

Quick Guide: Special general meetings

for Victorian incorporated associations

Changes to the law for Victorian incorporated associations:

New laws for Victorian incorporated associations, the *Associations Incorporation Reform Act* (Vic) (**AIR Act**), came into effect on 26 November 2012. The new laws include new model rules for incorporated associations.

There is a transition period until 26 November 2013, where associations using the old model rules can elect to transfer to the new model rules. On 26 November 2013, all associations still using the old model rules will automatically be transferred to the new model rules. This information sheet includes references to both the old and new model rules.

Associations with their own rules can continue to use their own rules, but where their rules do not address matters required by the new laws, the new model rule that deals with that matter will automatically apply to that association.

For more information on the transition period and the new laws, go to PilchConnect's [Transitional Guide](#) and PilchConnect's [resource page](#) on the new laws.

A special general meeting (**SGM**) is a special meeting of the members of an incorporated association which must be convened in accordance with laws and using the procedures in the organisation's rules (so long as they are consistent with the law). SGMs are often called to deal with business that cannot wait until an organisation's annual general meeting. As SGM is any general meeting (of an association's members) that is not an annual general meeting.

Procedures for SGMs of incorporated associations in Victoria can vary considerably between organisations, depending on the type of organisation, who is attending and what is being discussed. However, the law sets out mandatory minimum rules for giving notice of and conducting a SGM. It is also important for all organisations to take accurate minutes of an SGM and to keep them in a secure place.

This information sheet provides a quick guide to SGMs for Victorian incorporated associations. For more detailed information about meeting your legal requirements, please see Part 6 of [A Secretary's Satchel: A Guide for Secretaries](#).

Quick Guide to SGMs for Victorian incorporated associations

	Quick explanation	Example	Top Tips
When it must be held	SGMs are held when required, to give members the opportunity to deal with specific business of an organisation raised by members or the committee.	<p>Examples include:</p> <ul style="list-style-type: none"> ▶ a meeting to remove a committee member from their office ▶ a meeting to make changes to an organisation's rules, or ▶ a meeting proposing to remove an auditor. 	<p>Remember, an association needs to give advance notice of the time and place of a SGM to all its members. If a special resolution will be put to members, extra requirements need to be met (see below).</p> <p>The AIR Act permits SGMs to be conducted using technology, provided every person can hear and be heard</p>
What happens if an SGM is not held when scheduled	You should adjourn (and re-schedule) special general meetings in accordance with your association's rules.	<p>Usually the chairperson is required to adjourn if there is no quorum present after a specified time.</p> <p>There may also be other circumstances where adjourning the meeting is appropriate (such as if a venue is double booked, or other circumstances affect holding a functional meeting, or if not all business can be addressed within a reasonable time).</p>	<p>If a meeting is adjourned, you will need to consider whether a new notice is required. Check your organisation's rules for any specific provisions about this.</p> <p>If in doubt, it is best to send out a new notice.</p>

	Quick explanation	Example	Top Tips
How to notify members	<p>You should notify members in accordance with your association's rules, and legal requirements. Beware – if you do not follow the notice requirements in your association's rules then the subsequent meeting may be invalid.</p> <p>There are special requirements under the AIR Act for giving notice of particular types of SGMs. These are:</p> <ul style="list-style-type: none"> ▶ a meeting proposing a <i>special resolution</i>, and ▶ a meeting proposing to <i>remove an auditor</i>. <p>In these circumstances, there are certain items of business that must be covered off in a SGM notice of meeting.</p>	<p>For example, if you use the model rules, old model rule 12 and new model rule 33 requires that members should receive notice at least 14 days before the meeting, and at least 21 days before the meeting if a special resolution is proposed.</p> <p>See, Tool 1 Checklist for notice of AGM in Part 5: Annual General Meetings of the Secretary's Satchel: A Guide for Secretaries. This tool can also be used for Special General meetings.</p> <p>Also see, Tool 2 Sample notice for SGM in Part 6 Special General Meetings of the Secretary's Satchel: A Guide for Secretaries.</p>	<p>The secretary of an incorporated association is usually responsible for preparing and giving notice of meetings under the organisation's rules. This is an important job. If a notice of meeting is not correctly prepared and given, the meeting may be invalid and decisions made at it may be void (of no legal effect).</p> <p>If your association uses the old or new model rules, the only matters that can be discussed and voted on at an SGM are the ones set out in the notice of meeting. All items of business should be set out in the notice. Check your organisation's own rules and procedures, as they may have different requirements.</p>

	Quick explanation	Example	Top Tips
What is the usual procedure for running an SGM	<p>You must follow the requirements in your association's rules.</p> <p>There are special requirements if a resolution to remove an auditor is proposed to be passed at an SGM. One of these requirements is that, unless CAV orders otherwise, the auditor must be allowed to:</p> <ul style="list-style-type: none"> ▶ attend the SGM at which resolution to remove them is to be considered, and ▶ talk to the meeting before the vote on the proposed resolution is taken. 	<p>A typical agenda might include: welcome, apologies, confirmation of minutes of the previous SGM, and clearly set out the issues to be determined, vote on resolutions, close meeting.</p>	<p>Commonly, notices (and correspondingly, agendas) for SGMs include a catch-all item such as "any other business" or "general business". This allows members to discuss any additional matters which arise at the meeting (such as setting a time and place for the next meeting) and could otherwise not be discussed.</p> <p>It can be a good idea to include a meeting agenda with the notice of meeting.</p>
Voting at SGM	<p>Unless your rules say otherwise, an ordinary resolution is passed by a "simple majority" of members who vote at an SGM. A simple majority is when more than half of the members present and voting at the meeting, vote "in favour of" (for) the resolution.</p> <p>All associations (regardless of what their rules say) must pass a special resolution (requiring at least 75% of members present, including by</p>	<p>If a vote is tied, most organisations' rules say that the chairperson has a second (or "casting") vote to decide the matter. This is the position in both the old and new model rules.</p> <p>Commonly, the chairperson will exercise this vote to maintain the existing situation (so that a controversial resolution will not be passed).</p> <p>Also see, Tool 4 Table of voting methods and Tool 6 Sample wording for allowing direct</p>	<p>The usual procedure for voting at an SGM is that the chairperson will:</p> <ul style="list-style-type: none"> ▶ clearly state the motion to be put to the meeting ▶ take a vote from those present (including via technology) and entitled to vote (including those present by proxy, see see the section on Proxy Voting on page 5.17 and Tool 5 Flowchart for reviewing proxies in Part 5: Annual General Meetings of the Secretary's Satchel: A Guide for Secretaries.

	Quick explanation	Example	Top Tips
	<p>proxy, and entitled to vote, to vote in favour) for certain types of resolutions such as changing an association's rules.</p> <p>Associations' rules may set out procedures for proxy voting, direct voting, and voting methods, which can include:</p> <ul style="list-style-type: none"> ▶ show of hands ▶ poll (a vote in writing), or ▶ secret ballot. 	<p>voting in your rules in Part 5: Annual General Meetings of the Secretary's Satchel: A Guide for Secretaries. These tools can also be used for Special General meetings.</p>	<p>This information and tool can also be used for Special General Meetings.)</p> <ul style="list-style-type: none"> ▶ determine the result, and ▶ announce the result of the vote. <p>Some decisions passed by special resolution (for example, changing the organisation's rules) are not official under the AIR Act until they have been approved by CAV. Depending on the type of decision, you may need to notify CAV of the special resolution and seek approval for the change.</p> <p>Members may wish or be required to 'abstain' from voting (eg. if they have a material personal interest in the motion), or may oppose a motion and request that their opposition is noted.</p>
Taking minutes	<p>The AIR Act requires the rules of incorporated associations in Victoria to include provisions about keeping accurate minutes of SGMs and allowing members access to such minutes of the organisation.</p> <p>In addition, an inspector from Consumer Affairs Victoria (CAV) may, with a Magistrates' Court</p>	<p>See Tool 7 Checklist for contents of minutes in Part 5: Annual General Meetings of the Secretary's Satchel: A Guide for Secretaries, contains a table with suggested content of minutes of meetings.</p> <p>See also, Tool 8 Conventions for drafting minutes and Tool 9 Flowchart for confirming and verifying minutes in Part 5: Annual General Meetings of the Secretary's Satchel:</p>	<p>Experience shows that it is best to write up the first draft of minutes as soon as possible after the AGM. Memory is fresh and the task can be done more quickly and efficiently than leaving it until just before the next meeting!</p> <p>The minutes are an official historical record of the organisation, so it is good practice to record in the minutes the</p>

	Quick explanation	Example	Top Tips
	<p>order, require the organisation, or any person who is involved in the organisation's activities (which includes the secretary) to give the inspector specified relevant documents of the organisation.</p> <p>You will need to make sure that SGM minutes are kept securely for approval at the next general meeting, where they should be confirmed as an accurate record of the meeting and verified by the chairperson.</p>	<p>A Guide for Secretaries.</p> <p>These tools can also be used for Special General meetings.</p>	<p>name and position of office bearers (chairperson, secretary, treasurer) as well as names of members and any other people present (such as observers).</p> <p>It is useful for the secretary to circulate draft minutes with an "action list" to the people or sub-committees who have been given specific tasks at the SGM.</p>

Important:

If your organisation's rules do *not* cover any of the matters in Schedule 1 of the AIR Act, the provisions of the new model rules that address those matters will apply to your organisation automatically.

PilchConnect resources

The PilchConnect web portal is: www.pilch.org.au/legal_info/.

- ▶ Part 6 Special General Meetings in, [A Secretary's Satchel – Guide for Secretaries](#), which includes tools and checklists, and more detailed information.
- ▶ [Running the organisation](#)
- ▶ [When things change](#)

Legislation

Associations Incorporation Reform Act 2012 (Vic)
Associations Incorporation Regulations 2012 (Vic).

Consumer Affairs Victoria

- ▶ [Consumer Affairs Victoria \(CAV\)](#)

The government agency responsible for regulating Victorian Incorporated Associations.