

Company Constitution

Table of contents

1	Nature of Company and liability	5
	Nature of Company	5
	Liability of Members and guarantee on winding up	5
2	Objects and Powers of the Company	5
	Objects	5
	Powers	6
3	Membership	6
	Membership	6
	Cessation of membership	6
	Membership not transferable	6
	Members must comply with constitution	6
	Register of members	6
4	Application fee and annual subscription	7
5	Removal and cessation of membership	7
	Resignation	7
	Other cessation of membership	7
6	No profits for members	7
	Transfer of income or property	7
	Payments, services and information	8
7	General meetings	8
	Convening of meetings by Directors	8
	Convening of meetings by Members	8
	Notice of general meeting.....	8
	Cancellation of general meetings	8
	Quorum at general meetings	9
	Quorum at adjourned general meetings	9
	Appointment of Chair.....	9
	Chair's powers.....	9
	Adjournment of meetings.....	10
	Voting on show of hands	10
	Demand for a poll	10
	Voting rights of Members.....	10
	Vote of the Chair at general meetings	11
	Objections to voter qualification.....	11
	Mode of meeting for Members.....	11
	Resolution in writing	11
	Form of resolution in writing.....	11
8	Proxies and representatives	11
	Proxies and representatives of Members.....	11
	Appointment of proxies.....	12
	Verification of proxies	12
	Validity of proxies	12
	Revocation of appointment of proxy	13
9	Annual General Meeting	13

10	Non-Member Stakeholders.....	13
	Register of Non-Member Stakeholders.....	13
	Eligibility to apply to become a Non-Member Stakeholder	13
	Admission as a Non-Member Stakeholder.....	14
	Removal of Non-Member Stakeholder from register	14
	Rights of Non-Member Stakeholders.....	14
11	Appointment and Retirement of Directors.....	15
	Initial Directors.....	15
	Term of initial Directors.....	15
	Number of Directors	15
	Appointment of Directors to take office at the end of the first and subsequent annual general meetings	15
	Casual vacancies in office of Director.....	16
	Co-opted Directors	16
	Removal from office	16
	Vacation of office.....	16
	Only Directors are Members of the company.....	17
	Directors not to remain in office for more than nine consecutive years	17
12	Selection Committee.....	17
	Establishment.....	17
	Role.....	17
13	Directors' Remuneration	17
	Determination of fees	17
	Payment for expenses.....	18
14	Powers of the Board	18
15	Proceedings of directors.....	18
	Convening of Board meetings	18
	Notice of Board meetings	18
	Mode of meeting for Directors	18
	Quorum at Board meetings	18
	Voting at Board meetings	19
	Appointment of Chair.....	19
	Chair's vote at Board meetings.....	19
	Participation where Directors interested	19
	No disqualification	19
	Exercise of rights.....	20
	Delegation of powers.....	20
	Obligations of the Board to Non-Member Stakeholders	20
16	Committees Generally and Advisory Committees	21
	Committees for good governance.....	21
	Advisory committees	21
	Proceedings of committees	22
17	Matters of a General Nature relating to Board Proceedings	22
	Validity of acts of Directors	22
	Minutes	22
	Resolution in writing	22
18	Secretary.....	22
19	Indemnity and insurance.....	23
	Indemnity.....	23

Insurance premiums	23
20 Seals and execution of documents	23
Execution of documents	23
Official seals	23
21 Gift Fund Requirements	24
Company to maintain a Gift Fund	24
Rules applying to the Gift Fund	24
Winding up of Gift Fund	24
Definitions	24
22 Surplus assets on winding up or dissolution.....	25
23 Accounts, audit and records.....	25
Accounts	25
Reports	25
Audit.....	25
Rights of inspection	25
24 Notices	26
Persons authorised to give notices	26
Method of giving notices.....	26
Addresses for giving notices to Members	26
Address for giving notices to the Company.....	26
Time notice of meeting is given	26
Time other notices are given	27
Proof of giving notices	27
Persons entitled to notice of meeting.....	27
25 Definitions and Interpretation	27
Definitions	27
Interpretation	29
References to the constitution	29
Replaceable rules.....	30
Application of Corporations Act	30

Corporations Act 2001 (Cth)
Public Company Limited by Guarantee
Murray PHN Limited
ACN 156 423 755

1 Nature of Company and liability

Nature of Company

1.1 The Company is a company limited by guarantee.

Liability of Members and guarantee on winding up

1.2 The liability of the Members is limited. Every Member undertakes to contribute \$10.00 to the assets of the Company if it is wound up while that person is a Member, or within one year afterwards, for:

1.2.1 payment of the Company's debts and liabilities contracted before they ceased to be a Member; and

1.2.2 costs and expenses of winding up.

2 Objects and Powers of the Company

Objects

2.1 The objects of the Company are to establish, promote and operate, on a not for profit basis, a Primary Health Network, to promote the prevention and control of illness and disease in human beings and to achieve measurable outcomes in the community through, amongst other things:

2.1.1 encouraging and supporting improvements in the delivery of primary health care services to health consumers including initiatives aimed toward improving disease prevention and management, raising health consumer awareness and improving access to appropriate services;

2.1.2 improving the planning of primary health care services to identify health needs of the community, develop locally focussed and responsive health services and address service delivery gaps;

2.1.3 facilitating and undertaking population health planning considering the social determinants of health to address disadvantage with the aim of supporting health equity;

2.1.4 promoting primary health care and the role of general practice for the delivery of effective integrated health management for the local community;

2.1.5 facilitating improved communication and information sharing between General Practitioners, other primary health providers and Local Hospital Networks;

2.1.6 ensuring appropriate support, training and education to General

Practitioners, other primary health service providers and practice staff across the spectrum of primary health care to improve their patient care;

- 2.1.7 establishing effective collaborations to deliver more coordinated, integrated, flexible and locally responsive health services;
 - 2.1.8 promoting a culture of efficiency, accountability and continuous improvement in the delivery of primary health care services;
 - 2.1.9 raising money to further the aims of the Company and to secure sufficient funds for the objects of the Company;
 - 2.1.10 receiving any funds and distributing these funds in a manner that best attains the objects of the Company; and
 - 2.1.11 doing all such other things as are incidental or conducive to the operation of the Company and otherwise for the attainment of all or any of the above objects of the Company.
- 2.2 In pursuing these objects, the Company will be efficient and accountable with strong governance and effective management.

Powers

- 2.3 To further its objects, the Company has the powers given by the Act.

3 Membership

Membership

- 3.1 The Members of the Company are the persons named as such in the application for incorporation of the Company to the Australian Securities and Investments Commission and such other persons as the Company appoints pursuant to rule 11 as a Director from time to time.

Cessation of membership

- 3.2 If a Member ceases to be a Director, membership of the Company ceases.

Membership not transferable

- 3.3 A Member's rights, privileges and benefits of membership are personal to the Member and membership of the Company is not transferable by operation of law.

Members must comply with constitution

- 3.4 Members must comply with this Constitution.

Register of members

- 3.5 A register of Members must be kept in accordance with the Act.
- 3.6 The Register of Members must contain:

- 3.6.1 The full name of the Member;
 - 3.6.2 The address of the Member; and
 - 3.6.3 The date on which the entry of the Member's name in the Register is made.
- 3.7 The Register must also show the following information, which may be kept separately from the rest of the Register:
- 3.7.1 The names and details of each person who stopped being a member within the last seven years; and
 - 3.7.2 The date on which that person stopped being a Member.
- 3.8 The Company may also keep further registers recording other information about Members that is not required to be kept under the Corporations Act, including:
- 3.8.1 The telephone number, facsimile number and email of the Member; and
 - 3.8.2 Such other information as the Board may require.
- 3.9 Each Member must notify the Secretary in writing of any change in that person's name, address, telephone or facsimile number or email address within one month after the change.

4 Application fee and annual subscription

- 4.1 There is no application fee or any annual subscription fee.

5 Removal and cessation of membership

Resignation

- 5.1 A Member may resign from membership of the Company by giving written notice to the Secretary.
- 5.2 The resignation of a Member takes effect on the date of receipt of the notice of resignation or any later date provided in the notice.

Other cessation of membership

- 5.3 A Member ceases to be a Member immediately upon any Termination Event occurring in respect of a member.

6 No profits for members

Transfer of income or property

- 6.1 The Company may not pay or transfer any income or property, directly or indirectly to any Member.
- 6.2 The Company must not pay a dividend to any Member.

Payments, services and information

- 6.3 Nothing in this rule 6 prevents the Company making a payment in good faith of any of the following:
- 6.3.1 Remuneration to any officers or employees of the Company for services actually rendered to the Company (including payment of directors' fees in accordance with rule 13.1);
 - 6.3.2 An amount to any Member in return for any services actually rendered to the Company or for goods supplied in the ordinary and usual course of business;
 - 6.3.3 Reasonable and proper interest on money borrowed from any Member;
 - 6.3.4 Reasonable and proper rent for premises let by any Member to the Company; and
 - 6.3.5 Reimbursement of expenses reasonably and properly incurred by any Member on the Company's behalf with the consent of the Board.
- 6.4 Nothing in this rule 6 prevents the Company from providing services or information to the Members on terms which are different from the terms on which services or information are provided to persons who are not Members.

7 General meetings

Convening of meetings by Directors

- 7.1 Any Director may convene a general meeting.

Convening of meetings by Members

- 7.2 The Board must call and arrange to hold a general meeting if required to do so under the Corporations Act.

Notice of general meeting

- 7.3 The Board may give notice of a general meeting by any form of communication permitted by the Corporations Act.
- 7.3.1 The notice of a general meeting must specify the place, the day and the hour of meeting and if the meeting is to be held in two or more places, the technology that will be used to facilitate the meeting, the general nature of the business to be transacted and any other matters as are required by the Corporations Act.
 - 7.3.2 The accidental omission to give notice of any general meeting to, or the non-receipt of a notice by, a person entitled to receive notice does not invalidate a resolution passed at the general meeting.

Cancellation of general meetings

- 7.4 The Board may cancel a general meeting, other than a general meeting which the Board is required to convene and hold under the Corporations Act.

- 7.5 The Board may cancel a general meeting if notice of the cancellation is given to all persons entitled to receive notice of the meeting at least two business days prior to the time of the meeting as specified in notice of meeting.

Quorum at general meetings

- 7.6 The Members in general meeting may not transact any business unless a quorum of Members is present at the time when the meeting proceeds to business.
- 7.7 Except as otherwise set out in this constitution, a quorum for the purposes of a general meeting is fifty percent of Members plus one additional Member all of whom are entitled to vote at the meeting at the time.
- 7.8 If a quorum is not present within half an hour from the time appointed for the meeting or a longer period allowed by the Chair:
- 7.8.1 If the meeting was convened by or on the requisition of Members, it must be dissolved; and
- 7.8.2 Otherwise, it must stand adjourned to the same day in the next week at the same time and place or to another day and at another time and place determined by the Board.
- 7.9 If a meeting has been adjourned to another time and place determined by the Board, not less than seven days' notice of the adjourned meeting must be given in the same manner as in the case of the original meeting.

Quorum at adjourned general meetings

- 7.10 At the adjourned meeting a quorum is as set out in Rule 7.7.

Appointment of Chair

- 7.11 Every general meeting must be chaired by a Chair. The Chair will be determined as follows:
- 7.11.1 If the Board has elected a Director as Chair, that person is entitled to chair every general meeting; and
- 7.11.2 The Directors present at a general meeting must elect one of their number to chair that meeting if either of the following applies:
- (a) No Chair has been elected in accordance with rule 15.7; and
- (b) The Chair is not present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act.

Chair's powers

- 7.12 The Chair may temporarily vacate the chair at a general meeting in favour of another person present at any time and for any reason they see fit, and must do so if the Members are voting on the Chair's election.

Adjournment of meetings

- 7.13 The Chair may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting to another time and to another place.
- 7.13.1 The only business that may be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place.
- 7.13.2 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
- 7.13.3 Except when a meeting is adjourned for 30 days or more, it is not necessary to give a notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting on show of hands

- 7.14 At a general meeting a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is demanded before that vote is taken or before the result is declared or immediately after the result is declared.
- 7.15 If a poll is not duly demanded, a declaration by the Chair that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Demand for a poll

- 7.16 A poll may be demanded by either:
- 7.16.1 The Chair.
- 7.16.2 At least two Members entitled to vote on the resolution.
- 7.17 The demand for a poll may be withdrawn.
- 7.18 The demand for a poll does not prevent the continuance of a meeting for the transaction of business other than the question on which a poll is demanded.
- 7.19 If a poll is duly demanded, it must be taken in the manner and, except as to the election of a Chair or on a question of adjournment, either at once or after an interval or adjournment or otherwise as the Chair directs. The result of the poll is the resolution of the meeting at which the poll is demanded.
- 7.20 A poll demanded on the election of a Chair or on a question of adjournment must be taken immediately.

Voting rights of Members

- 7.21 On a show of hands every person present who is a Member has one vote.

- 7.22 On a poll every Member present in person or by proxy, attorney or representative has one vote.

Vote of the Chair at general meetings

- 7.23 The Chair of a general meeting is entitled to a second or casting vote (in addition to any votes he or she may have as a proxy or attorney) in the event of a tied vote.

Objections to voter qualification

- 7.24 No objection may be raised to the qualification of a voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered.
- 7.25 An objection to the qualification of a voter must be referred to the Chair, whose decision is final.
- 7.26 A vote not disallowed according to an objection as provided in this constitution is valid for all purposes.

Mode of meeting for Members

- 7.27 A general meeting may be called or held using any technology consented to by all the Members. The consent may be a standing one. A Member may only withdraw their consent within a reasonable period before the meeting. The Members may otherwise regulate their meetings as they think fit.

Resolution in writing

- 7.28 A resolution in writing signed by all Members entitled to vote on the resolution is to be treated as a determination of the Members passed at a meeting of the Members duly convened and held.

Form of resolution in writing

- 7.29 A resolution in writing may consist of several documents in like form, each signed by one or more Members and if so signed it takes effect on the latest date on which a Member signs one of the documents.
- 7.30 If a resolution in writing is signed by a proxy of a Member, it must not also be signed by the appointing Member and vice versa.
- 7.31 In relation to a resolution in writing a document generated by electronic means which purports to be a facsimile of a resolution of Members is to be treated as a resolution in writing and a document bearing a facsimile of a signature is to be treated as signed.

8 Proxies and representatives

Proxies and representatives of Members

- 8.1 At meetings of Members each Member entitled to vote may vote in person or by proxy or by attorney.

- 8.2 Subject to the terms of their appointment, a person attending as a proxy, or as the attorney of a Member, has all the powers of a Member, except where expressly stated to the contrary.

Appointment of proxies

- 8.3 A Member may appoint another person as their proxy to attend and vote instead of the Member. A proxy need not be a Member.
- 8.3.1 A document appointing a proxy must be in writing, in any form permitted by the Corporations Act and signed by the Member making the appointment.
- 8.3.2 A document appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where the document so provides, the proxy is not entitled to vote on the resolution except as specified in the document.
- 8.3.3 Except as expressly provided by the document appointing a proxy, an appointment of a proxy confers authority to do all things that the Member can do in respect of a general meeting, except that the proxy is not entitled to vote on a show of hands.

Verification of proxies

- 8.4 Before the time for holding the meeting or adjourned meeting at which a proxy proposes to vote, both of the following documents must be deposited with the Company:
- 8.4.1 The document appointing the proxy; and
- 8.4.2 If the appointment is signed by the appointor's attorney, the authority under which the appointment was signed or a certified copy of that authority.
- 8.5 Those documents must either be:
- 8.5.1 received at the Office, at a fax number at the Office or at another place, fax number or electronic address specified for that purpose in the notice convening the meeting not less than 24 hours before the time for holding the meeting; or
- 8.5.2 produced to the Chair of the meeting before the proxy votes.
- 8.6 If a general meeting has been adjourned, an appointment and any authority received by the Company at least 24 hours before the resumption of the meeting are effective for the resumed part of the meeting.

Validity of proxies

- 8.7 A proxy document is invalid if it is not deposited or produced prior to a meeting or a vote being taken as required by this document

Revocation of appointment of proxy

8.8 A vote given in accordance with the terms of a proxy document or power of attorney is valid despite the occurrence of any one or more of the following events if no intimation in writing of any of those events has been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the document is used:

8.8.1 The previous death or unsoundness of mind of the principal; or

8.8.2 The revocation of the instrument or of the authority under which the instrument was executed.

9 Annual General Meeting

9.1 The Company must hold an annual general meeting within eighteen months of incorporation.

9.2 Thereafter the Company shall once in each calendar year convene an annual general meeting of its Members on a date determined by the Board in accordance with the Corporations Act.

9.3 The ordinary business of the annual general meeting is to:

9.3.1 confirm the minutes of the previous Annual General Meeting and any special general meetings held during the previous financial year;

9.3.2 consider the annual financial report of the Company, the report of the Directors and the report of the auditor in relation to the last financial year ended before the Annual General Meeting in accordance with section 250R of the Corporations Act;

9.3.3 consider any resolution of which at least 21 days written notice has been given;

9.3.4 appoint and fix the remuneration of the auditor where required by the Corporations Act; and

9.3.5 consider any matter which it is required to consider as a condition of the funding of the Company or by law.

10 Non-Member Stakeholders

Register of Non-Member Stakeholders

10.1 The Board may create a register of Non-Member Stakeholders.

Eligibility to apply to become a Non-Member Stakeholder

10.2 From 1 July 2012 a person or body corporate or organisation, practising or operating within the Murray Primary Health Network Region and surrounds and which meets the criteria as set out in rules 10.2.1 to 10.2.3 is eligible to apply to become a Non-Member Stakeholder:

10.2.1 A natural person if that person is:

- (a) a registered Australian health practitioner within the meaning of the Health Practitioner Regulation National Law (Victoria) Act 2009 or the Health Practitioner Regulation (Adoption of National Law) Act 2009 (New South Wales); or
- (b) is engaged in, or has an interest in, the delivery of primary health care outside of a hospital setting and has a demonstrated commitment to the Objects of the Company; or

10.2.2 A body corporate which operates

- (a) a hospital, within the meaning of the Health Services Act 1988 (Victoria) the Health Services Act 1997 (New South Wales), or the Private Health Facilities Act 2007 (New South Wales) which provides inpatient (including same day only) treatment ; or
- (b) a registered community health centre (within the meaning of the Health Services Act 1988 (Victoria)); or
- (c) a bush nursing centre; or
- (d) a residential aged care facility or provides flexible or community aged care within the meaning of the Aged Care Act; or

10.2.3 An organisation which has a demonstrated commitment to the Objects of the Company and is engaged in, or has an interest in, the delivery, organisation and coordination of primary health care outside the hospital setting.

Admission as a Non-Member Stakeholder

- 10.3 The Board must consider an application for admission as a Non-Member Stakeholder as soon as practicable after its receipt and determine, in its absolute discretion, the admission or rejection of the applicant as a Non-Member Stakeholder.
- 10.4 The Board does not have to give reasons for accepting or rejecting an application for admission as a Non-Member Stakeholder but must inform the applicant of the outcome.
- 10.5 If an applicant is admitted as a Non-Member Stakeholder, the Secretary must enter the applicant's name and details in a register of Non-Member Stakeholders. It is the obligation of Non-Member Stakeholders to ensure that the Secretary is provided with up to date details.

Removal of Non-Member Stakeholder from register

- 10.6 The Board may in its absolute discretion determine that a person, body corporate or organisation ceases to be a Non-Member Stakeholder and does not need to provide reasons for doing so.

Rights of Non-Member Stakeholders

- 10.7 A Non-Member Stakeholder is a person who has applied for and been admitted as a Non-Member Stakeholder but:

- 10.7.1 is not a Member of the Company and has none of the rights enjoyed by a Member under this Constitution and the Corporations Act;
 - 10.7.2 has the right to attend and speak but not vote at any general meeting of the Company;
 - 10.7.3 may be granted access to certain sections of any website maintained by or on behalf of the Company that are not accessible to the general public but will at a minimum have access to the Company's Business Rules;
 - 10.7.4 may be invited to attend certain events hosted by the Company which are not open to the general public; or
 - 10.7.5 has such other rights not inconsistent with this rule 10 as the Board may determine from time to time;
- 10.8 The Board may determine from time to time that Non-Member Stakeholders will be referred to by some other name or names, provided that such name could not reasonably be misconstrued as representing that Non-Member Stakeholders are Members of otherwise enjoy the same rights as Members of the Company.

11 Appointment and Retirement of Directors

Initial Directors

- 11.1 The initial Directors of the Company are those individuals named in the application to register the Company who have consented to act as Directors.

Term of initial Directors

- 11.2 Two Directors must retire immediately after the first annual general meeting, two Directors retire immediately after the second annual general meeting and three Directors immediately after the third annual general meeting.
- 11.3 The terms of Directors shall be decided at the first meeting of the Board after incorporation. If agreement cannot be reached, the question shall be determined by lot.
- 11.4 Subject to rule 11.15, Directors are eligible for re-appointment.

Number of Directors

- 11.5 The number of Directors must not be less than seven (7) and no more than eleven (11).

Appointment of Directors to take office at the end of the first and subsequent annual general meetings

- 11.6 Not less than three months prior to the first annual general meeting and subsequent annual general meetings, the Board shall advertise, by an appropriate means, the impending vacancies and call for nominations for the office of Director from suitably qualified and experienced persons. After consideration of the mix of skills offered by the candidates, the Board must

appoint those persons who bring appropriate skills as Directors to take office immediately after the first annual general meeting and after subsequent annual general meetings.

- 11.7 Except as provided by rule 11.8 and 11.9 the term of office for Directors appointed pursuant to rule 11.6 will be for three years ending after the relevant annual general meeting in their third year.

Casual vacancies in office of Director

- 11.8 In the event of a casual vacancy prior to the first annual general meeting in the office of an initial Director, being a Director referred to in rule 11.1, but not a Director co-opted pursuant to rule 11.10, the Selection Committee must perform its functions pursuant to rule 12 and the Board must appoint the person selected as a Director for the remainder of the term of the Director who vacated the office.
- 11.9 In the event of a casual vacancy in the office of a Director after the first annual general meeting, the Board may follow the procedure set out in rule 11.6 and appoint an appropriate person as Director for the unexpired term of the Director who vacated the office. The Board may also choose to leave the casual vacancy unfilled until the next annual general meeting, provided that the minimum number of Directors stipulated in 11.5 is maintained.

Co-opted Directors

- 11.10 The Board must, within the first 6 months after the date the Company is incorporated, or may at any time thereafter determine whether it is necessary to co-opt up to three persons who have skills that will enhance the skill set of the Board as Directors. The term of any co-opted Director will be for a period as the Board determines. The Board may at its discretion extend the term of a co-opted Director or reappoint a co-opted Director, provided that the total of the term or terms does not exceed 3 years and that the total number of Directors and co-opted Directors does not exceed the maximum number stipulated at 11.5 at any time.
- 11.11 A vacancy in the office of a co-opted Director may be filled or not at the Board's discretion but if filled the term of office is only for the unexpired term of the Director who vacated the office.
- 11.12 A Director who is co-opted pursuant to rule 11.10 or rule 11.11 has all the powers of a Director.

Removal from office

- 11.13 Company may by ordinary resolution remove a Director from office and that office may be filled as a casual vacancy as provided in rule 11.8 or rule 11.9 as the case may be.

Vacation of office

- 11.14 In addition to the circumstances in which the office of a Director becomes vacant by virtue of the Corporations Act or another provision of this

Constitution, the office of Director immediately becomes vacant if any of the following occurs:

- 11.14.1 The Director becomes an insolvent under administration;
- 11.14.2 The Director becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- 11.14.3 The Director is absent from at least 3 consecutive Board meetings or at least 60 percent of Board meetings over a consecutive period of 12 months without the prior written consent of the Board; or
- 11.14.4 The Director becomes prohibited from being a director by reason of an order made under the Corporations Act.

Only Directors are Members of the company

- 11.15 If a person ceases to be a Director, that person's membership of the Company immediately ceases and this must be noted in the Register referred to in rule 3.5.

Directors not to remain in office for more than nine consecutive years

- 11.16 Directors may be appointed to a number of terms but may not hold office after the annual general meeting at the conclusion of their ninth consecutive year, retiring after the annual general meeting in that year.

12 Selection Committee

Establishment

- 12.1 The Selection Committee was established prior to the incorporation of the Company and its role is to select the initial Directors and to select a person to fill a casual vacancy pursuant to rule 11.8.

Role

- 12.2 The role of the Selection Committee is to advertise a casual vacancy in the office of Director pursuant to rule 11.8, determine the areas of expertise required by the Board (in conjunction with the Board) and select suitable candidates for appointment by the Board to the office of Director.

13 Directors' Remuneration

Determination of fees

- 13.1 The Directors must be paid by way of fees for their services the amounts, if any, determined from time to time by the Company in general meeting.
- 13.2 Directors' fees accrue from day to day.

Payment for expenses

- 13.3 Each Director must be reimbursed for out-of-pocket expenses reasonably and properly incurred by the Director in connection with Company business (including travel and accommodation expenses). Alternatively, the Company may pay such amounts on the Director's behalf.

14 Powers of the Board

- 14.1 The Board may exercise all those powers of the Company as are not, by the Corporations Act or by this constitution, required to be exercised by the Members in general meeting or otherwise.

15 Proceedings of directors

Convening of Board meetings

- 15.1 A Director may at any time, and a Secretary must on the requisition of a Director, convene a Board meeting.

Notice of Board meetings

- 15.2 The person convening a Board meeting must ensure that notice of the Board meeting is given to each Director at least two Business Days before the meeting or at another time determined by Board resolution, except:

15.2.1 All Directors may waive in writing the required period of notice for a particular meeting; and

15.2.2 It is not necessary to give a notice of a meeting of Directors to a Director who is out of Australia or who has been given leave of absence by the Board.

Mode of meeting for Directors

- 15.3 A Board meeting may be called or held using any technology consented to by all the Directors. The consent may be a standing one. A Director may only withdraw their consent within a reasonable period before the meeting. The Board may otherwise regulate its meetings as they think fit.

Quorum at Board meetings

- 15.4 At a Board meeting, the number of Directors whose presence is necessary to constitute a quorum is fifty percent of all Directors plus another Director.

- 15.5 If the number of Directors is reduced below the number necessary for a quorum of Directors, the continuing Director or Directors may act only to:

15.5.1 appoint additional Directors to the number necessary for a quorum; or

15.5.2 convene a general meeting of the Company.

Voting at Board meetings

- 15.6 The Board must determine any questions arising at a Board meeting by a majority of votes of Directors present and voting.

Appointment of Chair

- 15.7 The Board may elect a Director as Chair to chair Board meetings, and may determine the period for which the Chair will hold office.
- 15.8 If no Chair is elected, or if at any meeting the Chair is not present within ten minutes after the time appointed for holding the meeting or is unwilling to act, the Directors present must choose one of their number to chair that meeting.

Chair's vote at Board meetings

- 15.9 The Chair (or other Director chairing the meeting in accordance with rule 15.8) has a second or casting vote at Board meetings in the event of a tied vote.

Participation where Directors interested

- 15.10 A Director may be present and may vote on a matter before the Board if and to the extent that they are permitted to do so under the Corporations Act.
- 15.11 If there are not enough Directors to form a quorum as a result of a Director having an interest which disqualifies them from voting then one or more of the Directors (including those who have the disqualifying interest in the matter) may call a general meeting of the Company and the general meeting may pass a resolution to deal with the matter.
- 15.12 Subject to compliance with the Corporations Act, a Director may execute or participate in the execution of a document by or on behalf of the Company.

No disqualification

- 15.13 Subject to compliance with the Corporations Act, a Director or any entity in which the Director has a direct or indirect interest (as applicable) may:
- 15.13.1 Enter into a contract or arrangement with an Associated Party;
 - 15.13.2 Hold any office or place of profit (other than auditor) in an Associated Party; and
 - 15.13.3 Act in a professional capacity (or be a member of a firm that so acts) other than as auditor of an Associated Party.
- 15.14 Despite the fiduciary nature of a Director's office and the Director's fiduciary obligations:
- 15.14.1 Any contract or arrangement entered into in accordance with rule 15.13.1 by the Director or any entity in which the Director has a direct or indirect interest is not invalid or voidable; and
 - 15.14.2 A Director may do any of the things specified in rule 15.13 without any liability to account to the Company or any other

person for any direct or indirect benefit accruing to the Director or any entity in which the Director has a direct or indirect interest.

Exercise of rights

- 15.15 If the Company holds or owns membership, shares or other interests in another body corporate, trust or other entity, the Board may exercise any and all voting rights conferred by the membership, shares or interests in any manner they consider fit.

Delegation of powers

- 15.16 Subject to rule 16.5, the Board may delegate any of its powers to any person, as the Board sees fit. This includes delegating any of the Board's powers to committees consisting of Directors or other persons (as the Board sees fit) to act in Australia or elsewhere.
- 15.17 A committee's exercise of a power in accordance with this constitution is to be treated as the exercise of that power by the Board.
- 15.18 A committee must conform to the directions of the Board in the exercise of any powers delegated to it.

Obligations of the Board to Non-Member Stakeholders

- 15.19 The Board must develop a Board Charter, review it from time to time and make it available to Non-Member Stakeholders. The Board Charter is to include Board policies and procedures and include:
- 15.19.1 terms of reference for any Board sub-committee or any Advisory Committee established under rule 16;
 - 15.19.2 Board remuneration policy; and
 - 15.19.3 Director succession and selection process.
- 15.20 The Board must ensure that submissions from external bodies are communicated to Non-Member Stakeholders, save for matters that are commercial in confidence or otherwise confidential.
- 15.21 The Board must have regard to recommendations from the Advisory Committees established pursuant to rule 16 and provide written responses including a decision rationale. Except where the response includes commercial in confidence or otherwise confidential information, the response must be disseminated to Non-Member Stakeholders.
- 15.22 In addition to its Board Charter, the Board is to ensure that the Company publishes annually to Non-Member Stakeholders its Business Rules. These must include key policies for engagement, contracting and procurement as well as the principal mechanisms for the organisational engagement with government, the community, consumers and Non-Member Stakeholders,

16 Committees Generally and Advisory Committees

Committees for good governance

- 16.1 The Board must establish those committees required to ensure good governance, including the areas of risk management, audit and financial management.

Advisory committees

- 16.2 The Board must establish Advisory Committees to provide advice and make recommendations to the Board on specified matters but must address the following areas:

16.2.1 General Practice;

16.2.2 Clinical Governance;

16.2.3 Consumer Engagement;

16.2.4 Population Health Planning; and

16.2.5 Planning.

- 16.3 The Board must, with respect to an Advisory Committee:

16.3.1 Specify in writing from time to time the terms of reference, functions, skills set and membership of an Advisory Committee which must provide for:

(a) appointment of a Director to the committee;

(b) election of a Chairperson (not being a Director);

(c) provide for the Chairperson to report to the Board quarterly and attend a Board meeting once every six months;

(d) representation that acknowledges the geography and demography of the region; and

(e) such other matters as the Board determines.

16.3.2 Seek applications from potential members for each standing advisory committee and select the members and appoint such persons as the Board considers appropriate and remove any such person from the Advisory Committee at any time by written notice;

16.3.3 Specify the period and conditions (including as to remuneration, if any) of any such appointment to an Advisory Committee; and

16.3.4 Provide sufficient resources to enable an Advisory Committee to undertake its work.

- 16.4 The Board may establish additional Advisory Committees.

- 16.5 The Board must not delegate any of its powers to an Advisory Committee, and an Advisory Committee must not exercise any powers of a Director or the Board.

Proceedings of committees

- 16.6 Except as provided in a direction of the Board, the meetings and proceedings of a committee formed by the Directors or an Advisory Committee must be governed by the provisions of this Constitution, in so far as they are applicable, as if meetings and proceedings of the committee or Advisory Committee are meetings and proceedings of the Board.

17 Matters of a General Nature relating to Board Proceedings

Validity of acts of Directors

- 17.1 All acts done by a Board meeting or of a committee of Directors or an Advisory Committee or by a person acting as a Director are valid even if it is later discovered that there is a defect in the appointment of a person to be a Director or a member of the committee or that they or any of them were disqualified or were not entitled to vote.

Minutes

- 17.2 The Board must cause minutes of all proceedings of general meetings, of Board meetings and of committees formed by the Directors, or by an Advisory Committee to be entered, within one month after the relevant meeting is held, in books kept for the purpose.
- 17.3 The Board must cause all minutes, except resolutions in writing treated as determinations of the Board, to be signed by the Chair of the meeting at which the proceedings took place or by the Chair of the next succeeding meeting.

Resolution in writing

- 17.4 A resolution in writing signed by all Directors entitled to vote on the resolution (excluding Directors who have requested and been given leave of absence by the Board)] is to be treated as a determination of the Board passed at a Board meeting duly convened and held.
- 17.4.1 A resolution in writing may consist of several documents in like form, each signed by one or more Directors and if so signed it takes effect on the latest date on which a Director signs one of the documents; and
- 17.4.2 In relation to a resolution in writing a document generated by electronic means which purports to be a facsimile of a resolution of Directors is to be treated as a resolution in writing and a document bearing a facsimile of a signature is to be treated as signed.

18 Secretary

- 18.1 The Board may appoint one or more Secretaries and may at any time terminate the appointment or appointments.

- 18.2 The Board may determine the terms and conditions of appointment of a Secretary, including remuneration. Any one of the Secretaries may carry out any act or deed required by this constitution, the Corporations Act or by any other statute to be carried out by the secretary of the Company.

19 Indemnity and insurance

Indemnity

- 19.1 Every officer and past officer of the Company may be indemnified by the Company, to the fullest extent permitted by law, against a liability incurred by that person as an officer of the Company or a subsidiary of the Company, including without limitation legal costs and expenses incurred in defending an action.

Insurance premiums

- 19.2 The Company may pay the premium on a contract insuring a person who is or has been an officer of the Company to the fullest extent permitted by law.

20 Seals and execution of documents

- 20.1 If the Company has one, the Board must provide for the safe custody of the Seal.

Execution of documents

- 20.2 The Company may execute a document by affixing the Seal to the document where the fixing of the Seal is witnessed by any of the following:

20.2.1 By two Directors;

20.2.2 By a Director and the Secretary; or

20.2.3 By a Director and some other person authorised by the Directors for that purpose.

- 20.3 The Company may execute a document without the use of a seal if the document is signed by either of the following:

20.3.1 By two Directors; or

20.3.2 By a Director and the Secretary.

Official seals

- 20.4 The Company may have for use in place of the Seal outside the jurisdiction where the Seal is kept one or more official seals to be used in accordance with procedures approved by the Board.

21 Gift Fund Requirements

Company to maintain a Gift Fund

- 21.1 The Company must maintain a Gift Fund in accordance with this rule 21 for so long as it seeks or has obtained endorsement as a DGR from the Australian Taxation Office, or the Company is named as a DGR in ITAA 97.

Rules applying to the Gift Fund

- 21.2 The following rules apply to any Gift Fund established and maintained by the Company:
- 21.2.1 The Gift Fund must have a name;
- 21.2.2 The Company must maintain sufficient documents to provide evidence of the Gift Fund's purpose and operations;
- 21.2.3 The Company must maintain a separate bank account for the Gift Fund;
- 21.2.4 The following must be credited to the Gift Fund:
- (a) All gifts of money or property to the Company for the Principal Purpose; and
 - (b) All money or property received by the Company because of those gifts.
- 21.2.5 No other money or property may be credited to the Gift Fund; and
- 21.2.6 The Company must use any gifts, money or property of the kind referred to in rule 21.2.4 only for the Principal Purpose.

Winding up of Gift Fund

- 21.3 Despite rule 22, if the Gift Fund is wound up or the Company ceases to be a DGR for any reason, any surplus assets of the Gift Fund remaining after the payment of liabilities attributable to it must be transferred to a fund, authority or institution to which income tax deductible gifts can be made. For the avoidance of doubt, if a Gift Fund operated by the Company is wound up but the Company remains a DGR and operates any other gift fund in accordance with this rule 16, any surplus assets of the Gift Fund that is being wound up may be transferred to any other gift fund operated by the Company.

Definitions

- 21.4 In this rule 16 the following definitions apply:

DGR means a 'deductible gift recipient' within the meaning of section 30-227 of ITAA97.

Gift Fund means a fund that is maintained for the Principal Purpose.

ITAA 97 means Income Tax Assessment Act 1997 (Cth).

Principal Purpose means the purposes of the Company as reflected in the objects of the Company specified in rule 2, or any of those purposes.

22 Surplus assets on winding up or dissolution

22.1 Subject always to rule 21.3, upon the winding up or dissolution of the Company, any remaining property after satisfaction of all debts and liabilities, will not be paid to or distributed among the Members, but will be given or transferred to some other institution or company which satisfies both of the following requirements:

22.1.1 It has objects similar to the objects of the Company;

22.1.2 Its constituent documents prohibit the distribution of its income and property among its members on terms substantially to the effect of rule 6; and

22.2 This is to be determined by the Members at or before the time of winding up or dissolution of the Company and, in default of any determination, by the Supreme Court of the State or Territory in which the Office is located.

23 Accounts, audit and records

Accounts

23.1 The Board must cause proper accounting and other records to be kept in accordance with the Corporations Act.

Reports

23.2 To the extent required by the Corporations Act, the Board must cause the Company to:

23.2.1 Prepare financial reports in accordance with the Corporations Act;

23.2.2 Prepare directors' reports in accordance with the Corporations Act;

23.2.3 Notify each Member of the Member's right to receive reports from the Company; and

23.2.4 Provide members with reports, in a form and within such timeframe as may be required by the Corporations Act.

Audit

23.3 A registered company auditor must be appointed. The remuneration of the auditor must be fixed and the auditor's duties regulated in accordance with the Corporations Act.

Rights of inspection

23.4 Members shall have the right to inspect the accounting records and other documents of the Company to the extent permitted by the Corporations Act.

24 Notices

Persons authorised to give notices

- 24.1 A notice by either the Company or a Member in connection with this constitution may be given on behalf of the Company or Member by a solicitor, director or company secretary of the Company or Member.
- 24.2 The signature of a person on a notice given by the Company may be written, printed or stamped.

Method of giving notices

- 24.3 In addition to the method for giving notices permitted by statute, a notice by the Company or a Member in connection with this constitution may be given to the addressee by any of the following means:
- 24.3.1 By delivering it to a street address of the addressee;
- 24.3.2 By sending it by prepaid ordinary post (airmail if outside Australia) to a street or postal address of the addressee; or
- 24.3.3 By sending it by facsimile or email to the facsimile number or email address of the addressee.

Addresses for giving notices to Members

- 24.4 The street address or postal address of a Member is the street or postal address of the Member shown in the Register.
- 24.5 The facsimile number or email address of a Member is the number which the Member may specify by written notice to the Company as the facsimile number or email address to which notices may be sent to the Member.

Address for giving notices to the Company

- 24.6 The street and postal address of the Company is the Office.
- 24.7 The facsimile number or email address of the Company is the number which the Company may specify by written notice to the Members as the facsimile number or email address to which notices may be sent to the Company.

Time notice of meeting is given

- 24.8 A notice of meeting given in accordance with this constitution is to be taken as given, served and received at the following times:
- 24.8.1 If delivered in writing to the street address of the addressee, at the time of delivery;
- 24.8.2 If it is sent by post to the street or postal address of the addressee, on the business day after posting; or
- 24.8.3 If sent by facsimile or email to the facsimile number or email address of the addressee, at the time transmission is completed.

Time other notices are given

- 24.9 A notice given in accordance with this constitution is to be taken as given, served and received at the following times:
- 24.9.1 If delivered in writing to the street address of the addressee, at the time of delivery;
 - 24.9.2 If it is sent by post to the street or postal address of the addressee, on the 2nd (5th if outside Australia) business day after posting; or
 - 24.9.3 If sent by facsimile or email to the facsimile number or email address of the addressee, at the time transmission is completed.

Proof of giving notices

- 24.10 The sending of a notice by facsimile or email and the time of completion of transmission may be proved conclusively by production of the relevant one of the following:
- 24.10.1 A transmission report by the facsimile machine from which the notice was transmitted which indicates that a facsimile of the notice was sent in its entirety to the facsimile number of the addressee; or
 - 24.10.2 A print out of an acknowledgment of receipt of the email or equivalent proof that the email was successfully transmitted.

Persons entitled to notice of meeting

- 24.11 Notice of every general meeting must be given by a method authorised by this constitution to all of the following persons:
- 24.11.1 Every Member;
 - 24.11.2 Every Director; and
 - 24.11.3 The auditor for the time being of the Company, if any.
- 24.12 No other person is entitled to receive notices of general meetings.

25 Definitions and Interpretation

Definitions

- 25.1 In this document the following definitions apply:
- 25.1.1 **Act** means the Corporations Act 2001 (Cth).
 - 25.1.2 **Advisory Committee** means the advisory committee established under rule 16.1.
 - 25.1.3 **Associated Party** means each of the following:
 - (a) The Company;

- (b) Any Related Body Corporate of the Company; and
- (c) Any other body corporate, trust or entity promoted by the Company or in which the Company has an interest of any kind.

- 25.1.4 **Board** means the Directors acting as the board of the Company.
- 25.1.5 **Business Days** means any day when the banks are open for business in Melbourne;
- 25.1.6 **Business Rules** means the rules referred to in rule 15.22.
- 25.1.7 **Board Charter** means the charter developed by the Board pursuant to rule 15.19.
- 25.1.8 **Chair** means the Director elected under rule 15.7 to preside as chairperson at Board meetings for the time being.
- 25.1.9 **Company** means Murray PHN Limited ACN 156 423 755.
- 25.1.10 **Corporations Act** means the Corporations Act 2001 (Cth).
- 25.1.11 **Director** means a person occupying the position of a director of the Company.
- 25.1.12 **Murray Primary Health Network Region** means the area defined as such by the Department of Health.
- 25.1.13 **Member** means a person whose name is entered in the Register as a member of the Company.
- 25.1.14 **Non-Member Stakeholder** has the meaning given in rule 10.
- 25.1.15 **Office** means the registered office of the Company.
- 25.1.16 **Register** means the register of Members referred to in rule 3.5.
- 25.1.17 **Related Body Corporate** has the meaning given in the Corporations Act.
- 25.1.18 **Seal** means, if the Company has one, the common seal of the Company.
- 25.1.19 **Secretary** means a person appointed to perform the duties of the secretary of the Company.
- 25.1.20 **Termination Event** means:
 - (a) If a Member is an individual, the death or bankruptcy of that Member or that Member becoming of unsound mind or becoming a person whose property is liable to be dealt with under a law about mental health.

Interpretation

- 25.2 In this constitution, unless the context otherwise requires:
- 25.2.1 A reference to any law or legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision, in either case whether before, on or after the date of this document;
 - 25.2.2 A reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;
 - 25.2.3 A reference to a rule, part, schedule or attachment is a reference to a rule, part, schedule or attachment of or to this constitution;
 - 25.2.4 Where a word or phrase is given a defined meaning another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning;
 - 25.2.5 A word which indicates the singular indicates the plural, a word which indicates the plural indicates the singular, and a reference to any gender indicates the other genders;
 - 25.2.6 An expression importing a natural person includes any Company, trust, partnership, joint venture, association, body corporate or public authority;
 - 25.2.7 A reference to dollars or \$ means Australian dollars;
 - 25.2.8 References to the word 'include' or 'including' are to be construed without limitation;
 - 25.2.9 A reference to a time of day means that time of day in the place where the Office is located;
 - 25.2.10 A reference to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in the place where the Company's office is located;
 - 25.2.11 Where a period of time is specified and dates from a given day or the day of an act or event it must be calculated exclusive of that day; and
 - 25.2.12 A term of this constitution which has the effect of requiring anything to be done on or by a date which is not a business day must be interpreted as if it required it to be done on or by the next business day.

References to the constitution

- 25.3 A reference to the constitution, where amended, means this document as so amended.

Replaceable rules

- 25.4 Each of the provisions of the Act which would but for this rule apply to the Company as a replaceable rule within the meaning of the Act are displaced and do not apply to the Company.

Application of Corporations Act

- 25.5 Unless the context otherwise requires,

25.5.1 An expression used but not defined in this constitution has the same meaning given in the Corporations Act; and

25.5.2 Where an expression referred to in rule 20.5.1 has more than one meaning in the Corporations Act and a provision of the Corporations Act deals with the same matter as the relevant rule of this constitution, the expression has the same meaning as in that provision.