

RULES OF
NEW ZEALAND HEAVY ENGINEERING RESEARCH (ASSOCIATION)
INCORPORATED

1. NAME

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

2. DEFINITIONS

“Act”	means the <i>Heavy Engineering Research Levy Act</i> 1978.
“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.
“Deputy Chair”	means the Deputy Chair of the Board of the Association.
“Financial year”	means the period of 12 months ending with 31 March 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.
“The Manufacturers’ Network”	means the New Zealand Manufacturing and Exporters Association Incorporated
“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.
“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 herein.
“Student Member”	means a Member approved in accordance with rule 4.8 of these Rules.

3. OBJECTS

The following are the objects for which the Association is established:

- 3.1 To promote, supervise and conduct research and scientific work in connection with Heavy Engineering and all matters concerned with or relating thereto.
- 3.2 To establish and maintain a database and a library, including research results available in the above scientific field.
- 3.3 To establish, form, equip and maintain research facilities for any such research and scientific work as aforesaid.
- 3.4 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.
- 3.5 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.
- 3.6 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.
- 3.7 To establish trusts, charitable trusts and other organisations with objects similar to the objects of the Association.
- 3.8 To advocate on behalf of the Heavy Engineering industry on matters relating to R&D and industry development

4. 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.

5. 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; or
- 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;
- 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 A 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.
- 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. 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. 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. 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 9.1.5 and Rule 9.1.6.
- 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 (provided that the Board may allow (at the Board's discretion) the relevant Member to have full voting rights in respect of any vote 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 or Rule 9.1.2 will not be entitled to take part in the election of Members of the Board elected pursuant to Rules 9.1.5 or 9.1.6.
- 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.

9. BOARD COMPOSITION AND ELECTION PROCESS

9.1 The Board of the Association will consist of:

Appointed Representatives

- 9.1.1 The General Manager of New Zealand Steel Limited, or their nominee.
- 9.1.2 One person appointed by the New Zealand Manufacturing and Exporters Association (Incorporated), operating as The Manufacturers' Network.
- 9.1.3 The chair for the time being, or their nominee, of any trust or trusts including charitable trusts, established by the Association.
- 9.1.4 The immediate past-Chair of the Board.

Elected Representatives

- 9.1.5 Three persons, being nominated Representatives of Ordinary Members or Associate Members elected in the manner set out in Rule 9.4.
- 9.1.6 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 9.4.

Other Representatives

- 9.1.7 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 The Member of the Board appointed under Rule 9.1.2 will hold office for a term of three years and are eligible to be re-appointed by The Manufacturers' Network.
- 9.3 Members of the Board elected under Rule 9.1.5 or Rule 9.1.6 will hold office for two years and are eligible for re-election in accordance with Rule 9.4. Retirement will be effective at the conclusion of the relevant General Meeting.

Board member election process

- 9.4 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.
 - 9.4.1 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 four weeks prior to the Annual General Meeting and that the results of the ballot are declared at least seven days prior to the Annual General Meeting. The Board members so elected will take office immediately following closure of the Annual General Meeting.
 - 9.4.2 The Board members elected by Rule 9.4.1 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.
 - 9.4.3 Where a Board member elected under Rule 9.1.5 or Rule 9.1.6 ceases to be a Representative of a Member, their membership of the Board will cease.

Resignation and Proxies

- 9.5 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 9.1.5 or Rule 9.1.6 or in the circumstances covered by Rule 9.4.3 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.
- 9.6 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.

Election and Role of Chair

- 9.7 The Board will, at a meeting held after the declaration of voting in Rule 9.4.1 and after the Annual General Meeting elect a Chair and Deputy Chair who will be members of the Board appointed under Rule 9.1.2, Rule 9.1.5 or Rule 9.1.6r. Both Chair and Deputy Chair will take office immediately.
- 9.8 No person will hold office of Chair for more than three consecutive years but a person who has held the office of Chair for three consecutive years will be eligible for re-election to the role of Chair after a 12 month period.

Meetings of the Board

- 9.9 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:
- 9.9.1 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
- 9.9.2 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.
- 9.10 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 9.9.1.
- 9.11 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

- 9.12 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

- 9.13 The Board may exercise any of its powers notwithstanding any vacancy in the number of its members.

- 9.14 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.
- 9.15 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

- 9.16 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.
- 9.17 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.

10. POWERS

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 subcommittees 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. GENERAL MEETINGS

- 11.1 Once in each year at a time and place to be decided by the Board 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 a report on the activities of the Association for the financial year last ended.
 - 11.1.3 Presentation of the audited income and expenditure account and balance sheet for the yearlast ended.
 - 11.1.4 Declaration of members of the Board elected in terms of Rules 9.1.5 and 9.1.6.
 - 11.1.5 Appointment of an auditor.
 - 11.1.6 Other business of which due notice has been given.
- 11.2 A special General Meeting will be convened on a direction to that effect by the Chair, or by resolution of the Board, 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 Fourteen clear days' notice will be given of every General Meeting, 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.
- 11.4 The time and place of the meeting will be decided by the Chair or by the Board. 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.

- 11.5 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.
- 11.6 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.
- 11.7 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.
- 11.8 Except where otherwise provided in these Rules, the Act, 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.

12. CONTROL AND INVESTMENT OF FUNDS

- 12.1 The control 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 into 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 cheques and other 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 participated 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). 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. 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 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).

14. 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. 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. 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.

15.3 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. 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 the provisions of the Act and their amendments and regulations.

18. INTERPRETATION

18.1 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.

18.2 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.

19. ALTERATION OF RULES

19.1 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 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 meeting called to consider such resolution for which at least 28 days' notice has been given in writing stating the intention to propose such resolution with a two thirds majority of all the Ordinary Members of the Association for the time being; or

- ii. in the case of a postal ballot or appropriately secure electronic ballot 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;

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

- 19.2 No addition to or alteration to Rule 3 OBJECTS, Rule 12.5 payments to members or Rule 21 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.

20. REGISTERED OFFICE

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

21. WINDING UP

- 21.1 The Association may be wound up in accordance with the provisions of the Incorporated Societies Act 1908 and its amendments and regulations.

- 21.2 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 associations (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. If at the time of winding up or dissolution of the Association, there is not existent any other association 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 association, then the property of the Association shall be applied toward such purposes as may be decided by the Executive and approved by the Commissioner of Inland Revenue.

22. NEW RULES

All previous rules of the Association are hereby rescinded.

Matthew Kidson
(Chair)



(Board Member)



Dave Anderson
(Deputy Chair)

