value of the stock in trade, by some competent person or persons appointed by the board.

*Depreciation of Assets.*

34. A list shall be kept of the fixed assets of the society and of the value of each. The value of the fixed assets shall be written down at least annually by an amount to be fixed by the board and approved by the auditor and the auditor shall include a report on this matter in his report to the society. If the board and the auditor are unable to agree on the amount to be written off from any such asset, the matter shall be referred to the registrar whose decision shall be final.

*Annual Financial Returns.*

35. Every statement of the assets and liabilities of a society at the close of each financial year and of the accounts therefor for each financial year which, under the provisions of paragraph (b) of sub-section (2) of section 61 of the Act is required to be transmitted to the registrar, shall be in the form of the following forms:—

A Trading Society	..	..	..	..	..	Form No. 29
A Community Settlement Society, or	..	..	..	..	..	Form No. 30
A Community Advancement Society, according to the nature of its operations	..	..	..	..	..	or Form No. 31
A Credit Society	..	..	..	..	..	Form No. 32
An Investment Society	..	..	..	..	..	Form No. 33
A Producers Society	..	..	..	..	..	Form No. 34.

## FEES.

36. The fees payable for every inspection made and for any document or certified copy of any document obtained in pursuance of section 91 of the Act shall be as follows:—

(a) For each inspection of the registration and rules of any society	..	..	s. d.
(b) For each inspection of any other registered document	..	..	1 0
(c) For every certificate of registration of a society	..	..	1 0
(d) For a certified copy of the rules or of any part of the rules of any society or a certified copy of any other registered document—per folio of 72 words	..	..	0 6

## DISSOLUTION.

37. (1) Every certificate of the registration of the dissolution and cancellation of the registration of a society shall be in the form of Form No. 35.

(2) The dissolution of a society and the cancellation of its registration shall be notified in the *Government Gazette* in the form of Form No. 36.

## POWERS OF REGISTRAR.

38. The registrar shall have power to act as arbitrator umpire or referee in any dispute between a member and a society when and so often as he is so appointed.

## OFFENCES.

39 Any society or person who contravenes or fails to comply with any provision of these Regulations for which contravention or failure no penalty is specially provided either under the Act or these Regulations shall be guilty of an offence and liable to a penalty of not more than Twenty pounds and every director of any society who knowingly directs authorizes or permits the commission by any society of any such offence shall without affecting the liability of the society be guilty of an offence and severally liable to the same penalty as the society.

## SCHEDULE.

## VICTORIA.

Co-operation Act 1953.

Form No. 1A.

Regulation 3.

## APPLICATION TO REGISTER A SOCIETY.

To the Registrar of Co-operative Societies,  
Melbourne.

We, the undersigned, being all of the directors of the society hereinafter referred to, hereby apply for registration of such society under the Co-operation Act 1953 and, in support of such application, make the following statements:—

1. The name of the Society is..... as set forth in rule No.....

2. The meeting to establish the society was held at..... on the ..... day of ..... when it was resolved to apply for registration as a society.

3. The following documents are lodged in support of this application:—

- (a) \*A statutory declaration from the persons who acted as the chairman and secretary of the said meeting as to compliance with the requirements of section 31 of the Act;
- \*Statutory declarations
- (b) a copy of the written statement presented to the said meeting as required by section 31(5)(b) of the Act identified by being signed by the signatories hereto;
- (c) two copies of the proposed rules signed by not less than seven applicants for membership, each of whose signature has been attested by a witness and each of whom is, as we believe, over the age of twenty-one years;
- (d) a list containing the full name and the occupation and address of each director; and
- (e) a list containing the full name and the occupation and address of each applicant for membership and the number of shares subscribed for by him.

\* Strike out words which are inapplicable.

4. The person to whom and the address to which communications relating to this application may be sent are:—

Name.....

Address.....

Dated this ..... day of ..... 19.....

Director..... Director.....

Director..... Director.....

Director..... Director.....

Form No. 1B.

Regulation 7.

## VICTORIA.

Co-operation Act 1953.

## APPLICATION TO REGISTER A SOCIETY.

To the Registrar of Co-operative Societies,  
Melbourne.

We, the undersigned, being all the directors of..... which is registered under the..... hereby make application for registration of the \*company \*society under the Co-operation Act 1953.

The following documents are lodged in support of this application.

- (a) The certificate of \*incorporation of the \*company \*registration of the \*society;
- (b) two copies of the \*memorandum and articles of association of the \*company in force at the date hereof; \*rules of the \*society
- (c) a list containing the name, address and occupation of each director;
- (d) a list containing the name, address and occupation of each shareholder and the number of shares held by him; and
- (e) a copy of a valid special resolution passed by the \*company approving of its registration under the \*society Co-operation Act.

\* Strike out words which are inapplicable.

The person to whom and the address to which communications relating to this application may be sent are:—

Name.....

Address.....

Dated this ..... day of ..... 19.....

Director..... Director.....

Director..... Director.....

Director..... Director.....

Form No. 2.  
Regulation 4.

## VICTORIA.

Co-operation Act 1953.

## DECLARATION TO ACCOMPANY APPLICATION TO REGISTER A SOCIETY.

In the matter of the Co-operation Act 1953  
andIn the matter of the application by.....  
..... Limited to be registered  
under that Act.

We,..... of..... in Victoria,  
and..... of..... in Victoria,  
do solemnly and sincerely declare:—

1. That the said..... is the person who acted as chairman and the said  
..... is the person who acted as secretary of the meeting of persons at which  
it was resolved to apply for registration of the above-named society.

2. That all requirements of section 31 of the above-named Act in respect of matters precedent to the  
making of an application for the registration of the said society and incidental thereto have been complied  
with.

And we make this solemn declaration conscientiously believing the same to be true and by virtue of  
an Act of the Parliament of Victoria rendering persons making a false declaration punishable for wilful and  
corrupt perjury.

Declared at.....  
by both the above-named declarants }  
this..... day  
of..... 19.....

Before me,

A Justice of the Peace. Commissioner for taking  
declarations and affidavits (or as the case may be).

Note: If so desired, the chairman and secretary may make separate declarations, in which case this form should  
be amended accordingly.

Form No. 3.  
Regulations 5 and 8.

## VICTORIA.

Co-operation Act 1953

Name of Society.....

## LIST OF DIRECTORS.

I,..... being secretary of the above-named society hereby give  
(Insert name and address.)  
notice that the under-mentioned persons:—

\* (1) were elected as directors of the said society at the meeting for the formation thereof held on  
the..... day of..... 19.....

or,

\* (2) are the directors of the said society for the financial year which commenced on the.....  
day of..... 19.....

\* Strike out the paragraph which is inapplicable.

Surname.	Christian or other Names (in full).	Address.	Occupation.	Date of Appointment.

Dated this..... day of..... 19.....  
To the Registrar of Co-operative Societies,  
Melbourne. (Signature).....

Form No. 4A.  
Regulation 6.

## VICTORIA.

Co-operation Act 1953.

Name of Society.....

## LIST OF APPLICANTS FOR MEMBERSHIP OF THE ABOVE-NAMED SOCIETY.

Surname (in block letters).	Christian or other Names (in full).	Address.	Occupation.	Number of Shares Subscribed for.

Dated this..... day of..... 19.....  
(Signature of Secretary).....



VICTORIA.  
Co-operation Act 1953.

Form No. 8.  
Regulation 12 (3).

Name of Society.....

NOTICE OF CHANGE OF ADDRESS OF REGISTERED OFFICE.  
(To be submitted in duplicate.)

To the Registrar of Co-operative Societies,  
Melbourne.

NOTICE is hereby given that the registered office of the above-named Society was removed from  
to.....  
on the..... day of..... 19.....

Dated this..... day of..... 19.....

Chairman of Directors.

Secretary of Society.

Registered this..... day of..... 19.....

(L.S.)

Registrar of Co-operative Societies.

VICTORIA.  
Co-operation Act 1953.

Form No. 9.  
Regulation 13.

Name of Society.....

APPLICATION FOR MEMBERSHIP OR FOR ADDITIONAL SHARES.

Surname of applicant.....

Christian or other names.....

Occupation .....

Full postal address.....

Address to which notices are to be sent.....

1. I hereby apply—

\* (a) to be admitted as a member of the above-named society, and to be allotted..... shares therein;

\* (b) to be allotted..... additional shares in the above-named society—

and in respect of such application I \*undertake to lodge in accordance with the rules the sum of £ : : ,  
which sum is made up as shown hereunder.

2. If this application be approved and the shares as aforesaid be allotted to me, I agree to pay all charges required by the society, a list of which charges has been supplied to me, and I agree to be bound by the rules of the society and by any amendments thereof registered in accordance with the above-named Act.

3. \*I am over the age of twenty-one years.

\*I am under the age of twenty-one years, having been born on the..... day of..... 19.....

\* Strike out words which are inapplicable.

£ s. d.

£ : :

Dated this..... day of..... 19.....

(Signature of applicant).....

(Witness) .....

(For office use only.)

Date application received..... Board Min. folio..... Date.....

Shares allotted..... Receipt No..... Pass Book issued...../...../..... Rule Book issued...../...../.....

(Secretary's initials).....

VICTORIA.  
Co-operation Act 1953.

Form No. 10.  
Regulation 14.

Name of Society.....

TRIENNIAL FULL LIST OF MEMBERS.

I certify that the following is a full list of the members of the above-named society as at the close of the financial year ended on the..... day of..... 19.....:—

Surname (in block letters).	Christian or other Names (in full).	Address.	Occupation.	Number of Shares held as at close of such year, stating how acquired, e.g. by allotment or transfer and if by transfer, from whom.

Dated this..... day of..... 19.....

To the Registrar of Co-operative Societies,  
Melbourne.

(Signature of Secretary).....

## VICTORIA.

Form No. 11.  
Regulation 15.

Co-operation Act 1953.

SUPPLEMENTARY LIST SHOWING ALTERATIONS IN MEMBERSHIP DURING THE FINANCIAL YEAR  
ENDED ON THE.....DAY OF.....19.....

Name of Society.....

\*full

This list is supplementary to the \*supplementary list furnished which list covered the period from the  
\*triennial

\* Strike out the words which are inapplicable.

.....day of.....19....., to the.....day of..... 19.....

Surname (in block letters).	Christian or other Names (in full).	Address.	Occupation.	Nature of Alteration (including alteration in share-holding).

Dated this..... day of..... 19.....

(Signature of Secretary).....

To the Registrar of Co-operative Societies,  
Melbourne.Form No. 12.  
Regulation 17.

## VICTORIA.

Co-operation Act 1953.

## APPLICATION FOR REGISTRATION OF CHANGE OF NAME OF A SOCIETY.

(To be submitted in duplicate.)

Name of Society (as registered).....

To the Registrar of Co-operative Societies,  
Melbourne.

We..... of.....  
in the State of Victoria..... and.....  
of.....  
in the said State..... being the Chairman and Secretary respectively of a  
general meeting of the said society held on the.....day of..... 19.....

HEREBY MAKE APPLICATION for registration of change of name of the above-named society and for  
registration of the following special resolution to that effect passed at the said meeting.

We also make application for a new certificate of incorporation under the name of.....  
and, in consideration thereof, return the present certificate of incorporation.

Signed.....  
Secretary..... Chairman.....

And we severally do solemnly and sincerely declare:

1. That the special resolution contained in this application is a true copy of a resolution passed at the said meeting.
2. That the said special resolution was duly passed by a majority of not less than three-quarters of such members entitled to vote as were present in person at the said meeting.
3. That notice specifying the intention to propose the said resolution was duly given according to the rules of the society.
4. That a quorum of members as specified by the said rules was present at the time that the said resolution was passed.
5. That to the best of our knowledge and belief all the requirements of the above-named Act and of the said rules relating to the passing of special resolutions have been complied with.

And we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of an Act of the Parliament of Victoria rendering persons making a false declaration punishable for wilful and corrupt perjury.

Declared at.....  
in the State of Victoria by both of the above-  
named declarants this..... day  
of..... 19.....  
before me,

Justice of the Peace. Commissioner for taking  
declarations and affidavits (or as the case may be).

The within-written Special Resolution of.....  
Limited having been registered by me, the change of name applied for is approved and registered, and a new  
certificate of incorporation issued this..... day of..... 19.....

(L.S.).....  
Registrar of Co-operative Societies.

NOTE.—Every application must be made IN DUPLICATE and must be accompanied by a copy of the notice  
convening the meeting together with two copies of the rule, in its altered form, affected by the change of name.

Form No. 13.  
Regulation 20.

## VICTORIA

Co-operation Act 1953.

## CERTIFICATE OF INCORPORATION.

This is to certify that..... which was  
incorporated as a..... Society under the above-named Act on the.....  
day of..... 19....., has registered a change of its name and is now incorporated under the  
name of..... under the said Act.

Given under my hand and seal at Melbourne this..... day of..... 19.....

(L.S.)

Registrar of Co-operative Societies.

Form No. 14.  
Regulation 21 (1).

## VICTORIA.

Co-operation Act 1953.

Name of Society.....

APPLICATION TO REGISTER A SPECIAL RESOLUTION—NOT BEING A RESOLUTION CHANGING THE  
NAME OF A SOCIETY.

(To be submitted in duplicate.)

To the Registrar of Co-operative Societies,  
Melbourne.

We..... of.....  
in the State of Victoria..... and.....  
of..... in the said State..... being the Chairman  
and Secretary respectively of a general meeting of the said Society held on the..... day of.....  
19.....

HEREBY APPLY for registration of the following special resolution:—

Signed.....

Secretary.

Chairman.

And we severally do solemnly and sincerely declare:

1. That the special resolution contained in this application is a true copy of a resolution passed at the said meeting.
2. That the said special resolution was duly passed by a majority of not less than three-quarters of such members entitled to vote as were present in person at the said meeting.
3. That notice specifying the intention to propose the said resolution was duly given according to the rules of the Society.
4. That a quorum of members as specified by the said rules was present at the time that the said resolution was passed.
5. That to the best of our knowledge and belief all the requirements of the above-named Act and of the said rules relating to the passing of special resolutions have been complied with.

And we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of an Act of the Parliament of Victoria rendering persons making a false declaration punishable for wilful and corrupt perjury.

Declared at.....

in the State of Victoria by both of the above-  
named declarants this..... day  
of..... 19.....

before me,

Justice of the Peace.  
Commissioner for taking declarations  
and affidavits (or as the case may be).

The within-written Special Resolution of.....

Limited was registered by me this..... day of..... 19.....

(L.S.)

Registrar of Co-operative Societies.

## NOTE.—

1. Every application must be made IN DUPLICATE and must be accompanied by a copy of the notice convening the meeting.
2. Where the special resolution is a resolution altering the rules, the application must also be accompanied by two copies of the rule in its altered form or the new rule (as the case may be).

Form No. 15.  
Regulation 21 (7).

## VICTORIA.

Co-operation Act 1953.

## CERTIFICATE OF REGISTRATION OF A SPECIAL RESOLUTION.

I certify that the following special resolution of.....

Limited was registered by me on the..... day of..... 19....., viz.

Given under my hand and seal at Melbourne, this..... day of..... 19.....

(L.S.)

Registrar of Co-operative Societies.



Form No. 16.  
Regulation 22.

## VICTORIA.

*Co-operation Act 1953.*

## APPLICATION TO REGISTER AN AMALGAMATED SOCIETY.

To the Registrar of Co-operative Societies,  
Melbourne.

We, the undersigned, being all the directors of.....  
 Limited and..... Limited,  
 registered under the *Co-operation Act 1953* hereby apply for registration of such societies as an amalgamated  
 society under the said Act and, in support of such application, make the following statements.

1. The name of the amalgamated society is..... as set forth in Rule No.....
2. That each of the amalgamating societies has passed a special resolution approving the amalgamation.
3. The following documents are lodged in support of this application:—
  - (a) Two copies of the proposed rules of the amalgamated society;
  - (b) the certificate of incorporation of each of the amalgamating societies; and
  - (c) a statement setting out the reasons for the proposed amalgamation, the arrangements under  
 which the societies are to be amalgamated and the reasons for believing that the amalgamated  
 society will be able to carry out its objects successfully.
4. The person to whom and the address to which communications relating to this application may be sent are:

Name .....

Address .....

Dated this..... day of..... 19.....

.....  
 .....  
 .....

Directors of..... Limited.

Dated this..... day of..... 19.....

.....  
 .....  
 .....

Directors of..... Limited.

Form No. 17.  
Regulation 23.

## VICTORIA.

*Co-operation Act 1953.*

## CERTIFICATE OF INCORPORATION.

This is to certify that..... being an amalgamation of.....  
 with..... is this day incorporated as a.....  
 Society under the above-named Act.

Given under my hand and seal at Melbourne this..... day of..... 19.....

(L.S.).....

Registrar of Co-operative Societies.

Form No. 18.  
Regulation 24.*Co-operation Act 1953.*

## CERTIFICATE OF REGISTRATION OF A SOCIETY AND ITS RULES.

I certify that..... Limited and its rules were on the..... day  
 of..... 19....., registered under the above-named Act pursuant to an amalgamation in  
 accordance with the said Act of..... Limited and..... Limited by  
 virtue of which registration the said..... Limited became incorporated thereunder.

Given under my hand and seal at Melbourne, this..... day of..... 19.....

(L.S.).....

Registrar of Co-operative Societies.

Form No. 19.  
Regulation 25.

## VICTORIA.

*Co-operation Act 1953.*

## NOTICE OF AMALGAMATION OF SOCIETIES.

Notice is hereby given that, pursuant to the provisions of the *Co-operation Act 1953*,.....  
 ..... Limited and..... Limited were amalgamated into one society under the name  
 of..... Limited, on the..... day of..... 19.....

Dated at Melbourne this..... day of..... 19.....

Registrar of Co-operative Societies.

Form No. 20.  
Regulation 28.

## REGISTER OF MEMBERS AND SHARES.

Application.		Reg. No.	Surname of Member.	Christian Names (in full).	Occupation.	Address.	Allotment.		No. of Certificate.	No. of Shares.	Distinguishing No. of Shares.		Ledger Folio.	Remarks.
No.	Date.						Date.	M.B. Folio.			From	To		

Form No. 21.  
Regulation 28.

## REGISTER OF SHARE TRANSFERS.

Application.		Transferor.				Transferee.				Number of Shares Transferred.	Distinguishing Numbers.		Consideration.	Transfer Approved.	
No.	Date.	Reg. No.	Memb. Ledger Folio.	Surname.	Christian Names (in full).	Reg. No.	Memb. Ledger Folio.	Surname.	Christian Names (in full).		From	To		Date.	M.B. Folio.
													£ s. d.		

Form No. 22.  
Regulation 28.

## REGISTER OF WITHDRAWALS AND FORFEITURES.

Application.		Member.	Reg. No.	Memb. Ledger Folio.	Number of Shares.		Nominal Value.	Paid Up Value.	Approval of Withdrawal or Forfeiture.		Repayment Amount of Withdrawn Shares.		Amount Transferred to Withdrawn and Forfeited Shares Reserve.	Remarks.
No.	Date.				With- drawn.	For- feited.			Date.	M.B. Folio.	Board's Value per Share.	Total.		
							£ s. d.	£ s. d.			£ s. d.	£ s. d.	£ s. d.	

Form No. 23.  
Regulation 28.

## REGISTER OF DIRECTORS.

Date of Election.	Surname.	Christian Names (in full).	Occupation.	Reg. No.	Termination of Office.		Remarks.
					Date.	Mode.	

Form No. 24.  
Regulation 28.

## REGISTER OF LOANS RAISED AND SECURITIES GIVEN.

No. of Loan.	Date of Loan.	Security Given, including Description of Property Mortgaged or Charged.	Amount of Charge Created.	Name and Address of Mortgagee or Person Entitled to Charge.	M.B. Folio.	Registration.		Date Security Released from Charge.	M.B. Folio.	Remarks.
						No.	Date.			

Form No. 25.  
Regulation 28.

## REGISTER OF DEPOSITS RECEIVED.

Deposit Application.		Name of Depositor.		Address.	Occupation.	Reg. No.	Ledger Folio.	Amount Deposited.	Acceptance.			Remarks.
No.	Date.	Surname.	Christian Names (in full).						Date.	M.B. Folio.	Terms.	
								£ s. d.				

Form No. 26.  
Regulation 28.

## REGISTER OF LOANS MADE, SECURITIES TAKEN AND INSURANCES EFFECTED.

Application for Loan.		Name of Member.	Reg. No.	Purpose of Loan.	Loan Applied for.	Loan Approved.	Interest Rate	Due Date of Repayment of Loan.	Description of Security Taken.	M.B. Folio.	Ledger Folio.	No. and Date of Registered Charge or Lien.			Insurance Effected.				
No.	Date.											Document.	Date.	No.	Company.	Policy No.	Cover.	Premium.	Due Date.
					£	£	%										£	£ s. d.	

Form No. 27.  
Regulation 28.

## REGISTER OF LOANS GUARANTEED.

No.	Date.	Name of Member.	Reg. No.	Name of Lender.	Purpose for which Loan is Required.	Date of Report on Security Offered.	Description of Security.	Charge or Lien.			Amount of Loan.	Interest Rate.	Date of Payment of Interest.	Date of Repayment of Principal.	M.B. Folio.	Remarks.
								Document.	Date.	No.						
											£ s. d.	%				

Form No. 28.  
Regulation 28.

## REGISTER OF INVESTMENTS.

Number of Investment.	Authority for Purchase.		Date of Purchase.	Particulars of Investment Purchased.	Nominal Value.	Purchase Price.	Disposal.			Remarks.
	M.B. Folio.	Date.					Authority.		Date Disposed of.	
							M.B. Folio.	Date.		
					£ s. d.	£ s. d.				

*Co-operation Act 1953.*

ANNUAL STATEMENT OF ASSETS AND LIABILITIES AND OF ACCOUNTS OF A  
TRADING SOCIETY.

FOR THE FINANCIAL YEAR ENDED.....19.....

Name of Society.....

Registered Office.....

Date..... 19.....

Secretary's signature.

—	Number of—		Capital Paid Up.	Bonuses.	Dividends.	Deposits.
	Members.	Shares.				
			£   s.   d.	£   s.   d.	£   s.   d.	£   s.   d.
Balance as per last return .. ..						
Additions for year .. ..						
Totals .. ..						
Withdrawals .. ..						
Forfeitures .. ..						
Payments .. ..						
Transfers .. ..						
Balance at close of year .. ..						
Totals .. ..						

*Manufacturing Account for Year Ended..... 19.....*

[illegible]

*Trading Account for the Year.*

[illegible]

*Profit and Loss Account for the Year.*

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To Gross Loss transferred from Trading Account .. .. .							By Gross Profit transferred from Trading Account .. .. .						
Delivery charges .. .. .							Discounts received .. .. .						
Depreciation .. .. .							Dividends and Interest on Investments .. .. .						
Fees, Audit .. .. .							Insurance Agency Commission .. .. .						
Fees, Directors .. .. .							Transfer Fees, Fines, &c. .. .. .						
General Expenses .. .. .							Other Income, viz. :—						
Insurance, Employer's Liability and Guarantee premiums .. .. .													
Insurance, Fire .. .. .													
Interest on Bank Overdrafts .. .. .													
Interest on Deposits .. .. .													
Printing, Stationery, and Advertising .. .. .													
Provision for Bad and Doubtful Debts .. .. .													
Rent .. .. .													
Salaries and Wages .. .. .													
Travelling Expenses .. .. .													
Other Charges, viz. :—													
Net Profit for year carried down .. .. .							Net Loss for year carried down .. .. .						
Net Loss brought forward from last year .. .. .							Balance brought forward from last year (Profits not appropriated) .. .. .						
Net Loss for year brought down .. .. .							Net Profit for year brought down .. .. .						
Reserves .. .. .													
Bonus or Rebate Account at .. .. . in £													
Dividend on Share Capital at .. .. . per cent per annum .. .. .													
Provision for Income Tax .. .. .													
Other Appropriations .. .. .													
Balance (Profits not appropriated) carried forward .. .. .							Balance Net Loss carried forward .. .. .						
	£							£					



### Profit and Loss Account.

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To Cleaning and Light .. .. .							By Income or Revenue (to be specified)—						
Depreciation .. .. .													
Fees—Auditor's .. .. .													
Fees—Directors' .. .. .													
Fire Insurance .. .. .													
General Expenses .. .. .													
Interest on Overdraft at _____ Bank													
Printing, Stationery, and Postages ..													
Provision for Bad and Doubtful Debts													
Rates, Repairs, and Maintenance ..													
Salaries .. .. .													
Wages .. .. .													
Other charges—													
Balance, being Profit for the year carried down .. .. .							Balance, being Loss for year, carried down .. .. .						
Net Deficiency brought forward from last year .. .. .							Balance brought forward from last year (Surplus not appropriated) ..						
Net Loss for year brought down ..							Net Profit for year brought down ..						
Reserves—													
Share Dividends at _____ per cent. per annum .. .. .													
Income Tax Provision .. .. .													
Other Appropriations, viz.:—													
Balance (Surplus not appropriated) carried forward .. .. .							Balance, Deficiency carried forward ..						





## Revenue Account.

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To Cleaning and Light .. .. .							By Income or Revenue (to be specified)—						
Depreciation .. .. .													
Fees—Auditor .. .. .													
Fees—Directors' .. .. .													
Fire Insurance .. .. .													
General Expenses .. .. .													
Interest on Overdraft at .. .. Bank													
Printing, Stationery, and Postages ..													
Provision for Bad and Doubtful Debts													
Rates, Maintenance, and Repairs ..													
Salaries .. .. .													
Wages .. .. .													
Other Charges—													
Balance, surplus, to Net Revenue Account .. .. .							Balance, deficiency, to Net Revenue Account .. .. .						

## Net Revenue Account.

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
Net Deficiency brought forward from last year .. .. .							Balance brought forward from last year (Surplus not appropriated) ..						
Net Deficiency for year brought down ..							Net Surplus for year brought down ..						
Interest on loans .. .. .													
Transfer to Reserves .. .. .													
Dividends .. .. .													
Other appropriations .. .. .													
Provision for Income Tax .. .. .													
Balance, net surplus, carried forward ..							Balance, net deficiency, carried forward ..						

## Capital Account.

	Expended to—		Expended During Year.		Total Expenditure.			Receipts to—		Received During Year.		Total Receipts.	
	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To Land .. .. .							By .. .. Shares of £ .. each						
Buildings .. .. .							called to .. .. .						
Office Furniture and Equipment .. ..							Loans .. .. .						
Other Capital Items, viz. :—							Deposits .. .. .						
Balance to General Balance Sheet .. ..													

## Balance Sheet as at..... 19..... (To nearest £.)

LIABILITIES.			ASSETS.		
	£	£		£	£
<b>Shareholders' Funds—</b>			<b>Current Assets—</b>		
Capital Account—Balance at credit thereof ..			Stocks on hand, viz. :—		
Reserves—					
Statutory .. .. .					
Other—					
Depreciation Fund .. .. .			<b>Sundry Debtors, viz. :—</b>		
Net Revenue Account, unappropriated surplus ..					
<b>Secured Liabilities—</b>			<b>Cash at Bank .. .. .</b>		
Depositors .. .. .			<b>Other Assets, viz. :—</b>		
Overdraft at .. .. . Bank ..					
Less Cash on hand .. .. .					
Other (to be specified), viz. :—					
<b>Current Liabilities—</b>					
Income Tax Provision .. .. .					
Sundry Creditors .. .. .					
Other Liabilities (to be specified), viz. :—					
			<b>Net Revenue Account, accumulated deficiency</b>		

## AUDITOR'S CERTIFICATE.

I have examined the books, accounts and vouchers of the Society, and have obtained all the information and explanations required by me. In my opinion the foregoing statements are properly drawn up so as to exhibit a true and correct view of the financial position of the Society, according to the information at my disposal, and explanations given to me and as shown by the books of the Society. I have seen completed stock sheets, which were duly certified at the values stated herein. I also certify that the rules relating to the administration of the funds of the Society have been observed. A separate report has/has not been furnished by me.

Date..... 19.....

Signature of Auditor.

Form No. 32.

Regulation 35.

## Co-operation Act 1953.

ANNUAL STATEMENT OF ASSETS AND LIABILITIES AND OF ACCOUNTS OF A  
CREDIT SOCIETY.

FOR THE FINANCIAL YEAR ENDED..... 19.....

Name of Society.....

Registered Office.....

Date..... 19.....

Secretary's signature.

	Number of—		Capital Paid Up.	Deposits.	Loans Guaranteed.	Loans to Members.
	Members.	Shares.				
			£ s. d.	£ s. d.	£ s. d.	£ s. d.
Balance from last year .. .. .						
Interest charged on loans .. .. .						
Additions for year .. .. .						
Total .. .. .						
Shares forfeited .. .. .						
Shares withdrawn .. .. .						
Loans (including interest) and deposits repaid .. .. .						
Balance at close of year .. .. .						
Total .. .. .						

Balance Sheet as at..... 19..... (To nearest £.)

LIABILITIES.			ASSETS.		
	£	£		£	£
<b>Shareholders' Funds—</b>			<b>Current Assets—</b>		
Capital Issued— Shares at £.....			Loans to Members .....		
Less Uncalled or in arrears .....			Less Provision for Bad and Doubtful Debts .....		
Capital Paid Up .....			Cash on hand .....		
<b>Reserves—</b>			Cash at ..... Bank .....		
Statutory .....			Prepayments .....		
Other .....			Other Assets, viz. :—		
Profit and Loss Account—Unappropriated Surplus .....			.....		
<b>Secured Liabilities—</b>			.....		
Depositors .....			.....		
Overdraft at ..... Bank .....			.....		
Less Cash on hand .....			.....		
Other (to be specified), viz. :—			.....		
.....			.....		
<b>Current Liabilities—</b>			.....		
Income Tax Provision .....			.....		
Sundry Creditors .....			.....		
Charges Accrued .....			.....		
Other Liabilities (to be specified), viz. :—			.....		
.....			.....		
<b>Contingent Liabilities ..</b>			Profit and Loss Account—Accumulated Deficiency .....		
.....			.....		
.....			.....		

## AUDITOR'S CERTIFICATE.

I have examined the books, accounts and vouchers of the Society, and have obtained all the information and explanations required by me. In my opinion the foregoing statements are properly drawn up so as to exhibit a true and correct view of the financial position of the Society, according to the information at my disposal, and explanations given to me and as shown by the books of the Society. I also certify that the rules relating to the administration of the funds of the Society have been observed. A separate report has/has not been furnished by me.

Date..... 19.....

Signature of Auditor.

Form No. 33.  
Regulation 35.

Co-operation Act 1953.

## ANNUAL STATEMENT OF ASSETS AND LIABILITIES AND OF ACCOUNTS OF AN INVESTMENT SOCIETY.

FOR THE FINANCIAL YEAR ENDED..... 19.....

Name of Society.....

Registered Office.....

Date..... 19.....

Secretary's signature.

	Number of—		Capital Paid Up.	Share Dividends.	Investments.
	Members.	Shares.			
			£ s. d.	£ s. d.	£ s. d.
Balance from last year .. ..					
Additions .. ..					
Total .. ..					
Forfeitures .. ..					
Payments .. ..					
Transfers .. ..					
Balance, close of year .. ..					
Total .. ..					

## Particulars of Loans Made\*

	£25 or Under.		£26—£50		£51—£100		Over £100.		Totals.	
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
		£		£		£		£		£
Aggregate totals last year brought forward .. .. .										
Current year .. .. .										
Total .. .. .										

## Particulars of Loans Guaranteed.

	£25 or Under.		£26—£50		£51—£100		Over £100.		Totals.	
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
		£		£		£		£		£
Aggregate totals last year brought forward .. .. .										
Current year .. .. .										
Total .. .. .										

\* Loans repaid are not to be deducted.

Number of Borrowers over six months in arrears..... Shares Held.....  
 Amount of Arrears £.....

## Profit and Loss Account for Year Ended ..... 19.....

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To Fees—Auditors' .. .. .							By Interest on loans .. .. .						
Fees—Directors' .. .. .							Fines .. .. .						
General Expenses .. .. .							Other Income, viz.:—						
Interest Payable .. .. .													
Legal Expenses .. .. .													
Printing and Stationery .. .. .													
Provision for Bad and Doubtful Debts													
Rent .. .. .													
Salaries .. .. .													
Other Charges—													
Balance, Surplus carried down .. .. .							Balance, Loss carried down .. .. .						
Loss brought forward from last year .. .. .							Balance brought forward from last year						
Loss for year brought down .. .. .							(Surplus not appropriated) .. .. .						
Reserves .. .. .							Net Surplus for year brought down .. .. .						
Share Dividends at .. .. . per cent. per annum .. .. .													
Provision for Income Tax .. .. .													
Other Appropriations, viz.:—													
Balance (Surplus not appropriated) carried forward .. .. .							Balance, Loss carried forward .. .. .						

## Particulars of Investments.

	Government Securities.		Trustee Securities.		Shares in Public Companies.		Shares in Co-operative Societies.		Total Value.	
	No.	Value.	No.	Value.	No.	Value.	No.	Value.	No.	Value.
		£ s. d.		£ s. d.		£ s. d.		£ s. d.		£ s. d.
Number of Bonds, Shares, and Value										

Note.—Credit should not be taken for any increase above cost in the ascertained market value of the securities held unless the securities are actually realised, although it may be advisable to make provision for any fall in values.

## Profit and Loss Account for Year Ended....., 19.....

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To Brokerage .. .. .							By Dividends on Investments .. .. .						
Fees—Auditor .. .. .							Interest Earned .. .. .						
Fees—Directors' .. .. .							Transfer Fees, Fines, &c. .. .. .						
General Expenses .. .. .							Profit on Securities Realized .. .. .						
Loss on Securities Realized .. .. .							Other Income, viz.:—						
Printing Stationery and Postages .. .. .													
Rent .. .. .													
Salaries .. .. .													
Transfer Expenses .. .. .													
Other Charges, viz.:—													
Balance, Profit carried down .. .. .							Balance, Loss carried down .. .. .						
Loss brought forward from last year .. .. .							Balance brought forward from last year .. .. .						
Loss for year brought down .. .. .							(Profits not appropriated) .. .. .						
Reserves—							Net Profit for year brought down .. .. .						
Share Dividends at .. .. . per cent. per annum .. .. .													
Income Tax Provision .. .. .													
Other Appropriations, viz.:—													
Balance (Profits not appropriated) carried forward .. .. .							Balance, Loss carried forward .. .. .						

## Balance Sheet as at....., 19..... (To nearest £.)

LIABILITIES.			£	£	£	ASSETS.			£	£	£
<i>Shareholders' Funds—</i>						<i>Current Assets—</i>					
Capital Issued .. .. . Shares at £ .. .. .						Investments .. .. .					
Less Uncalled or in arrears .. .. .						Cash on hand .. .. .					
Capital paid up .. .. .						Cash at .. .. . Bank .. .. .					
Reserves—						Prepayments .. .. .					
Statutory .. .. .						Other Assets, viz.:—					
Other .. .. .											
Profit and Loss Account—Unappropriated Surplus .. .. .											
<i>Current Liabilities—</i>											
Share Dividend Account .. .. .											
Unclaimed Dividends .. .. .											
Charges Accrued .. .. .											
Other Liabilities, viz.:—											
						Profit and Loss Account—Accumulated deficiency .. .. .					

## AUDITOR'S CERTIFICATE.

I have examined the books, accounts and vouchers of the Society, and have obtained all the information and explanations required by me. In my opinion the foregoing statements are properly drawn up so as to exhibit a true and correct view of the financial position of the Society, according to the information at my disposal, and explanations given to me and as shown by the books of the Society. I also certify that I have inspected and verified the securities held. I also certify that the rules relating to the administration of the funds of the Society have been observed. A separate report has/has not been furnished by me.

Date..... 19.....

Signature of Auditor.

Form No. 34.  
Regulation 35.

Co-operation Act 1953.

ANNUAL STATEMENT OF ASSETS AND LIABILITIES AND OF ACCOUNTS OF A  
PRODUCERS SOCIETY.

FOR THE FINANCIAL YEAR ENDED..... 19.....

Name of Society.....

Registered Office.....

Date..... 19.....

Secretary's signature.

	Number of—		Capital Paid Up.	Rebates or Bonuses.	Dividends.	Deposits.
	Members.	Shares.				
Balance forward as per last return ..			£ s. d.	£ s. d.	£ s. d.	£ s. d.
Additions during year .. ..						
Total .. ..						
Withdrawals .. ..						
Forfeitures .. ..						
Payments .. ..						
Transfers .. ..						
Balance at close of year .. ..						
Total .. ..						

Final Accounts for the Year Ended....., 19.....  
Please complete the sections appropriate to the nature of the Society's operations.

	£.	s.	d.		£.	s.	d.
<b>Section 1 (Packing Shed).</b>							
To Shed Expenses as under .. ..				By Shed Charges .. ..			
Wages .. ..				Commissions .. ..			
Cases and Packing .. ..				Other Income— .. ..			
Plant Repairs and Maintenance .. ..							
Depreciation of Plant, &c. .. ..							
Other Expenses .. ..							
Balance Transferred to Section 7 .. ..				Balance Transferred to Section 7 .. ..			
£ .. ..				£ .. ..			
<b>Section 2 (Bulk Loading).</b>							
To Freight Payable .. ..				By Freight Receivable .. ..			
Cartage and Transport Charges .. ..				Other Departmental Income— .. ..			
Agents' Charges and Fees .. ..							
Claims—Consignors .. ..							
Other Expenses— .. ..							
Balance Transferred to Section 7 .. ..				Balance Transferred to Section 7 .. ..			
£ .. ..				£ .. ..			
<b>Section 3 (Dairying).</b>							
To Stocks on hand .. ..				By Sales .. ..			
Freight and Cartage .. ..				Cartage charged to Suppliers .. ..			
Packing .. ..				Merchandise Account .. ..			
Payments to Suppliers .. ..				Closing Stocks .. ..			
Plant Maintenance and Repairs .. ..				Other Earnings— .. ..			
Power .. ..							
Stabilization Levy .. ..							
Wages .. ..							
Other Operating Expenses— .. ..							
Balance Transferred to Section 7 .. ..				Balance Transferred to Section 7 .. ..			
£ .. ..				£ .. ..			

				£	s.	d.					£	s.	d.
<b>Section 4 (Bulk Buying, &amp;c.).</b>													
To Stock on hand .. .. .							By Sales .. .. .						
Purchases .. .. .							Commissions .. .. .						
Freight and Cartage .. .. .							Other Income—						
Other Expenses—							Stock on hand .. .. .						
.....							.....						
.....							.....						
.....							.....						
.....							.....						
Balance Transferred to Section 7 ..							Balance Transferred to Section 7 ..						
£							£						
<b>Section 5 (Distributing Society).</b>													
To Trading Stocks .. .. .							By Sales .. .. .						
Purchases .. .. .							Other Trading Income—						
Freight and Cartage .. .. .							.....						
Treatment Expenses .. .. .							.....						
Distributing Expenses .. .. .							.....						
Other Items—							.....						
.....							.....						
Balance Transferred to Section 7 ..							Trading Stocks						
£							Balance Transferred to Section 7 ..						
<b>Section 6 (Societies for which Sections 1 to 5, not convenient).</b>													
To .. .. .							By .. .. .						
.....							.....						
.....							.....						
.....							.....						
Balance Transferred to Section 7 ..							Balance Transferred to Section 7 ..						
£							£						

## PROFIT AND LOSS ACCOUNT.

Section 7 (should be completed by all Societies).				£	s.	d.					£	s.	d.
To Balances Transferred .. .. .							By Balances Transferred .. .. .						
Depreciation .. .. .							Other Income—						
Expenses, General .. .. .													
Expenses, Travelling .. .. .													
Fees, Auditors' .. .. .													
Fees, Directors' .. .. .													
Insurance, Fire .. .. .													
Insurance, Workers' Compensation .. .. .													
Interest .. .. .													
Printing, Stationery, Advertising .. .. .													
Provision for Bad Debts .. .. .													
Rent .. .. .													
Salaries .. .. .													
Other Charges—													
Net Profit for year, carried down ..							Selling Commission .. .. .						
							Dividends on Investments .. .. .						
							Net Loss for year, carried down ..						
						£					£		
To Balance from previous year .. .. .							By Balance from previous year .. .. .						
Net Loss brought down this year ..							Net Profit for year brought down ..						
Reserves .. .. .													
Provision for Income Tax .. .. .													
Bonus or Rebate .. .. .													
Share Dividend at .. per cent. per annum													
Balance carried forward .. .. .							Balance carried forward .. .. .						
						£					£		

Sales on Commission: Where a Society makes sales on commission and the commission only in respect of such transaction is shown in the above return, please state Total Value of such Sales, £.....

Balance Sheet as at..... 19..... (To nearest £.)

	£	£	£		£	£	£
<b>LIABILITIES.</b>				<b>ASSETS.</b>			
<i>Shareholders' Funds—</i>				<i>Fixed Assets—</i>			
Capital Issued .....				Land (Freehold) £.....		(Leasehold) £.....	
Less Uncalled or in arrears .....				Buildings (less Depreciation) ..			
Capital Paid up .....				Plant and Machinery (less Depreciation) ..			
Reserves—				Fixtures, Fittings, and Furniture (less Depreciation) ..			
Statutory .....				Motor Vehicles (less Depreciation) ..			
Forfeited Shares .....				Other (to be specified), viz. :—			
Profit and Loss Account—Unappropriated Surplus .....							
<i>Secured Liabilities—</i>				<i>Current Assets—</i>			
Depositors .....				Stocks on hand (at estimated or actual cost) ..			
Overdraft at .....				Sundry Debtors ..			
by .....				Less Provision for Bad and Doubtful Debts ..			
Less Cash on hand .....				Cash at .....			
Other (to be specified), viz. :—				Cash on hand .....			
				Investments .....			
<i>Current Liabilities—</i>				Prepayments .....			
Share Dividend Account—Balance ..				Other Assets (to be specified), viz. :—			
Bonus or Rebate Account—Balance ..							
Trade Creditors (less discounts due) ..							
Other Liabilities (to be specified), viz. :—							
Income Tax Provision .....				Profit and Loss Account—Accumulated deficiency ..			
Interest and Expenses Accrued .....							

## AUDITOR'S CERTIFICATE.

I have examined the books, accounts and vouchers of the Society, and have obtained all the information and explanations required by me. In my opinion the foregoing statements are properly drawn up so as to exhibit a true and correct view of the financial position of the Society, according to the information at my disposal, and explanations given to me and as shown by the books of the Society. I have seen completed stock sheets, which were duly certified at the values stated herein. I also certify that the rules relating to the administration of the funds of the Society have been observed. A separate report has/has not been furnished by me.

Date..... 19.....

Signature of Auditor.

Form No. 35.  
Regulation 37 (1).

Co-operation Act 1953.

## DISSOLUTION OF SOCIETY.

The dissolution of..... Limited  
is this day registered and its registration cancelled under the above-named Act.

Given under my hand and seal at Melbourne, this..... day of .....  
19.....

(L.S.)

Registrar of Co-operative Societies.

Co-operation Act 1953.

## DISSOLUTION OF SOCIETY—GAZETTE NOTICE.

Form No. 36.  
Regulation 37 (2).

Notice is hereby given that I have this day registered the dissolution of the above-named society and cancelled its registration under the above-named Act.

Dated at Melbourne this..... day of ..... 19.....

Registrar of Co-operative Societies.

And the Honorable Samuel Merrifield, for and on behalf of Her Majesty's Treasurer of the State of Victoria, shall give the necessary directions herein accordingly.

A. MAHLSTEDT,  
Clerk of the Executive Council.