

Constitution of

**BIOENERGY ASSOCIATION OF NEW ZEALAND (INC)**

**8 November 2012**

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**FOREWORD**

The Constitution of the Bioenergy Association of New Zealand was originally drafted and published in October 2001. Amendments were made in 2003.

This version presents an updated version of the original to reflect changes and developments to the Association over the last 10 years.

This Document is supported by a number of BANZ Policy and Procedures available on request from the Executive Officer or through the BANZ Web-site Members Only Area.

## CONSTITUTION OF THE **BIOENERGY ASSOCIATION OF NEW ZEALAND (INC)**

### **1. Name**

1.1 The name of the society is the Bioenergy Association of New Zealand (Inc)

### **2. Definitions and Interpretation**

2.1 In this Constitution, unless the context otherwise requires:

“Act” means the Incorporated Societies Act 1908.

“Association” means the Bioenergy Association of New Zealand.

“BANZ” means the Bioenergy Association of New Zealand

“BANZ Board” means the board of directors elected at an Annual General Meeting of the members of the Association to govern the society.

“Bioenergy” means the utilisation of any Biomass resource for the purposes of energy production, transfer or supply.

“Biomass” means any natural vegetative plant material.

“Interest Group” means any special topic group established by the BANZ Board from time to time to pursue the interests of members in that topic.

“Interest Group Committee” The members of the Interest Group who are elected to manage the affairs of the Interest Group by those BANZ members who have elected to join the Interest Group.

“Interest Group Convener” means the person elected by the members of the Interest Group Committee to chair meetings and to represent the Interest Group as required.

“Member” means a Sustaining Member, or a Corporate Member, or a Full Member, or an Honorary Member.

“Sustaining Member” means any Member who is a Sustaining Member pursuant to **clause 4** of this Constitution.

“Corporate Member” means any body corporate or person who is a Corporate Member of the Association pursuant to **clause 4** of this Constitution.

“Full Member” means any person who is a Full Member pursuant to **clause 4** of this Constitution.

“Honorary Member” means any person who is an Honorary Member of the Association pursuant to **clause 6** of this Constitution.

“Rules” means the rules of the Association as set out in this Constitution, and as amended from time to time and includes any policies made under the Rules.

“Subscribing person” means any person who is a Subscribing person of the Association pursuant to **clause 4** of this Constitution.

“Waste” means any organic matter that is a residue from agricultural, forestry, horticultural product production or processing, or solid organic or sewage waste from municipal activities.

### 3. Objectives

- 3.1. Worldwide there is an increasing acknowledgement that the production and use of biomass for fuels and chemicals has a fundamental role in realising a sustainable future and provides opportunities for resource owners, service providers and investors.
- 3.2. The biomass sourcing and utilization is collectively referred to as bioenergy regardless of its source or its application as a gas, liquid or solid fuel. These fuels provide opportunities that members of the association wish to pursue for commercial outcomes in terms of technology development, fuel supply, investment or bioenergy applications.
- 3.3. Individuals, companies and organizations who have an interest in bioenergy have agreed to work together to pursue collective action which supports their individual goals.
- 3.4. The Association is non profit making and all income will be used to further the interests of the association and its members.
- 3.5. It is the mission of the Association to be the national organisation for the representation of both the bioenergy research and the bioenergy commercial sectors, providing the highest quality service to its members and in particular:
  - a) To assist the members to maximize their individual interests relating to bioenergy.
  - b) To be a “one stop shop” for obtaining information related to bioenergy in New Zealand.
  - c) To show case and assist the public, potential investors, service providers and resource owners to understand and pursue the opportunities available from bioenergy initiatives.
  - d) To develop and implement a business plan to grow the Association for the overall benefit of members.
  - e) To realise opportunities for bioenergy through the development and implementation of strategic plans.
  - f) To promote networking among members and others in related fields and to generally promote the Bioenergy sector and the companies that work in it.
  - g) To disseminate research results and other knowledge on bioenergy amongst members.
  - h) To provide a united Bioenergy Sector voice, and to present to others a coherent argument for the benefits of Bioenergy and the goals and capabilities of the Members.
  - i) To advocate for the Bioenergy sector in the media, to the public and to Government.
  - j) To assist members develop their short and long-term business opportunities and projects.
  - k) To assist members understand the requirements of stakeholders.
  - l) To investigate and disseminate sector information to reduce member and investor uncertainty.
  - m) To represent the New Zealand Bioenergy Sector internationally and in particular work with similar international organisations to assist the transfer of international knowledge and experience to relevant New Zealand practitioners.
  - n) To proactively assist Government develop policies and implement programmes that further the interests of members and the sector.
  - o) To help foster New Zealand export opportunities for Bioenergy products and services.
  - p) Assist members achieve their individual business objectives.
  - q) To gather and record industry data and energy performance measures, i.e. the collection and dissemination of information related to the Bioenergy industry, its participants and activities. This database will include information about the facilities in use, size, location,

etc.

- k) To develop and enhance co-operation with any other agencies or organisations with objectives similar or identical to the Association.
- l) To do such acts, matters or things as may be recognised or expedient for the purposes of the Association or identical or conducive to the attainment of the objectives of the Association and its members.

#### **4. Membership**

- 4.1. All applications for membership shall be made in writing to the Association addressed to the Executive Officer. All applicants for membership shall confirm in their application that they support the objectives of the Association and that they will comply with the Rules if their application for membership is accepted. The Application will otherwise be in such form and contain such information as the Association may from time to time prescribe.
- 4.2. Bodies corporate or other persons having their registered office, residence or principal place of business outside New Zealand are not prohibited from applying for and becoming members of the Association.
- 4.3. The Board through delegation to its Executive Officer will determine at its sole discretion whether or not to accept the application for membership in accordance with **clause 7**.
- 4.4. There shall be three categories of fee-paying membership:
  - a) Sustaining Members
  - b) Corporate Members
  - c) Full members
- 4.5. Parties who have an interest in bioenergy but do not wish to become a member may be a fee paying Subscribing Person.

#### **5. Fee paying Members**

- 5.1. Any body corporate or persons having a direct or indirect interest in the Bioenergy Industry, and in furthering the aims and objectives of the Association, may apply to become a Member of the Association. This includes (but is not limited to):
  - a) Biomass resource owners, operators or processors
  - b) Bioenergy fuel suppliers
  - c) Bioenergy system component manufacturers
  - d) Bioenergy system component agents and/or installers
  - e) Bioenergy related companies
  - f) Energy utilities in NZ (generating, distributing or retailing energy), or others in the energy supply industry
  - g) Researchers, and educational institutions
  - h) Consultants
  - i) Government and regulatory bodies

## **6. Honorary Member**

- 6.1 Any body corporate or persons having made a significant contribution to the advancement of Bioenergy in New Zealand may be granted honorary membership in recognition of such services to the Bioenergy sector.

## **7. Acceptance / Refusal of Membership of the Association**

- 7.1 Acceptance of membership in a particular membership category shall be at the absolute discretion of the Board. The Board shall not be required to give any reason for the acceptance or refusal of an application for membership.

## **8. Changes in Membership Categories**

- 8.1 Applications for a change in membership category must be made in writing and addressed to the Executive Officer. The Board will determine at its sole discretion whether to accept an application for change in membership category.

## **9. Cancellation of Membership**

- 9.1 Any Member may cancel its membership by one months written notice to the Association addressed to the Executive Officer. The Association may cancel or suspend a Member's membership, by resolution of the Board if:
- a) the principal Bioenergy business activities of the Member are suspended, or
  - b) the Member becomes insolvent or is adjudged bankrupt, or
  - c) in the opinion of the Board, that Member has broken any of its undertakings to the Association, or the Rules, or whose conduct is in any respect deemed to be derogatory, contradictory or prejudicial to the objectives and interests of the Association.

## **10. Transfer of Memberships**

- 10.1 Membership of the Association is not transferable or assignable.

## **11. Effect of Cancellation or Change of Membership Status**

- 11.1 Unless the Board determines otherwise, neither a change of status of a Member (**Clause 8**) nor the cancellation or suspension of membership (**Clause 9**) shall entitle the Member to a refund of any annual subscription paid to the Association, or relieve that Member from liability to pay any annual subscription which has fallen payable at the time such change or cancellation takes effect.

## **12. Rights of Members**

- 12.1 Members may vote on Association issues at any appropriate meeting in the manner set out in this Constitution, and
- 12.2 Seek a position (subject to any requisite qualifications) on the Board as the Board representative for their membership category and any other special committees within the Association sphere of influence, and

- 12.3 Attend all general and special meetings of the Association, and
- 12.4 Receive periodic journals, newsletters, mailings and any other Association information, communications and publications.
- 12.5 Participate in any association activities

### **13. Membership Entitlements**

- 13.1 In addition to rights or entitlements conferred on Members by the Rules, Members shall, while they remain eligible to vote at general meetings, have entitlements for each category of membership agreed by an Annual general meeting as appropriate.

### **14. Interest Groups**

- 14.1 The Board may establish Interest Groups as appropriate and for the purpose of allowing members with an interest in a special topic to work together on any activity related to that topic
- 14.2 The Board will as appropriate determine policies for the management and operation of the Interest Groups.
- 14.3 The members of an Interest group may at an Annual General Meeting of the association, or at any other time, elect members to an Interest Group Committee to manage the operational activities of the relevant Interest Group.
- 14.4 The members of the Interest Group Committee will elect an Interest Group Convener.
- 14.5 Interest Group Conveners may attend meetings of the Board and will be invited to participate fully in matters of relevance to the Interest Group but will not have the right to vote on Board decisions.

### **15. Annual Subscriptions**

- 15.1 Annual subscriptions for each financial year shall:
  - a) be calculated to give effect to the Board approved work programme and budget for the next 12 month period, and
  - b) be recommended by the Board and fixed by ordinary resolution (simple majority) of the Association in general meeting from time to time, and
  - c) be at a lower level for Full Members than Corporate Members; and be at a lower level for Corporate Members than Sustaining Members.
  - d) Be set for Subscribing Persons to reflect the level of services provided to them.
- 15.2 Unless the Board determines otherwise, the relevant annual subscription for any Member shall be paid in full by the Member on or before the first day of each financial year. The first day of the financial year will be 1 April.
- 15.3 No Member shall be entitled to vote on any Association issue unless their annual subscription has been fully paid.
- 15.4 Members wishing to join the Association part way through the financial year will be levied on a part year basis.
- 15.5 The Board shall have the absolute right to suspend all the rights and privileges of any



Member who fails to pay any annual subscription within the period specified for payment.

- 15.6 A register of members shall be kept by the Board in which the names and current addresses of each Member shall be registered. The register shall be kept at the office of the Association.

## **16. Execution of Documents**

- 16.1 All documents and written announcements requiring execution or signing on behalf of the Association, must be signed by the Chairperson, and at least one other director or as otherwise delegated to the Executive Officer.

## **17. Executive Officer**

- 17.1 The Board may appoint or employ an Executive Officer to assist in the management of the Association. Such appointment to be upon such terms as the Board considers appropriate in its absolute discretion.

## **18. Duties of the Executive Officer**

- 18.1 The duties of the Executive Officer shall include:
- a) convening and attending general meetings of the Association when required to do so in accordance with the Rules;
  - b) convening and attending meetings of the Board, and all sub-committees (if appropriate) of the Board;
  - c) keeping minutes of all meetings of the Association and of the Board and sub-committees (if any) of the Board, and entering them in the minute book kept for that purpose;
  - d) performing and supervising the performance of clerical work for, and the maintenance of proper records of, the Association;
  - e) maintaining the membership register for the Association;
  - f) giving all such notices, or information to the Registrar as may be required by the Act or by the Registrar pursuant to the Act;
  - g) issuing and receiving correspondence on behalf of the Association;
  - h) receiving all fees, subscriptions, levies and other monies paid to the Association and issuing receipts;
  - i) opening and operating current and interest bearing bank accounts in the name of the Association;
  - j) promptly making deposits and investments in the name of the Association as the Board may determine from time to time;
  - k) promptly paying all accounts and making advances passed for payment by the Board;
  - l) keeping all financial records of the Association and ensuring their safekeeping together with any security documents;
  - m) reporting to the Board any Member who breaches the Rules or who fails to pay fees, subscriptions or other moneys properly payable by that Member within the prescribed period;
  - n) preparing or causing to be prepared, and submitting to the auditor as soon as practicable

after each financial year, the financial statements for that financial year.

**19. The Board**

19.1 The Board shall have the following duties and powers:

- a) The promotion of the objectives of the Association (**clause 3**).
- b) The administration and management of the Association business, finance and affairs shall be managed by the Board, which may exercise all powers of the Association, and do on its behalf, all such acts as the Board may deem necessary or expedient and which are not required by the Rules to be done by the Association in general meeting. In exercising such authorities and powers, the Board shall be subject always to this Constitution and any other limits to the powers that may be imposed by the Association in general meeting.
- c) The delegation of any of its functions and powers to such person or sub committee as the Board thinks fit and any such person or subcommittee shall conform to any instructions that may from time to time be conveyed to it by the Board generally for acting in regard to the matter delegated.
- d) To make such rules, regulations and by-laws for the benefit and management of the Association and to make such alterations to the rules, regulations and by-laws from time to time as may be necessary provided that the rules, regulations or by-laws may be rescinded or overruled by special resolution of a general meeting of the Association.

19.2 The Board shall represent the interests of all members and all specific topic areas. In particular the Board will ensure that there is a balance of interests and that the rules, policies and activities do not bias towards any specific group of members.

19.3 The Board focus is on governance of the Association and the Interest Groups focus is on operational activities.

**20. Composition of the Board**

20.1 The Board shall consist of directors and voted on by the relevant categories as follows:

Membership voting category	Number of Board Seats
Sustaining/Corporate members	2
Full members	3

20.2 Members of the Board voted on by each category may be from any level of membership except Subscribing Person.

20.3 The Executive Officer reports to the board but is not a director of the Board

**21. Restrictions on Directors**

21.1 Sustaining and Corporate Members shall elect directors to represent the Sustaining and Corporate Members.

21.2 Full Members shall elect directors to represent the Full Members.

21.3 Subscribing Persons shall not be eligible to elect directors.

21.4 The Board shall appoint any additional or co-opted directors in accordance with **clause**

- 21.5 Directors shall be natural persons and must fulfill their responsibilities to the Association in their own right and are not representative of their employer or specific members.
- 21.6 Directors shall not be undischarged bankrupts, or be otherwise restricted as directors under the Companies Act 1993.
- 21.7 No director shall hold more than one seat on the Board and are not able to deputise their responsibilities as a director.
- 21.8 No more than one employee or office holder from one company or organisation which is a Member (or related companies or organisations to that Member) shall be a director on the Board at the same time.

## **22. Rules on Selection of Directors**

- 22.1 Not less than 7 days before the Annual General Meeting of the Association, the Executive Officer shall call for nominations for the director positions from all Members.
- 22.2 Nominations must be in writing, signed by the nominee, and received prior to or on such deadline as required by the Board.
- 22.3 The Executive Officer shall conduct separate ballots for each membership category as necessary, at such time and in such manner as the Board decides, to determine the election but on the basis that each Member has a single vote in respect of their membership category. Sustaining and Corporate members will first vote for 2 representative and then Full members will vote for 3 representatives from the remaining list of nominations.
- 22.4 Successful candidates are appointed as directors from the close of the Annual General Meeting following the ballot and their term of office shall run until the close of the next Annual General Meeting (unless they resign).
- 22.5 All directors may seek re-election for the succeeding year.
- 22.6 To fill casual vacancies on the Board, the Executive Officer shall, at the earliest reasonable opportunity, call for nominations in writing from paid up members. If necessary, the Executive Officer will conduct a written ballot to fill the vacancy, adopting, with any necessary modifications, the provisions set out in this clause. The successful nominee will be entitled to an immediate position on the Board.
- 22.7 The Board may decide at their discretion that any such vacancy is not filled until the next Annual General Meeting.

## **23. Reimbursement for Expenses Only**

- 23.1 Directors shall not be entitled to any remuneration, but may be reimbursed for travel and other expenses they incur in relation to meetings of the Board, or for tasks approved by the Board, provided that any such reimbursement is approved in advance by resolution of the Board.

## **24. Additional or Co-opted Directors**

- 24.1 The Board may, by resolution, appoint a maximum of two additional directors to the Board at any time on the following basis:

- a) An additional director must, in the opinion of the Board, be willing and able to make a significant contribution to the objectives of the Association.
- b) An additional director may be appointed for such a term as the Board considers appropriate, but such appointment shall terminate automatically at the end of the next Annual General Meeting following their appointment (if they have not resigned prior).
- c) Additional directors shall count towards the quorum for the Board, and shall be entitled to all the rights and privileges of other directors.

## **25. Chairperson**

- 25.1 The Chairperson and Deputy Chairperson of the Association shall be selected by the Board from the directors by simple majority resolution.
- 25.2 The Chairperson may, at his or her option, exercise a casting vote in the event of a tie of votes between directors.

## **26. Proceedings of the Board**

- 26.1 Subject to the Rules, the Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings and procedures as it sees fit provided that that Board shall meet not less than four times in each financial year.
- 26.2 The Board may meet in person or by teleconference at such time and place as the Chairperson considers reasonably appropriate, and the Executive Officer shall, upon receipt of a request from the Chairperson or any 3 directors, convene a meeting of the Board by giving not less than 7 days' prior written notice to each director.
- 26.3 The Chairperson will chair all meetings at which he or she is present.
- 26.4 If the Chairperson is not present, or is unwilling to take the chair, then the Deputy Chair will chair the meeting. If the Chair or Deputy Chair is unwilling to chair the meeting then those directors present shall chose one of their number to chair the meeting.
- 26.5 Board resolutions shall be passed by simple majority of those directors present and entitled to vote and each director shall have one vote. Any resolution in writing and signed by all directors shall be valid and effectual as if passed in a meeting of the Board duly convened and constituted.
- 26.6 All directors shall agree to operate and conform within any Board-established code of conduct for directors.
- 26.7 Any director who has an interest in any matter of business concerning the Board may participate in all actions and discussions of the Board except where such interest would provide a conflict of interest on such matter, the director shall declare that interest and absent himself or herself from any voting by the Board in relation to that matter.
- 26.8 Interest Group Conveners will be entitled to attend all Board meetings and to represent and promote the interests of their Interest Group to the meeting. Interest Group Conveners dare not able to vote on any Board decisions but in other respects have speaking rights as if they were a director.

## **27. Quorum**

- 27.1 Subject to the provisions of **clause 26** the quorum for the transaction of business by the Board shall be four (4) members. No business of the Board shall be conducted at any time when less than a quorum is present.
- 27.2 If, within half an hour of the time appointed for the holding of a Board meeting, a quorum is not present, the meeting shall be re-convened at such time, day and place as the Board Members present may determine, but at least 7 days' prior written notice shall be given to each director. If, within half an hour of the time of a re-convened meeting, a quorum is still not present, then the director(s) present shall be a quorum.

## **28. Board Minutes and Records**

- 28.1 The Board shall cause proper minutes to be kept of all proceedings of meetings of the Association, the Board, and of all committees of the Board.
- 28.2 The minutes accepted at a subsequent meeting shall be accepted as a correct and accurate record of the business transacted at such meetings without any further proof of the facts contained in such minutes.

## **29. General Meetings**

- 29.1 The Annual General Meeting of the Association shall be held each year at a time and at a place to be fixed by the Board, and the matters to be dealt with at the meeting shall include:
- a) to receive and consider the Annual Report from the Board on the activities of the Association since the last Annual General Meeting;
  - b) to consider any proposed activities of or any other matter that concerns the Association;
  - c) to receive the financial statements for the last financial year; and
  - d) to elect the Board.
- 29.2 The Annual General Meeting shall be held within 4 months of the close of the financial year. The end of financial year shall be 31 March.

## **30. Other General Meetings**

- 30.1 A general meeting other than the Annual General Meeting may be convened by the Executive Officer by resolution of the Board at any time, or by a written request stating the purpose for which the meeting is required and signed by not less than 20% in number of Members.

## **31. Proxy/Postal Voting**

- 31.1 The Board shall determine in its sole discretion whether proxy and/or postal voting will be available for any general meeting of the Association and the terms and conditions upon which any such proxy and/or postal voting may be exercised.

### **32. Powers of the Association in General Meeting**

- 32.1 The Association in general meeting may, by resolution passed by not less than a 75% majority of the Members which are present in person or by proxy and are entitled to vote at such meeting, exercise all powers, authorities and discretion of the Association, notwithstanding that any such power, authority or discretion may have been vested in the Board by, or pursuant to, the Rules.
- 32.2 The quorum at general meetings shall be 5% of Members for the time being entitled to vote at general meetings of the Association and present in person or by proxy.

### **33. Notice of Annual General Meeting and General Meetings**

- 33.1 Notice of the Annual General Meeting and any general meeting shall be given to all Members not less than 10 days before the date of such meeting. The notice shall specify the time and place of the meeting.
- 33.2 Except in the case of general business to be considered at an annual general meeting, the notice shall specify all business and all notices of motion to be considered at such meeting and no business or notice of motion which is not specified shall be discussed or transacted at such meeting.
- 33.3 The accidental omission to give notice to or the non-receipt of any notice by any Member or any other person entitled to such notice shall not invalidate the proceedings of any general meeting to which such notice relates.
- 33.4 The notice shall include a form of proxy and form for the purpose of postal voting.

### **34. Procedure at Meetings**

- 34.1 At all general meetings the Chairperson, or in that person's absence the deputy shall take the chair.
- 34.2 Every Member shall have one vote and no more except that any person having been duly appointed to vote as a proxy may record one vote for each Member by whom he or she has been so appointed. Except where otherwise provided in this Constitution, the majority of all votes cast shall decide all questions.
- 34.3 The mode of voting at all meetings shall be by voice or, where required, by a show of hands provided that any Member may demand (either before the declaration of the result of a vote by a show of hands or immediately afterwards but not before the meeting moves to the next business or adjourns) a secret ballot which shall be taken immediately.
- 34.4 If a resolution is put to the vote by a show of hands, a declaration by the Chairperson that such resolution has been carried or lost, unanimously or by a particular majority, and an entry to the effect in the Association minute book, shall be conclusive evidence of the fact without further proof of the number or proportion of votes recorded in favour of or against such resolution.

### **35. Proxies**

- 35.1 The instrument appointing a proxy shall be in writing, signed by the Member appointing

the proxy, and in such form as required by the Board. A proxy may be either the Chairperson, or a Member, or an employee, officer, agent, or shareholder of the Member.

- 35.2 The instrument appointing a proxy shall be delivered to the Board not less than one hour before the commencement of the relevant meeting or adjourned meeting at which the person named is authorised to vote, failing which the instrument appointing the proxy shall not be treated as valid.
- 35.3 Email or facsimile transmission of the instrument of proxy will be sufficient for the purposes of satisfying procedure under **clause 35.2**

### **36. Accounts**

- 36.1 The Executive Officer shall from time to time prepare, or cause to be prepared:
- a) any financial accounts for the Association, other than the financial statements, as required from time to time by the Board and /or Association.
  - b) the financial statements of the Association for the previous financial year.
- 36.2 Copies of all financial statements are to be presented to the Association at the Annual General Meeting. Copies of these statements and/or accounts, together with a copy of the auditors report (if any), shall be sent to every Member not less than 7 working days before the date of the relevant meeting.
- 36.3 Banking of income and payment of accounts shall be undertaken in a manner approved by the Board. from time to time.

### **37. Auditor**

- 37.1 An auditor, who shall be a Member of the New Zealand Society of Accountants, may be appointed to audit the Financial Statements and all other financial records of the Association prior to each year's Annual General Meeting.

### **38. Borrowing Powers**

- 38.1 The Association shall, in addition to the other powers vested in it, have the power to borrow or raise money from time to time by the issue of debentures, bonds, mortgages, or other security founded or based on all or any of the properties and/or rights of the Association or without any such security and upon such terms as to priority and otherwise as the Association shall think fit but the powers of such borrowing or raising money shall not be exercised except pursuant to resolution of the Board.

### **39. Property**

- 39.1 The Association shall have the following powers to deal with property, both real or personal:
- a) To acquire by purchase, take on lease or otherwise lands and buildings and all other property real and personal which the Board considers necessary or convenient for the Association's objectives and to sell or dispose of any such property or any part thereof and to erect on any such land any building and to later, add to and maintain any building erected to such land.

- b) To sell, improve, maintain, manage, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property, assets or rights of the Association.

#### **40. Financing**

- 40.1 The financing of the Association shall be under the control of the Board.
- 40.2 The Association shall operate such bank accounts to be arranged from time to time by the Board.
- 40.3 All moneys received on behalf of the Association shall forthwith be paid to the credit of the Association in any such accounts as the Board may establish.
- 40.4 The income of the Association from whatever source derived shall be applied solely towards the promotion of the objects of the Association and no portion of the funds shall be paid or transferred directly or indirectly to Members of the Association unless in return for any service actually rendered to the Association or in reimbursement of expenses or payments made on the Association's behalf. All payments for services rendered must be reasonable and relative to that which would be paid in an arms length open market transaction.
- 40.5 The Board is entitled to invest such money of the Association that is from time to time available for investment, by deposit with any Bank registered in New Zealand or such other investment approved by resolution of the Board.

#### **41. Registered Office**

- 41.1 The registered office of the Association shall be at such place as the Board shall from time to time determine.

#### **42. By-Laws**

- 42.1 The Association may in general meeting make by-laws, provided they are not contradictory or prejudicial to the objectives of the Association.
- 42.2 The Board may from time to time prepare draft by-laws and recommend these for adoption by the Association.

#### **43. Liability of Members**

- 43.1 No action in law shall lie in favour of any Member against any other Member, or the Board, or any director or other office holder in respect of any matter or thing done or omitted to be done pursuant to the Rules, notwithstanding any irregularity or informality in the observance of these Rules (except in respect of any loss or expense arising from the willful default of the person against whom such action is taken.)
- 43.2 No Member shall be under any liability in respect of any contract or other obligation made or incurred by the Association.

#### **44. Alteration of Rules**

- 44.1 The Rules and any by-laws made under the Rules, shall not be amended, added to or rescinded unless:



- a) such amendment, addition to, or rescission is approved by a resolution passed by not less than a 75% majority of the votes of the Members which are present and entitled to vote at such meeting; and
- b) not less than 10 days written notice of the proposed amendment addition or rescission has been given to all Members.

44.2 No such amendment, addition or rescission shall be valid unless and until accepted by the Registrar of Incorporated Societies.

44.3 No addition to or alteration of the non profit aims, personal benefit clause or the winding up clause shall be approved without the approval of the Inland Revenue Department. And the provisions and effect of this clause shall not be removed from this document and shall be included and implied into any document replacing this document.

**45. Liquidation**

45.1 The Association may be wound up in accordance with the Act. If, upon such winding up, any property and/or assets remains after satisfaction of all debts and liabilities of the Association, then such property and/or assets shall be disposed of in the manner directed by a resolution of the Association to another organisation or individual within New Zealand with the same or similar charitable objects to the Association and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on this Association.

**46. Use of the name of the Association**

46.1 Members of the Association may use the name of the Association in connection with their business operations in accordance to the rules agreed by the Board from time to time and provided such usage does not imply any endorsement by the Association of the Member’s business operations.

Signed.....	Signed.....	Signed.....
Member Name .....	Member Name .....	Member Name .....
Date .....	Date .....	Date .....