

UTR6.202 -THE ELIZABETH AND VERNON PUZEY FOUNDATION No 1

Recitals-

- A. Mrs Elizabeth Bernaldo Puzey of 397 Toorak Road, South Yarra in the State of Victoria by an Agreement dated 5 September 1992 gave her home to the University subject to her retaining a life interest. The Agreement states that-
- 'On the understanding that Elizabeth is desirous of providing for the health and wellbeing of all residents of Australia and is concerned that the rewards (both salary and otherwise) presently offered and available in Australia are not adequate to prevent substantial numbers of well qualified persons in medical research, science and engineering from leaving the country and applying their skills elsewhere to the disadvantage of Australia and its residents generally and is anxious to provide inducements calculated to counter this trend, it has been agreed by the parties that The University will accept the gift of the Property upon the terms and conditions contained herein.'
- B. The Agreement records that the University acknowledged the express wish of the donor that-
- (i) in arriving at its recommendation the Elizabeth and Vernon Puzey Foundation Awards Committee will have regard to her intentions that the persons eligible to receive awards should be Australian citizens resident in Australia and without the need to leave Australia to augment his or her knowledge;
- (ii) the Trust Fund should not be fragmented into a number of small awards or combined with other like funds but should be in the nature of Fellowships or post-graduate Research Scholarships and that expenditure on associated equipment should not constitute a major part of the award;
- (iii) the net income from the trust Fund should as nearly as possible be shared equally by the faculties of Medicine, Science and Engineering over a reasonable period of time notwithstanding there may be annual distributions of income;
- (iv) a Financial report be prepared by the said Committee at intervals of not less than one (1) year showing details of income and expenditure both in total and by faculty, including any additions to the corpus of the trust Fund.'
- C. Mrs Puzey prescribed in the Agreement a committee to administer the foundation established in the Agreement whose members were to include those individuals set out in section 6 below.
- D. Mrs Puzey by her will established another Elizabeth and Vernon Puzey Foundation for the same purposes but of which Equity Trustees is trustee. The University receives the income of this second Foundation from Equity Trustees and the fellowships and scholarships provided by this second Foundation are awarded by Equity Trustees 'in consultation with the Council of the University of Melbourne acting on the recommendation' of the Elizabeth and Vernon Puzey Foundation Awards Committee prescribed in the will.
- E. Each of the Agreement and the will provide relevantly identical terms for the composition of the abovementioned committees.
- F. To avoid confusion the foundation of which the University is trustee is known as the Elizabeth and Vernon Puzey Foundation No. 1 and that of which Equity Trustees is trustee and from which the University receives the income is known as the Elizabeth and Vernon Puzey Foundation No.2.

- G. Following Mrs Puzey's death on 3 February 1994 the University was unable to sell the property at 397 Toorak Road South Yarra at the Valuer-General's valuation due to a restrictive covenant limiting the use of the land to a single dwelling. The University subsequently leased the property and the net rental formed the income of the Elizabeth and Vernon Puzey Foundation No.1 until the property was sold in July 2012 for \$5,100,000. The University received the net proceeds of \$5,073,918.41 on 12 October 2012 ('capital sum').
- H. In 1989, the faculty of Medicine became the faculty of Medicine and Dentistry and in 1991 it became the faculty of Medicine, Dentistry and Health Sciences. In 2008, the faculty of Engineering became Melbourne School of Engineering.

It is provided as follows-

1. The capital sum, all income arising from the capital sum, and any accumulations and additions thereto together form a fund called 'The Elizabeth and Vernon Puzey Foundation No 1' ('fund').
2. The fund is to be paid into one or more investment common funds and remain there until Council directs otherwise.³ The income of the fund is to be applied, as equally as may be possible between the faculty of Medicine, Dentistry and Health Sciences, the faculty of Science and Melbourne School of Engineering, to provide postgraduate scholarships and fellowships in medical research, science and engineering in Australia.
4. Each scholarship and fellowship is known as an Elizabeth and Vernon Puzey Fellowship or Elizabeth and Vernon Puzey Scholarship, as the case may be.
5. The scholarships and fellowships are open to Australian citizens resident in Australia.
6. Each scholarship and fellowship is awarded by the Elizabeth and Vernon Puzey Foundation Awards Committee ('Committee') which must include the following members-
 - (1) the deputy vice-chancellor (research) or his or her nominee;
 - (2) the dean of the faculty of Medicine, Dentistry and Health Sciences or his or her nominee;
 - (3) the dean of the faculty of Science or his or her nominee; and
 - (4) the dean of Melbourne School of Engineering or his or her nominee.
7. The number of scholarships and fellowships made at any time and the value, term and conditions of each is determined by the Committee.
8. The Committee must prepare an annual financial report showing details of the income and expenditure of the fund.
9. As provided in section 43 of the Act, Council has delegated its power to make awards to the chair of the relevant central trust committee (under resolution of that committee), in this case the Committee, but this does not extend to Council's powers and responsibilities as set out in section 2.