

## PROPOSED SCHEME OF ADMINISTRATION

### *Interpretation*

1. For the purposes of this Scheme, unless the contrary intention appears:
  - 1.1. The *Act* means the *Fair Work (Registered Organisations) Act 2009* (Cth) (the **RO Act**);
  - 1.2. The *Administrator* means the person appointed under clause 2 of the Scheme;
  - 1.3. HSU means the Health Services Union, an organisation registered under the RO Act;
  - 1.4. *HWU Branch* means the Branch of the HSU referred to as 'Victoria No.1' by Rule 48(a) of the Rules;
  - 1.5. the HWU Branch Officers are the persons holding the following offices under the Rule 40:
    - 1.5.1. Branch Secretary (per Rule 48)
    - 1.5.2. Branch President (per Rule 46)
    - 1.5.3. Branch Senior Vice President (per Rule 47)
    - 1.5.4. Branch Junior Vice President (per Rule 47)
    - 1.5.5. Branch Assistant Secretary (per Rule 49); and
    - 1.5.6. Two Branch Trustees (per Rule 51)
  - 1.6. The Branch Finance Committee means the persons referred to and appointed under Rule 75(b)(iii).
  - 1.7. The *Order* means the Order of the Court approving this Scheme under s 323 of the Act;
  - 1.8. The *Rules* means the Rules of the HSU.

### *Operation of this Scheme*

2. This Scheme operates and applies to the HWU Branch notwithstanding anything in the Rules.

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***Appointment of Administrator and Administrator's powers***

3. By this Order, the Court:
  - 3.1. appoints Charlie Donnelly as the Administrator of the HWU Branch.
  - 3.2. declares all elected offices in the HWU Branch vacant.
4. Despite clause 3.2, the vacation of the offices referred to therein shall not affect or terminate the employment of any person who, by reason of the office they held immediately prior to the date of this Order, was employed by the HSU.
5. Within seven days of the making of the Order, those persons whose offices are declared vacant pursuant to clause 3.2 shall return to the Administrator all property (including credit cards) of the HSU or the HWU Branch, as the case may be, in their possession.
6. As and from the making of the Order and for the period of the Order, the Administrator shall have and exercise such powers and duties of the HWU Branch Committee, the HWU Branch Officers and the HWU Branch Finance Committee as are conferred on those bodies by the Rules and the Act.
7. Without in any way limiting the powers in paragraph 6 above, the Administrator shall have power to:
  - 7.1. engage such employees and consultants as the Administrator deems necessary to enable the Administrator to carry out the duties and functions conferred on the Administrator under this Scheme; and
  - 7.2. appoint any person deemed suitable to them as a proxy to represent them at any meeting of the National Council or National Executive of the HSU provided that a separate written appointment is made for each such meeting, and each such instrument may provide instructions to the proxy as to how the proxy should vote and must do so in the event of a vote being required on any matter that, in the opinion of the Administrator, may adversely affect the interests of the members of the HWU Branch, and to avoid doubt, any such instructions may include a direction to abstain from voting.
8. Without in any way limiting the powers in paragraph 6 and 7 above, the Administrator shall take such steps as they deem necessary in order to:
  - 8.1. investigate and rectify any financial irregularities in relation to the HWU Branch;
  - 8.2. investigate and rectify any operational or administrative defect or deficiency that in the opinion of the Administrator exists in connection with the HWU Branch; and

- 8.3. establish and implement internal control policies and procedures to ensure the HWU Branch is conducted in accordance with the principles of good corporate governance and to ensure accountability to the members of the HWU Branch.
9. The Administrator shall, as soon is reasonably practicable after the date of the Order cause to be prepared:
  - 9.1. Financial accounts, setting out the assets and liabilities, of the HWU Branch and a profit and loss statement.
  - 9.2. A report examining the solvency of the HWU Branch.
  - 9.3. A report examining the financial relationships and dealings between the HWU Branch and suppliers of goods and services.
  - 9.4. A report examining the Branch's compliance with the HSU's policies for the expenditure of Branch funds, including the practices for approving expenditures by Branch officers and member of the Branch Committee.
  - 9.5. A report examining the accuracy of the register of members of the HWU Branch, and whether members have been properly removed from the register in accordance with the Rules and the FWRO Act.
10. The administrator shall:
  - 10.1. provide the abovementioned reports to the National Secretary; and
  - 10.2. provide verbal or written reports at National Executive meetings on the status of the administration and any relevant matters/issues that have arisen during the administration.
11. Any member of the HSU or the HWU Branch holding real or personal property of the HSU for or on behalf of the HWU Branch, whether as registered proprietor, trustee or otherwise, shall, at the request of the Administrator deliver up or transfer such property to the Administrator.

***Duration of administration***

12. The Administrator shall use their best endeavours to ensure the completion of the administration by the day the Returning Officer makes the written declaration referred to in Rule 23A(d)(xxiii)(b) of the Rules, or such further time as the Court may allow.
13. Upon being satisfied that the HWU Branch is functioning effectively, the Administrator will issue a certificate stating that they are so satisfied. Such certificate will take effect upon it being issued.
14. With effect from the date of the Administrator issuing a certificate, the Administrator will take the necessary steps to arrange for the conduct of elections for offices in the HWU Branch, provided that the Administrator is

satisfied that the timing of the election will not prejudice the ability of the HWU Branch to function effectively during the period between the completion of that election and the completion of the 2026 quadrennial elections under Rule 23A of the Rules. Such elections will be conducted in accordance with the Rules and the FWRO Act, including in accordance with s 323(7) of the FWRO Act.

15. Despite anything to the contrary in the Rules, no election shall be held in respect of offices in the HWU Branch until after the issuing of the certificate or the commencement (subject to the Court allowing further time under paragraph 12 herein) of the quadrennial elections for the HWU Branch under Rule 23A of the Rules, whichever applies.
16. Upon the declaration, in accordance with the ~~RO FWRO~~ Act and the Rules, of the results of an election for offices of the HWU Branch conducted as set out above, the office holders elected will take office in the HWU Branch and the Administrator shall cease to act under this Scheme.
17. A person elected to an office in the HWU Branch as a result of an election arranged by the Administrator under paragraph 14 herein before the quadrennial elections under Rule 23A of the Rules shall hold office for the balance of any term of office until the ~~usual~~ quadrennial elections of the HWU Branch are commenced in 2026.

#### ***Payment of the Administrator***

18. The HWU Branch shall pay the fees and expenses of the Administrator in carrying out their functions under this Scheme.

#### ***Indemnification of the Administrator***

19. The HSU shall indemnify the Administrator in respect of any and all claims, proceedings, or complaints made in connection with the Administrator's exercise or non-exercise of any of the functions, powers and duties under this Scheme, including in relation to the cost of defending such claims, proceedings or complaints, and in relation to the payment of any compensation, penalties or other amounts awarded or paid in the determination, settlement, or other resolution, of such compensation, penalties or other amounts.
20. The indemnification provided for in clause 19 above will continue after the Administrator ceases to act as Administrator under this Scheme, as long as the relevant exercise or non-exercise of functions, powers and duties occurred at a date when the Administrator still had functions, powers and duties under this Scheme.