

**KO NGĀ TURE WHAKAHAERE O  
NEW ZEALAND HEAVY ENGINEERING RESEARCH (ASSOCIATION)  
INCORPORATED**

**CONSTITUTION OF  
NEW ZEALAND HEAVY ENGINEERING RESEARCH (ASSOCIATION)  
INCORPORATED**

**1. Ko te ingoa | Name**

The name of the Society is New Zealand Heavy Engineering Research Association Incorporated.

**2. Ko ngā tautuhinga | Definitions**

“Act”	means the <i>Heavy Engineering Research Levy Act</i> 1978 or as amended from time to time.
“Affiliate Member”	means a Member approved in accordance with rules 4.5 to 4.7 of these Rules.
“Associate Member”	means a Member approved in accordance with rules 4.3 and 4.4 of these Rules.
“Association”	means New Zealand Heavy Engineering Research Association Incorporated.
“Balance Date”	means 31 March in any year.
“Board”	means the members of the Board of the Association appointed pursuant to clause 9 who number not less than the required quorum acting together as a board. The term “Executive” has the same meaning when used in Clauses 3 and 21.2 of these Rules.
“CEO”	means the Chief Executive Officer of the Association.
“Chair”	means the Chair of the Board of the Association.
“Contact Person”	means the person holding the position of contact person of the Association for the purposes of the Incorporated Societies Act 2022.

“Committee”	means a Committee formed by the Board under Clause 9.16 of these Rules (and being what is referred to as a subCommittee under the Incorporated Societies Act 2022).
“Deputy Chair”	means the Deputy Chair of the Board of the Association.
“Financial Year”	means the period of 12 months ending with 30 June in any year.
“General Meeting”	means an annual general meeting or a special general meeting of the Association.
“Heavy Engineering”	has the meaning provided in section 2 of the Act.
“Heavy Fabrication”	means, in general, the fabrication of ferrous or non-ferrous metals in the form of plate over 4.5mm in thickness, or of channels or sections 80mm by 80mm or over; or the machining of components or items which require crange to present or locate the workpiece to or in the machine tool, and any related activity which the Board will from time to time deem to fall into this category.
“Incorporated Societies Act 1908”	means the Incorporated Societies Act 1908 or as amended from time to time.
“Incorporated Societies Act 2022”	means the Incorporated Societies Act 2022 or as amended from time to time.
“Meeting”	means a meeting of the Association or of the Board, as the case requires.
“Member”	means an Ordinary Member, an Associate Member, a Student Member or an Affiliate Member of the Association and may include a body corporate.
“Membership”	means membership of the Association in accordance with the Rules.
“Membership Fee”	means an annual membership fee or charge payable for Membership, the amount and payment terms of such fee to be determined by the Board from time to time.
“Minister”	means the Minister of Research, Science and Innovation.
“Ordinary Member”	means a Member approved in accordance with rules 4.1 and 4.2 of these Rules.

“Representative”	means a person appointed by an Ordinary Member, Associate Member or an Affiliate Member to represent that Member in all Association matters.
“Register of Interests”	means the register of interests of Committee Members kept under these Rules.
“Register of Members”	means the register of Members kept under these Rules.
“Registrar”	means the Registrar of Incorporated Societies.
“Research”	means the whole spectrum of research and development activity, from basic research through to the application of technology to industry problems and developments; and it also includes testing, and development of design procedures and methods, the assembly of data bases for industry for various purposes, the economics of applying research results, and social science research in the industrial field.
“Rules”	means the rules in this constitution herein.
“Student Member”	means a Member approved in accordance with rule 4.8 of these Rules.

### **3. Ko ngā whāinga me ngā koronga | Objects and purposes**

- 3.1 The following are the objects and purposes for which the Association is established:
- 3.1.1 To promote, supervise and conduct research and scientific work in connection with Heavy Engineering and all matters concerned with or relating thereto.
  - 3.1.2 To establish and maintain a database and a library, including research results available in the above scientific field.
  - 3.1.3 To establish, form, equip and maintain research facilities for any such research and scientific work as aforesaid.
  - 3.1.4 To encourage the study and understanding of Heavy Engineering technology and matters relating directly or indirectly thereto by such means as may seem proper to the Executive, including the awarding of fellowships, scholarships and bursaries, the negotiation of research contracts, and the organising of discussions, seminars, conferences or training.
  - 3.1.5 To publish in any form and to disseminate as widely as possible and by any means the results of research and other scientific work relating to or arising from the activities of the Association or of any other institution, group or person.
  - 3.1.6 To collaborate with any institution, group or person engaged in substantially the like purposes, as those herein before set out, whether in New Zealand or elsewhere.
  - 3.1.7 To establish trusts, charitable trusts and other organisations with objects similar to the objects of the Association.

- 3.1.8 To advocate on behalf of the Heavy Engineering industry on matters relating to R&D and industry development.
- 3.2 Notwithstanding anything else herein, the Association shall not operate for the financial gain of any one or more Members and shall at all times comply with Subpart 2 of the Incorporated Societies Act 2022.

### Research levy and the Heavy Engineering Research Levy Act 1978

- 3.3 The Association receives money from a heavy engineering research levy imposed under the Act with levy rates prescribed by the relevant Minister from time to time. The Association and its Members acknowledge that expenditure of any money collected by way of research levy may only be used for the purposes set out in the Act. These Rules and the Association are subject to the provisions of the Act.

## 4. Ko te memataka | Membership

### Ordinary Membership

- 4.1 Ordinary Membership of the Association will be open to any person, corporate bodies, Government departments or agencies engaged in design; manufacture; fabrication; construction; maintenance; supply of welding consumables; supply of metals, in relation to Heavy Engineering and who make written application for Membership, who pay the membership fee (if any) prescribed by the Board and are accepted into Membership by the Board. The Board will have complete discretion when it decides whether or not to allow an applicant to become an Ordinary Member. The Board may interview the applicant when it considers Membership applications. The Board will advise the applicant of its decision, and that decision will be final.
- 4.2 Ordinary Members must pay a Membership Fee unless such Member ceases to be eligible for Membership. If an Ordinary Member does not pay their Membership Fee and later seeks to reinstate Ordinary Membership, they will be required to pay the equivalent fees for intervening years plus a re-joining fee before being accepted as an Ordinary Member, unless otherwise exempted by the Board.

### Associate Membership

- 4.3 Associate Membership of the Association will be open to any person, corporation sole, body corporate or unincorporated body who is engaged in Heavy Engineering and uses goods subject to a levy under the Act and who makes written application for Membership. Such Associate Member will not be required to pay any Membership Fee as a condition of Membership.
- 4.4 Every Associate Member will, subject to their fulfilling their obligations as an Associate Member, be entitled to all the benefits of the Association conferred on Associate Members, but excluding the right to exercise a vote at any General Meeting of the Association.

### Affiliate Membership

- 4.5 The Board may at its discretion admit to Affiliate Membership any person, corporate body, university or other research institute, Government department or agency which it deems is associated with the Heavy Engineering industry but not entitled to Associate Membership in terms of Rule 4.3 and who pays the Membership Fee (if any) prescribed by the Board. The Board will have complete discretion when it decides whether or not to allow an applicant to become an Affiliate Member. The Board may interview the applicant when it considers Membership applications. The Board will advise the applicant of its decision, and that decision will be final.
- 4.6 Every Affiliate Member will, subject to their fulfilling their obligations as an Affiliate Member, be entitled to all the benefits of the Association conferred on Affiliate Members, but excluding the right to exercise a vote at any General Meeting of the Association.

## Representatives

- 4.7 Each Member that is a corporation sole, body corporate, unincorporated body, university, research institution or Government department will nominate a person to act as its Representative, and that person will have the right to attend Meetings and to exercise all rights of Membership on behalf of that Member. A Member may from time to time revoke the appointment of such Representative and nominate another Representative in their place.

## Student Membership

- 4.8 The Board may at its discretion admit to Student Membership any person which it deems is associated with the study of Heavy Engineering industry but is not entitled to Ordinary or Associate Membership in terms of Rules 4.1- 4.4 and who pays the Membership Fee (if any) prescribed by the Board. The Board will have complete discretion when it decides whether or not to allow an applicant to become a Student Member. The Board may interview the applicant when it considers Membership applications. The Board will advise the applicant of its decision, and that decision will be final.
- 4.9 Every Student Member will, subject to their fulfilling their obligations as a Student Member, be entitled to all the benefits of the Association conferred on Student Members, but excluding the right to exercise a vote at any General Meeting of the Association.

## Other Membership

- 4.10 Any appointee to the Board who is not a Member of the Association or nominated Representative of a Member of the Association will for the term of their appointment to the Board be deemed for all purposes to be a Member of the Association, but will not be liable to pay any Membership Fee.
- 4.11 The Board will have power to establish additional special classes of Membership, and will define the eligibility, obligations and rights of those admitted to such special classes of Membership, provided that such special classes of Members will not be entitled to exercise a vote at any General Meeting of the Association.

## Minimum number of Members

- 4.12 The Association shall maintain the minimum number of Members required by legislation from time to time.

## Becoming a Member

- 4.13 To apply to be a Member of the Association, the applicant shall complete and sign a membership application, supply any information reasonably required by the Board, and attend an interview if required by the Board, as well as pay the relevant Membership Fee (if any). The Board will have complete discretion when it decided to allow membership and will advise the applicant of their success or otherwise.
- 4.14 Every applicant for Membership must consent in writing to becoming a Member.

## Member's obligations and rights

- 4.15. Any Member that is a body corporate shall provide the Manager of Customer Experience (or an equivalent person performing the functions of membership management) with the name and contact details of the person who is the organisation's authorised representative, and that person shall be deemed to be the organisation's proxy for the purposes of voting at General Meetings.

## Register of Members

- 4.16 The Association shall keep an up-to-date Register of Members, recording for each Member their name, last known contact details, the date they became a Member, whether they are financial or unfinancial and all other information required by these Rules or prescribed by Regulations under the Incorporated Societies Act 2022.

- 4.17 Members have a duty to ensure their contact details and other details recorded in the Register of Members are up to date and will advise the Association of any changes. The Association will update the Register of Members as soon as practicable after becoming aware of changes to the information recorded on the Register of Members.

## **5. Ko te whakamutu memataka | Cessation of membership**

- 5.1 A Member may resign from Membership of the Association by giving to the Board not less than six months' notice in writing, such resignation to take effect at the end of the Financial Year of the Association that follows the expiry of the notice period.
- 5.2 Subject to clause 5.3, the Membership of any Member may be terminated or suspended by the Board if:
- 5.2.1 such Member dies or becomes bankrupt or assigns their estate for the benefit of their creditors, or in the case of a company, goes into liquidation except a voluntary liquidation for the purposes of reconstruction, or receivership, or in the case of an association or incorporated society is wound up or ceases to function;
  - 5.2.2 such Member no longer qualifies for Membership, including if, in the sole view of the Board, the Member brings the Association into disrepute. The Board will have complete discretion in deciding to terminate or suspend Membership except in the case of termination or suspension of an Associate Member, which is governed under the Act. The Board will advise the Member of its decision, and that decision will be final. Where Membership is terminated, a Member will be reimbursed for pro-rata Membership Fees paid for the remainder of the Financial Year;
  - 5.2.3 such Member defaults for a period of six calendar months in the payment of any Membership Fee or part thereof, or in the discharge of any other obligation due by the Member to the Association;
  - 5.2.4 the Board, is satisfied that the continued Membership of such Member is not in the interests of the Association, provided that before exercising its power under this rule the Board has given the Member the opportunity, if the Member so desires, to submit comments to the Board in writing or at the Member's discretion to appear before and be heard by the Board. The Board will advise the Member of its decision, and that decision will be final. Where Membership is terminated, a Member will be reimbursed for pro-rata Membership Fees paid for the remainder of the Financial Year; or
  - 5.2.5 the Board is satisfied that the continued Membership of such Member is not in the interests of the Association, or the Member's continued Membership is in conflict with the views of a majority of the Members in the Association, following the findings not in favour of said Member in a dispute resolution process under these Rules.
- 5.3 Pursuant to section 13 of the Act:
- 5.3.1 any person who is engaged in Heavy Engineering and using goods subject to a levy under the Act shall be entitled to become and remain an Associate Member on making written application to the Association and such membership may not be terminated pursuant to clause 5.2; and
  - 5.3.2 any person who is entitled to be an Associate Member pursuant to clause 5.3.1, and who agrees to pay the appropriate Membership Fee, shall be entitled to become, or to continue to be, an Ordinary Member and such membership may not be terminated pursuant to clause 5.2.
- 5.4 Member ceasing for any reason to be a Member will remain liable to the Association for any Membership Fees or other monies, which may have become due prior to the cessation of Membership and shall not hold himself or herself out to be a Member of the Association.
- 5.5 The Board may re-admit to Membership any Member whose Membership has been terminated pursuant to Rule 5.2.3 upon full discharge by such Member of their

obligation to the Association. The Board may re-admit to Membership any Member whose Membership has been terminated pursuant to Rules 5.2.2 or 5.2.4 only where the Board is satisfied that all Membership qualifications have been or will be fully complied with and the Board is satisfied that reinstating Membership will be in the interests of the Association.

## **6. Ko te rangahau | Research**

- 6.1 No Member will be entitled to require discovery of, or any information relating to, research or make use of any such information except in strict accordance with rules and regulations made by the Board.
- 6.2 Nothing in these Rules will prevent discussion, disclosure or publication as between members of the Board and other Members of the Association or its officers relating to research undertaken or proposed to be undertaken by or on behalf of the Association.
- 6.3 Every employee of the Association or contractor or co-opted person engaged in research or other scientific work will contract in writing that they will, in consideration of their employment or engagement, hold exclusively for the benefit of and assign to the Association at the cost of the Association all rights and ownership in any discoveries, inventions, designs, or other results arising in the course of such employment or engagement upon such research or other scientific work PROVIDED THAT the Board will in its discretion be at liberty to pay to any such employee, contractor or co-opted person in respect of any such results of their employment or engagement such reasonable and proper special remuneration as it may think proper in the circumstances.
- 6.4 The Association will not manufacture or place upon the market any articles or substances whether or not the subject of any inventions, improvements, or processes resulting from research in such a way as to compete with the business of any Member without the prior consent of the Board given at a meeting to which prior notice to all Board members has been given of the intention to consider the matter.
- 6.5 Nothing in these Rules will be construed so as to give any person power to enter upon the premises of any person, firm, company, society or organisation who is a Member of the Association and any person will be entitled only to such rights on the premises of any Member as each such Member will determine.

## **7. Ko ngā utu mematangā | Membership fees**

- 7.1 Every Ordinary Member, Affiliate Member, Student Member and other Members (excluding Associate Members) will upon admission to Membership pay to the Association the relevant Membership Fee (if any) as may be prescribed by the Board from time to time.
- 7.2 Annual Membership Fees will be payable in a manner determined by the Board from time to time.
- 7.3 The Board will have power to remit in whole or in part any Membership Fees or other monies due to the Association by any Member.
- 7.4 If a Member does not pay their Membership Fee, or any part of their Membership Fee, on the due date or dates, the Association may require interest to be payable by the Member on the unpaid amount at the rate of 10% per annum (such rate to be reviewable by the Board from time to time) calculated daily from the date of default until the date of payment.

## **8. Ko te tohanga pōti | Voting allocations**

- 8.1 Only Ordinary Members will be entitled to vote at a General Meeting and only Ordinary Members will be entitled to vote in the election of Members of the Board under Rule 9.1.3 and Rule 9.1.4.

- 8.2 Within one month, either side, of the Balance Date in each year, the Chair of the Board will seek from each Ordinary Member a declaration of the number of staff employed by that Member in the activity of Heavy Engineering. Where a Member is engaged exclusively in Heavy Engineering, this number will be the total number of staff employed. Where a Member is partially engaged in Heavy Engineering the number of staff declared will represent the number of staff employed in Heavy Engineering, together with a proportionate number of administrative and support staff whose activities are partially related to Heavy Engineering. Should any dispute arise as to the manner in which the number is to be determined, the CEO will adjudicate. Any Member who in any year fails to make a declaration as required by the Chair of the Board before the balance date will for the ensuing period of twelve months be entitled to one vote only or votes). The Chair may require any declaration to be verified by statutory declaration or by such other means as the Association thinks fit.
- 8.3 Subject to Rule 8.2, each Ordinary Member will be entitled to one vote for each complete 10 staff as declared under Rule 8.2 provided that each Ordinary Member will be entitled to a minimum of one vote and a maximum of 15 votes.
- 8.4 Any organisation which has representation on the Board by virtue of Rule 9.1.1 will not be entitled to take part in the election of Members of the Board elected pursuant to Rules 9.1.3 or 9.1.4.
- 8.5 Where required by these Rules and in any other case at the discretion of the Board, voting of any Member entitled to vote at a General Meeting may be by way of postal ballot or appropriately secure electronic ballot in the manner as may be determined by the Board from time to time. In the case of a postal ballot or appropriately secure electronic ballot, a vote will be passed where there is a two thirds majority of the actual number of votes received by the date specified by the Board provided however that the actual votes received by the specified date must constitute at least 30% of total votes available to the Ordinary Membership of the Association for the time being as calculated in accordance with Rule 8.3 and where the resolution is passed in lieu of a meeting provided also that the resolution is approved by the voting percentage required under Rule 8.7.

#### Written resolutions in lieu of meeting

- 8.6 Written resolutions may be passed by the Association in lieu of a General Meeting for the purposes of section 89 of the Incorporated Societies Act 2022.
- 8.7 A written resolution in lieu of a general meeting shall pass if approved by the lowest percentage required under the Incorporated Societies Act 2022 from time to time (at the date of these rules such percentage being 75% of the number of Members who are entitled to vote).
- 8.8 For the purposes of section 89 of the Incorporated Societies Act 2022, a Member may give their approval for a written resolution in lieu of a General Meeting by signing the resolution, by casting a postal vote or by voting by electronic means, including by email or by an appropriate online voting system.

### 9. Ko te hangahanga o te rūnanga me te tukanga pōti | Board composition and election process

- 9.1 Subject to Rules 9.19 to 19.20, the Board of the Association will consist of:

#### Appointed representatives

- 9.1.1 The General Manager of New Zealand Steel Limited, or their nominee for so long as New Zealand Steel Limited remains incorporated.
- 9.1.2 The immediate past-Chair of the Board for so long as that person is the immediate past-Chair.

#### Elected representatives

- 9.1.3 Three persons, being nominated Representatives of Ordinary Members or Associate Members elected in the manner set out in Rule 9.3 (or appointed by



the Board pursuant to Rule 9.4).

- 9.1.4 Three persons employed by businesses or organisations engaged in Heavy Fabrication being nominated Representatives of Ordinary Members or Associate Members elected in the manner set out in Rule 9.3 (or appointed by the Board pursuant to Rule 9.4).

### Other representatives

- 9.1.5 Up to three persons co-opted with the consent of such person by the Board for a term not exceeding one year.

### Terms

- 9.2 Members of the Board elected under Rule 9.1.3 or Rule 9.1.4 will hold office for two years and are eligible for re-election in accordance with Rule 9.3. Retirement will be effective at the conclusion of the relevant General Meeting.

### Board member election process

- 9.3 The Board member election process will run as follows.
- 9.3.1 During the period one month either side of the Balance Date in each year, the Chair will invite from all Ordinary Members, nominations for members of the Board. Nominations will close one month following the call for nominations or such other period the Board considers appropriate and at any time during the period for nominations for Board members, the Board may extend that period as it sees fit in its discretion. If the number of nominations received exceeds the number of vacancies, the Chair will arrange a postal or appropriately secure electronic ballot, for which purpose each Ordinary Member will be entitled to the number of votes set out in Rule 8.3 but subject to Rule 8.4. The Chair will ensure that the ballot will close at least two weeks prior to the Annual General Meeting and that the results of the ballot are declared at the Annual General Meeting. The Board members so elected will take office immediately following closure of the Annual General Meeting. In the event there is an equality of votes for two or more candidates in relation to a vacancy on the Board then the Board shall have the power to make the final appointment decision following a recommendation from the board succession panel established under Rule 9.9.
- 9.3.2 The Board members elected by Rule 9.3.1 will be invited to attend all meetings of the Board prior to the Annual General Meeting immediately prior to them taking office, but will not vote at these meetings other than on the election of the Chair and Deputy Chair as required by Rule 9.7.
- 9.3.3 Where a Board member elected under Rule 9.1.3 or Rule 9.1.4 ceases to be a Representative of a Member, their membership of the Board will cease.

### Resignation, proxies and leave of absence

- 9.4 Any member of the Board may resign by giving written notice to the Chair. In the case of the resignation of a Member elected under Rule 9.1.3 or Rule 9.1.4 the Board will appoint another Representative of an Ordinary Member or Associate Member to fill the vacancy, such Representative to hold office for the remainder of the term of the Board member the appointee replaces.
- 9.5 In the event of a member of the Board being unable to attend any Board meeting, the Board member may be represented thereat by a deputy appointed in writing, who will have all the powers vested in the member of the Board who they represent. No member of the Board may be represented by a deputy at more than two consecutive meetings without the approval of the Board.
- 9.6 In the event of a member of the Board requesting a leave of absence from their position then the Board may, in its reasonable discretion, grant a leave of absence to such member of the Board for a period of not more than twelve (12) months. Where the Board grants a leave of absence to a member of the Board then the Board will appoint a suitably qualified person to hold temporary office on the Board for the leave period and in the case where a leave of absence is granted for a member of the Board elected under Rule 9.1.3 or Rule 9.1.4, the Board must appoint another Representative of an

Ordinary Member or Associate Member to hold office for the leave period.

### Election and role of Chair

- 9.7 The Board will, at a meeting held after the declaration of voting in Rule 9.3.1 and after the Annual General Meeting elect a Chair and Deputy Chair who will be members of the Board appointed under Rules 9.1.1, Rule 9.1.3 or Rule 9.1.4. Both Chair and Deputy Chair will take office immediately. In the event that either the Chair or the Deputy Chair resigns from office before the end of their appointment then the following process will apply:
- 9.7.1 in the event it is the Chair that has retired, that person shall become the replacement honorary appointment pursuant to Rule 9.1.2; and
  - 9.7.2 the Board shall as soon as practicable arrange a meeting for the purposes of seconding another person into the role of Chair or Deputy Chair, as applicable, bearing in mind the requirements of these Rules and this Rule 9 in particular including in terms of elected representatives of ordinary members; and
  - 9.7.3 notwithstanding any procedural requirements otherwise stipulated herein, the Board shall be empowered to determine an appropriate procedure for appointment of a new person in that particular role in its reasonable discretion having regard to its obligations in terms of representation of ordinary members.
- 9.8 No person will hold office of Chair (or Deputy Chair) for more than three consecutive years and a person appointed to such role may hold that role for less than three years. A person who has held the office of Chair (or Deputy Chair) for three consecutive years will be eligible for re-election to the role of Chair (or Deputy Chair) after a 12 month period.

### Board succession panel

- 9.9 The Board will be responsible for establishing a board succession panel for the purposes of establishing and administering a review process for potential candidates for Board membership roles and for making Board Member and co-op recommendations to the Board and to Members. The panel shall comprise of such persons and such number of persons as the Board considers appropriate in its discretion, including duration of panel appointment. The Board shall be responsible for determining a terms of reference document to further detail and define the purposes of the panel as well as its structure, processes, and specific responsibilities for the review and recommendation process. The operation and processes of the panel shall align at all times with the strategic plan of the Association. For the avoidance of doubt, any recommendations made by the panel are not binding on the Board or on Members.

### Meetings of the Board

- 9.10 Meetings of the Board will be held at such time and place as the Chair or the Board may decide or at the request of two members of the Board; provided that the Board will meet at least four times every year. A meeting may be held either:
- 9.10.1 by a number of Board members constituting a quorum being assembled together at the date time and place appointed for the meeting or any adjourned meeting; or
  - 9.10.2 by the means of audio or audio and visual communication by which all Board members participating and constituting a quorum can simultaneously hear each other throughout the meeting.
- 9.11 The Chair, or their nominated representative, will give notice of the date time and place (if applicable) of every Board meeting and of the business to be transacted thereat (other than formal business) by ordinary post or electronic mail to every member of the Board at a reasonable time beforehand having regard to the urgency of the case, but the accidental omission to give notice of a meeting to any member of the Board will not invalidate the proceedings at any Board meeting. With prior permission of the Chair, which shall not be unreasonably withheld, a member of the Board may attend a meeting of the Board by remote participation using audio-visual link where a meeting is scheduled to be held pursuant to clause 9.10.

- 9.12 At every meeting of the Board, the Chair, if present, or in their absence the Deputy Chair, and in the absence of them both, a member of the Board chosen by those present, will preside as Chair of that meeting.

### Quorum

- 9.13 No business will be transacted at any Board meeting unless there is a quorum. A quorum will be at least one half (for the purposes of calculating a quorum, an odd number of total members of the Board shall be deemed to be reduced by one so that when calculated, the required quorum will be a whole number), of the Board members entitled to vote, or six persons for the time being holding office as a member of the Board being present, whichever is the greater.

### Voting

- 9.14 The Board may exercise any of its powers notwithstanding any vacancy in the number of its members.
- 9.15 Questions arising at any Board meeting will be decided by a majority of votes exercised by those entitled to vote, and in the case of an equality of votes the Chair may exercise a casting as well as a deliberative vote.
- 9.16 A resolution in writing signed by all members of the Board for the time being will be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted. Any such resolution may consist of several documents in like form and may be copies transmitted by electronic mail.

### Establishing Committees and guidance

- 9.17 The Board may establish Committees and may delegate to any such Committee such powers and duties as the Board thinks fit (except the power of giving security over the property of the Association). The Chair will ex officio be a member of every Committee established by the Board. Unless otherwise decided by the Board, the meetings and proceedings of every such Committee will be governed by the provisions contained in these Rules for regulating the meetings and proceedings of the Board as far as the same are applicable.
- 9.18 The Board may make regulations for its guidance or to facilitate the transactions of business of the Association provided that such regulations are not inconsistent with these Rules.

### Board requirements

- 9.19 Board members must meet the qualification requirements in the Incorporated Societies Act 2022 and consent in writing prior to election or appointment.
- 9.20 A majority of the Board must comprise of Members or representatives of a body corporate that is a Member (except in circumstances provided in the Regulations to the Incorporated Societies Act 2022).

### Board member duties and conflicts

- 9.21 When exercising powers as a Board member, each Board member shall act in good faith and in accordance with the Officers' duties under Subpart 4 of the Incorporated Societies Act 2022.

### Conflicts of interest

- 9.22 Where a member of the Board and/or Committee has an interest in a matter relating to the Association including as defined under the Incorporated Societies Act 2022, that member must disclose details of the nature and extent of the interest (including any monetary value if it can be quantified) in the required manner.
- 9.23 Disclosures must be made as soon as practicable after the member becoming aware and all interests will be noted in a register kept by the Board.
- 9.24 A member of the Board and/or Committee who is interested in a matter: –

- 9.24.1 must not vote or take part in the decision of the Board and/or Committee relating to the matter; and
  - 9.24.2 must not sign any document relating to the entry into a transaction or the initiation of the matter; but
  - 9.24.3 may take part in any discussion of the Board and/or Committee relating to the matter and be present at the time of the decision of the Board and/or Committee (unless the Board and/or Committee decides otherwise).
- 9.25 A member of the Board and/or Committee who is prevented from voting on a matter shall still be counted for the purpose of determining whether there is a quorum at any meeting at which the matter is considered.
- 9.26 Section 64(3) of the Incorporated Societies Act 2022 is negated, limited and modified to the following extent provided that any conditions prescribed in the Regulations to that Act are satisfied: Where 50 per cent or more of Board members are prevented from voting on a matter because they are interested in that matter, a special general meeting is not required to be called to consider and determine the matter, and the remaining non-interested Board members may vote on to determine the matter provided that no non-interested Board member objects. If a non-interested Board member objects, then the matter must be put to a special general meeting of the Association for consideration and determination.
- 9.27 Where 50 per cent or more of the members of a Committee are prevented from voting on a matter because they are interested in that matter, the Board shall consider and determine the matter.
- 9.28 A notification of a failure to comply with conflict rules under section 63 or 64 of the Incorporated Societies Act 2022 will be made by way of email to Members or by way of notice on the Association's website at the discretion of the Board.
- 9.29 The CEO shall at all times maintain an up-to-date Register of Interests disclosed by Board members and Committee members.

#### Discipline and Removal from Office

- 9.30 Where a complaint is made about the actions or inaction of a Board member (in that person's capacity as a Board member and not in the person's capacity as a regular Member of the Association) the dispute resolution procedures stipulated in Rule 24 shall be adhered to. If the complaint is upheld the Board member may be removed from the Board by a resolution of the Board or by resolution of a General Meeting.

## 10 Ko ngā mana whakahaere | Powers

The Board is responsible for the operation and affairs of the Association and has all the powers necessary for managing, and for directing and supervising the management of, the operation and affairs of the Association. The Board in furtherance of the Association's objectives may exercise the following powers:

- 10.1 Power to acquire by purchase, donation or otherwise any description of property real or personal including patents, designs, other intellectual property and the like.
- 10.2 Power to sell, lease or otherwise turn to account and whether for valuable consideration or gratuitously any real or personal property and to grant any estate right license or interest therein or in respect thereof.
- 10.3 Power to grant subsidies subventions and payments whether for valuable consideration or gratuitously to any person for any of the purposes of the Association.
- 10.4 Power to borrow or raise money for any of the objects of the Association and to contract for repayment of money so borrowed and to give security over any of the property of the Association for such repayment.

- 10.5 Power to accept and hold property real and personal upon trust for any purpose general or special within the scope of the purposes herein before set out.
- 10.6 Power to employ professional staff and other servants and agents on such terms as it thinks fit including the appointment of the CEO who will be responsible for controlling and supervising the work of the staff employed by the Association.
- 10.7 Power to use the funds of the Association as the Board may consider necessary or proper in payment of the costs and expenses in furthering or carrying out the objects of the Association or any of them including the payment of officers, servants and agents as will appear necessary or expedient, also lease property or hire equipment.
- 10.8 Power to establish and maintain and to contract for the establishment and maintenance of and otherwise to assist funds and schemes to provide pensions, life insurance and other benefits for servants and former servants of the Association.
- 10.9 Power to enter into contracts (including contracts of borrowing and contracts of service) in furtherance of the objects of the Association.
- 10.10 Power to institute, conduct, defend, compound or abandon any legal proceedings by or against the Association or its officers, or otherwise concerning the affairs of the Association and also to compound and allow time for payments or satisfaction of any debts due and of any claim or demands by or against the Association.
- 10.11 Power to provide or assist in the provision of dwellings and motor vehicles for the use of staff of the Association by way of purchase, lease, loan or otherwise howsoever.
- 10.12 Power to guarantee the performance of the obligations or contracts of any person or corporation.
- 10.13 Power to establish sub-Committees and to delegate to them and to officers of the Association such powers as may be approved by resolution of the Board.
- 10.14 Power to gift or transfer any property of the Association both real and personal to any trust, charitable trust or other organisation with objects similar to the objects of the Association.
- 10.15 Power to do all things deemed by the Board to be necessary, convenient or incidental to the carrying out of the purposes of the Association.

## **11. Ko ngā hui whānui | General meetings**

- 11.1 Once in each year at a time and place to be decided by the Board (but not later than 15 months after the previous Annual General Meeting) there will be held an Annual General Meeting of Members of the Association to consider:
  - 11.1.1 Presentation of minutes of previous general meetings not theretofore confirmed.
  - 11.1.2 Presentation of an annual report on the operations and affairs of the Association for the Financial Year last ended (including all such information as required under the Regulations to the Incorporated Societies Act 2022.
  - 11.1.3 Presentation of the annual financial statements including audited income and expenditure account and balance sheet for the Financial Year last ended.
  - 11.1.4 Declaration of members of the Board elected in terms of Rules 9.1.3 and 9.1.4.
  - 11.1.5 Appointment of an auditor.
  - 11.1.6 Other business of which due notice has been given.
  - 11.1.7 Notice of the disclosures, or types of disclosures, made under s63 of the Incorporated Societies Act 2022 (disclosure of interests) during the most recently completed accounting period.

- 11.2 A special General Meeting will be convened on a direction to that effect by the Chair, or by resolution of the Board (and must be convened if 50% or more Board members are prevented from voting on a particular matter where they have an interest), or if a requisition stating the business required to be conducted is lodged at the registered office of the Association and signed by not less than 5 Ordinary Members.
- 11.3 A General Meeting, whether it be an Annual General Meeting or a special General Meeting, must be held by a quorum of persons -
- (a) being assembled together at the time and place appointed for the meeting; or
  - (b) participating in the meeting by means of audio link, audiovisual link, or other electronic communication; or
  - (c) by a combination of both of the methods described in paragraphs (a) and (b).
- 11.4 Fourteen clear days' notice will be given of every General Meeting (including meetings convened under section 64(3) of the Incorporated Societies Act 2022), and of the business to be transacted thereat, to every Member by ordinary letter post addressed to the Member's usual place of business or by electronic mail, but accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any Member will not invalidate the proceedings at any meeting.
- 11.5 The time and place of the meeting will be decided by the Chair or by the Board and may be held by means of audio link, audiovisual link, or other electronic communication. In the case of a meeting to be convened by requisition, it will be held not less than fourteen or more than twenty-eight days from the date the requisition is delivered to the registered office of the Association (excluding any days within the period 25 December to 7 January inclusive), and if a meeting notice is not issued within seven days of receipt of the requisition, a majority of the requisitioners may themselves convene the meeting. No business will be taken except that specified in the notice of the meeting.
- 11.6 The quorum at a General Meeting will not be less than half those listed by the Association as Ordinary Members, or the number of persons who would constitute a quorum for a Meeting of the Board whichever is the lesser. If within half an hour of the time appointed for the meeting the quorum is not present, the meeting will stand adjourned to be held at a time and place to be notified by a further notice to members and which is not earlier than 1 week or later than 4 weeks from the time first appointed, to be decided as in Rule 11.4. A quorum at a General Meeting shall only include those persons that are present at the meeting and shall not take into account Members casting postal votes or voting by electronic means but not present at the meeting.
- 11.7 At every General Meeting the Chair or in their absence, the Deputy Chair, will preside, or if neither is present the meeting will elect a Chair.
- 11.8 At any General Meeting voting will be by a show of hands unless a ballot is requested. When a ballot is held, each member will be entitled to the number of votes determined in accordance with Rule 8.3. Where the General Meeting is conducted by way of audio link, audiovisual link, or other electronic communication, then the Board in its discretion may authorise the utilisation of an appropriate online voting system.
- 11.9 Except where otherwise provided in these Rules, the Act, the Incorporated Societies Act 1908 (or the Incorporated Societies Act 2022 once in force) or at law, the outcome of all votes will be decided by a majority of votes, and in the event of the votes being equally divided the person presiding may exercise a casting vote in addition to their deliberative vote.
- 11.10 The CEO, or such other person nominated by the meeting Chair, shall record minutes of General Meetings and is responsible to ensure the Association retains copies of the same.

## **12. Ko te hautū, whakahaere me te penapena pūtea | Control, management and investment of funds**

- 12.1 The control, management, and investment of the funds of the Association will be in the hands of the Board which will have power as it thinks fit to invest and re-invest any funds not required for immediate use in any investment for the time being authorised by the law of New Zealand for the investment of trust funds or upon deposit with any

bank carrying on business in New Zealand.

- 12.2 The Board may from time to time authorise employees of the Association to open in the name of the Association such accounts in trading banks or savings banks as it may see fit.
- 12.3 All moneys coming in to the hands of the Association or any servant of the Association will forthwith be paid to the credit of such bank account of the Association as the Board from time to time decides.
- 12.4 All disbursements will be made from a bank account and all negotiable instruments and instruments of withdrawal will be signed by such person or persons as the Board from time to time appoints for that purpose.
- 12.5 Payments to members: no Member of the Association or any person associated with a Member shall participate in or materially influence any decision made by the Association in respect to payment to or on behalf of that Member or associated person of any income, benefit, or advantage whatsoever. Any such income paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being the open market value) and on arm's-length terms or only as otherwise permitted under s24 of the Incorporated Societies Act 2022. The provision and effect of this clause shall not be removed from this document, and shall be included and implied into any document replacing this document.

### **13. Ko ngā tatauranga pūtea | Accounts**

- 13.1 The Board will cause to be kept proper books of accounts.
- 13.2 As soon as may be practicable after the close of every Financial Year, the Board will cause annual accounts to be prepared containing the following particulars:
- 13.2.1 The income and expenditure of the Association during the Financial Year then ended.
- 13.2.2 A balance sheet of assets and liabilities at the close of that year.
- 13.3 The Board will cause the annual financial reports to be prepared in compliance with the relevant New Zealand accounting standards and the Incorporated Societies Act 2022. The Board shall cause annual accounts to be audited by the auditor appointed by the last annual general meeting, or in the case of their death, resignation, or inability to act, by an auditor appointed by the Board who will be a chartered accountant being a member of Chartered Accountants Australia and New Zealand (or its replacement body).
- 13.4 The Board shall ensure correct accounting records of all transactions of the Association are kept and easily accessible for audit purposes if required. The accounting records of the Association must be kept at the registered office of the Association or at such place as the Board may otherwise determine from time to time.
- 13.5 The financial statements must be prepared in accordance with best accounting practices as advised by the accountants engaged by the Association.
- 13.6 Financial statements must be completed within 6 months after the balance date and must be signed by and on behalf of the Association by 2 members of the Board.

### **14. Ko te Kaiwhakahaere Matua | Chief Executive Officer**

- 14.1 There will be at all times a CEO or other responsible technical officer appointed by the Board, and they will be entrusted with the general direction and supervision of the work and staff of the Association, and will be responsible to the Board for all matters, technical and administrative, concerning the Association.
- 14.2 The salary and conditions of employment of the CEO will be fixed by the Board subject to the provisions of any overriding legislation. The titles, duties and salaries of other employees of the Association will be fixed by the Board following consideration of the

recommendation of the CEO.

- 14.3 It will be a condition of the employment of the CEO that they may be removed from office for misconduct, or by a resolution passed by a majority of not less than three quarters of the votes exercised at the meeting of the Board at which such resolution is proposed provided that any such removal action will not breach the provisions of the Employment Relations Act 2000 or any other legislation.

## 15. Ko te haumaruru me te inuhua | Indemnity and insurance

### 15.1 Indemnity of Board members and employees

15.1.1 The Board will cause the Association to indemnify a Board member or employee of the Association or a related entity for costs incurred by him or her in any proceeding:

- i. that relates to liability for any act or omission in his or her capacity as a Board member or employee; and
- ii. in which judgment is given in his or her favour or in which he or she is acquitted, or which is discontinued.

15.1.2 The Board will cause the Association to indemnify a Board member or an employee of the Association or a related entity in respect of:

- i. liability to any person other than the Association or a related entity for any act or omission in his or her capacity as a Board member or employee; or
- ii. costs incurred by the Board member or employee in defending or settling any claim or proceeding relating to any liability under paragraph (i) above;

not being:

- iii. criminal liability; or
- iv. liability in respect of a breach of sections 18 or 19 of the Act; or
- v. liability for breach of any fiduciary duty owed to the Association or a related entity; or
- vi. liability arising from a breach of the Health and Safety at Work Act 2015, being liability of a type for which indemnification is unlawful.

### 15.2 Insurance of Board members and employees

15.2.1 The Board may, subject to section 29 of the Health and Safety at Work Act 2015 or its replacement, cause the Association to effect insurance for Board members and for employees of the Association or a related entity in respect of:

- i. liability, not being criminal liability, for any act or omission in his or her capacity as an Board member or employee; or
- ii. costs incurred by such Board member or employee in defending or settling any claim or proceeding relating to any such liability; or
- iii. costs incurred by a Board member or employee in defending any criminal proceedings that have been brought against the Board member or employee in relation to any act or omission in his or her capacity as a Board member or employee and in which he or she is acquitted.

15.2.2 For the purpose of this clause 15, "Board member" includes a former Board member and "employee" includes a former employee.



**16. Ko te tohu whakamana | Common seal**

- 16.1 The Board will procure and adopt a Common Seal for the Association and preserve in its minutes an impression thereof.
- 16.2 The Common Seal will be in the custody of a member of the Board or a servant of the Association from time to time nominated by the Board.
- 16.3 The Common Seal will be affixed to any document pursuant to a resolution of the Board and not otherwise and its affixing will be witnessed by two members of the Board.

**17. Ko ngā ture matua me ngā ture tuarua | Regulations and by-laws**

The Board may make, amend, alter, or rescind such rules, regulations or by-laws as it may deem necessary for the conduct of meetings, for the conduct of the business of the Association, or for the conduct of any postal ballot or appropriately secure electronic ballot provided such are not inconsistent with any of the provisions of these Rules, with the provisions of the Incorporated Societies Act 1908, or when it comes into force, the Incorporated Societies Act 2022, and their amendments and regulations.

**18. Request for Member personal information**

- 18.1 A Member may at any time make a written request to the Association for information held by the Association. The request must specify the information sought in sufficient detail to enable the information to be identified.
- 18.2 Subject to Section 22 of the Privacy Act 2020, the Association must deal with a request for information in accordance with the Incorporated Societies Act 2022 within a reasonable time after receiving the request.

**19. Ko te whakamaramamatanga | Interpretation**

- 19.1 In the event of any questions arising as to the construction or application of any of these Rules, or any by-laws or regulations of the Association, the Board is hereby empowered to decide the same, and its decision on any such point will be final and binding on all Members.
- 19.2 Unless the context requires otherwise, words importing the masculine gender include the feminine gender and neuter; words importing the singular include the plural and vice versa.

**20. Ko te whakarerekētanga ture | Alteration of Rules**

- 20.1 Notwithstanding the provisions of Rule 11.8 subject to the provisions of the Act and the requirements of Section 21 of the Incorporated Societies Act 1908 and Section 30 of the Incorporated Societies Act 2022, the Rules of the Association may be added to, altered or rescinded by resolution of the Ordinary membership of the Association passed:
- i. in the case of a vote at a general meeting of the society called to consider such resolution for which at least 28 days' notice has been given in writing then with a two thirds majority of the votes of those Ordinary Members of the Association for the time being as calculated in accordance with Rule 8.3 who are entitled to vote and are voting on the question; or
  - ii. in the case of a vote by way of a postal ballot or appropriately secure electronic ballot that is approved at a general meeting then with a two thirds majority of the actual number of votes received by the date specified by the Board in accordance with Rule 8.5 provided however that the actual votes received by the specified date must constitute at least 30% of total votes available to the Ordinary Members of the Association for the time being as calculated in accordance with Rule 8.3; or
  - iii. in the case of a resolution passed in lieu of a meeting then provided that the

resolution is approved by the voting percentage required under Rule 8.7,

and in every case, each Ordinary Member will be entitled to the number of votes calculated in accordance with Rule 8.3.

- 20.2 No addition to or alteration to Rule 3 OBJECTS, Rule 12.5 payments to members or Rule 22 WINDING-UP will be approved without the approval of Inland Revenue. The provision and effect of this clause will not be removed from this document and will be included and implied into any document replacing this document.

## **21. Ko te tari rehitā | Registered office**

The registered office of the Association will be at such place as may be determined from time to time by the Board.

## **22. Ko te whakakapinga | Winding up**

- 22.1 The Association may be wound up in accordance with the provisions of the Incorporated Societies Act 1908 or the Incorporated Societies Act 2022 as applicable, and their amendments and regulations.

- 22.2 If upon winding up or dissolution of the Association, there remains after satisfaction of all debts and liabilities any property whatsoever, the same shall be applied in a manner decided by the Executive and approved by the Minister to not-for-profit entities (not being members of the Association) having substantially similar objects and activities to those of the Association to be used for purposes similar to the objects for which the Association was established but in the first instance to the not-for-profit heavy engineering research entity that is taking over the roles and responsibilities of the Association if there is one. If at the time of winding up or dissolution of the Association, there is not existent any other not-for-profit entity having similar objects and activities to those of the Association or if the then members of the Association do not in general meeting determine that property shall be transferred to or applied towards any such other not-for-profit entity, then the property of the Association shall be applied toward such not-for-profit entity, or entities, that have such purposes as may be decided by the Executive and approved by the Commissioner of Inland Revenue. For the purposes of this rule the definition of a not-for-profit entity shall be as set out in section 5(3) of the Incorporated Societies Act 2022.

## **23. Ko te tangata hei whakapa | Contact person**

- 23.1 The Association will at all times have at least one Contact Person (but no more than 3 persons) so there is a person whom the Registrar can contact when needed. The CEO shall be a Contact Person along with any other person appointed by the Board from time to time.
- 23.2 A Contact Person must meet the requirements the under the Incorporated Societies Act including that they are ordinarily resident in New Zealand.

## **24. Ko te whakaea amuamu me te tautohenga | Resolving complaints and disputes**

- 24.1 The Association adopts the dispute resolution process set out in clauses 2 to 8 of Schedule 2 of the Incorporated Societies Act 2022. A copy of the dispute resolution procedures can be found online at [www.legislation.govt.nz](http://www.legislation.govt.nz) or will be made available to the Member upon request.
- 24.2 A Member, an Officer, or the Association, may make a complaint by giving a notice in writing in accordance with the provisions of Schedule 2 of the Incorporated Societies Act 2022.

## **25. Ko ngā ture hou | New Rules**

- 25.1 All previous rules of the Association are hereby rescinded.



Dave Anderson  
(Chair)



Craig Stevenson  
(Deputy Chair)



(Board Member - Darren O'Riley)

*Ngā mihi ki Dr Joseph Te Rito mō tō mahi whakamāori. Dr Joseph Te Rito Deputy Director, Māori & Kaihautū Mātauranga Māori for Ako Aotearoa and has whakapapa to Rongomaiwahine, Ngāti Kahungunu a Rangitāne. All efforts have been made to use kupu that are used commonly throughout Aotearoa but we acknowledge that some dialect use may be included and that different translations may exist across the motu.*