

**RULES**  
**OF**  
**SITE SAFE NEW ZEALAND INCORPORATED**

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## RULES OF SITE SAFE NEW ZEALAND INCORPORATED

### 1. Name and Registered Office

- 1.1 **Name:** The name of the Society is Site Safe New Zealand Incorporated.
- 1.2 **Registered Office:** The registered office of the Society is 23 Jarden Mile, Ngauranga, Wellington, or such other place resolved upon by the Board.

### 2. Interpretation

- 2.1 **Definitions:** In these Rules, unless the context otherwise requires:

"**Act**" means the Incorporated Societies Act 1908;

"**Annual General Meeting**" means an Annual General Meeting of the Members of the Society called in accordance with Rule 11 and Rule 13;

"**Associate Member**" means a person deemed to be an Associate Member under rule 5.6 and any other person admitted as an associate member of the Society in accordance with rule 5.3;

"**Board**" means the board of Directors of the Society;

"**Business Day**" means a day on which registered banks are open for normal banking business in Wellington;

"**Chairperson**" means the chairperson of the Board or the substitute acting in his or her place as set out in these Rules;

"**Chief Executive**" means the person appointed by the Board as the Chief Executive of the Society;

"**Co-opted Director**" means a person co-opted to the Board under Rule 25;

"**Delegate**" means a person appointed by a Member under Rule 15 to represent that Member at a General Meeting;

"**Deputy Chairperson**" means the deputy chairperson of the Board appointed under Rule 29.2;

"**Director**" means a person referred to in Rule 20 and includes a director who remained on the Board following the conclusion of the 2006 Annual General Meeting pursuant to Rule 27;

"**Employee Director**" means a person appointed under Rule 23;

"**Financial Year**" means the financial year of the Society as determined in Rule 39;

"**General Director**" means a person nominated and elected under Rule 24;

"**General Meeting**" means an Annual General Meeting or Special General Meeting;

**"General Member"** means a person deemed to be a General Member under clause 5.6 and any other person admitted as a general member of the Society in accordance with Rule 5.2;

**"Industry Liaison Groups"** mean groups which the Board has established, or otherwise has the power to regulate, under Rule 33.1.7;

**"Life Member"** means a person elected to be a life member of the Society under Rule 5.5;

**"Member"** means an Associate Member, a General Member or a Life Member;

**"Professional Director"** means a person appointed under Rule 21;

**"Society"** means Site Safe New Zealand Incorporated; and

**"Special General Meeting"** means a meeting of the Members of the Society called in accordance with Rule 12 and Rule 13.

**2.2 Rules:** References to these Rules are references to this document as from time to time altered or varied.

**2.3 Persons:** references to persons shall be deemed to include references to individuals, companies, corporations, firms, partnerships, associations, organisations, trusts, government departments and local authorities in each case whether or not having separate legal personality.

**2.4 Singular/Plural:** Terms used which import the singular number shall, unless the context plainly requires otherwise also include the plural and vice versa.

**2.5 Headings:** Headings are for ease of reference only and shall not be deemed to form any part of the context or to affect the interpretation of these Rules.

**2.6 Statutes:** Reference to a statute or statutory provision includes that statute or provision as amended, modified, re-enacted or replaced from time to time (whether before or after the date of adoption of these Rules) and to any previous statute or statutory provision amended, modified, re-enacted or replaced by that statute or provision.

### **3. Objects**

**3.1 Objects:** The object of the Society is to assist all participants in the construction industry in New Zealand to reduce the rates and consequences of injuries through:

**3.1.1** co-operating with other organisations to promote a co-ordinated approach to the prevention and management of injuries;

**3.1.2** collecting data and undertaking research into the causes of injuries and the effectiveness of injury prevention and management practices;

**3.1.3** planning and co-ordination of injury prevention and management activities;

- 3.1.4 setting standards for best practice of the prevention and management of injuries;
- 3.1.5 helping workers, firms, advisers, suppliers and clients to continuously improve injury prevention and management practices through the provision of information, best practice guidelines and codes of practice, training, audit processes, and education and advisory services;
- 3.1.6 recognising and rewarding achievement of injury prevention and management practices through awards;
- 3.1.7 collaborating with Government and other agencies to promote health and safety and maximise the incentives for injury prevention and management; and
- 3.1.8 doing such other things as are incidental or conducive to the attainment of the above objects.

**3.2 Objects Independent:** It is declared that each of the objects set out in Rule 3.1 are to be constructed independently and are not to be limited by reference to any other objects recorded in Rule 3.1. Each of the objects set out in Rule 3.1 are independent objects of the Society.

#### **4. Powers**

- 4.1 Powers:** The Society shall have the following powers to the extent that the powers are exercised in effecting the objects of the Society:
- 4.1.1 to make or alter rules in accordance with these Rules;
  - 4.1.2 to admit new members and cancel any membership;
  - 4.1.3 to appoint salaried employees, officers or other persons providing services to the Society (who may or may not be Members) and to dismiss or retire the same;
  - 4.1.4 to carry on any business in connection with the promotion, fostering and development of safety in the construction industry;
  - 4.1.5 to apply for, purchase, or otherwise acquire any patents, patent rights, copyrights, trade marks, formulae, licences, concessions, and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to, any invention which may be capable of being used for any of the purposes of the Society, or for the benefit of the Society; and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account, the property, rights, or information so acquired;
  - 4.1.6 to enter into partnership or into any arrangement for the sharing of surpluses, with any person or company so as directly or indirectly to benefit the Society;
  - 4.1.7 to subscribe to, or otherwise acquire, and hold, shares, debentures, or other securities of any company;

- 4.1.8** to purchase, take on lease or in exchange, hire, and otherwise acquire any real and personal property and any rights or privileges which the Society may think necessary or convenient for the purposes of its business, and in particular any land, buildings, easements, machinery or plant;
- 4.1.9** to construct, improve, maintain, develop, work, manage, carry out, or control any buildings and other works and conveniences which may be calculated directly or indirectly to advance the Society's interests; and to contribute to, subsidise, or otherwise assist or take part in the construction, improvement, maintenance, development, working, management, carrying out, or control of the same;
- 4.1.10** to invest and deal with the money of the Society;
- 4.1.11** to lend and advance money or give credit to any person or company; to guarantee and give guarantees for the payment of money or the performance of contracts or obligations by any person; and otherwise to assist any person;
- 4.1.12** to borrow or raise or secure the payment of money;
- 4.1.13** to remunerate any person or company for services rendered, or to be rendered, in or about the organisation, formation, or promotion of the Society or its objects;
- 4.1.14** to sell, improve, manage, develop, exchange, lease, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Society;
- 4.1.15** to take or hold mortgages, liens, and charges to secure payment of any money due to the Society from any other person;
- 4.1.16** to undertake and execute any trusts and to make gifts whether for charitable or benevolent purposes or otherwise;
- 4.1.17** to apply for and accept grants and subsidies on terms and conditions acceptable to the Society and accept donations whether in trust or not;
- 4.1.18** to become a member of, collaborate with, or join with other bodies or organisations, whether incorporated or not, in New Zealand and elsewhere having similar objectives;
- 4.1.19** to carry out all or any of the objects of the Society and do all or any of the above things as principal, agent, contractor, or trustee or otherwise, and by or through trustees or agents or otherwise, and either alone or in conjunction with others; and
- 4.1.20** to do all such other things as are provided in these Rules or which are incidental or conducive to the attainment of the objects and the exercise of the powers of the Society.

- 4.2 Powers Independent:** It is declared that each of the powers set out in Rule 4.1 are to be constructed independently and are not to be limited by reference to any other powers recorded in Rule 4.1. Each of the powers set out in Rule 4.1 are independent powers of the Society.

## MEMBERSHIP

### 5. Membership

- 5.1 Members:** The Members of the Society are:
- 5.1.1** the General Members;
  - 5.1.2** the Associate Members; and
  - 5.1.3** the Life Members.
- 5.2 Application for General Membership:** Any person involved in the construction industry in New Zealand, including (without limitation) trade associations, trade unions, commercial enterprises, training associations and local authorities, wishing to become a General Member, must make an application to the Board. The application must include such information as the Board may require from time to time. The Board shall have an absolute discretion whether or not to accept or refuse, and shall not be bound to give any reason for its acceptance or refusal of, an application to be a General Member.
- 5.3 Application for Associate Membership:** Any person involved in the construction industry in New Zealand falling within guidelines determined by the Board from time to time for the category of Associate Member, wishing to become an Associate Member, must make an application to the Board. The application must include such information as the Board may require from time to time. The Board shall have an absolute discretion whether or not to accept or refuse, and shall not be bound to give any reason for its acceptance or refusal of, an application to be an Associate Member.
- 5.4 Change of Membership Class:** A Member may apply to the Board to change its class of membership. The Member's class of membership will then be changed if the Board so resolves. The Board may decide whether to change the class of membership of a Member on application by the Member at its absolute discretion but if it decides against the change of class it must give reasons to the Member.
- 5.5 Application for Life Membership:** An Annual General Meeting may on the recommendation of the Board elect a person to be a Life Member in recognition of outstanding services to the Society.
- 5.6 Members at Date of Adoption of Rules:** At the date of adoption of these Rules:
- 5.6.1** ordinary members under the previous rules will be deemed to be General Members; and
  - 5.6.2** corporate members under the previous rules will be deemed to be General Members;

provided that the Board may determine that a particular Member is to be deemed to be an Associate Member.

**6. Register**

The Chief Executive shall maintain a register of Members.

**7. Member Rights**

**7.1 General Members:** Each General Member is entitled to attend and be heard and to vote at General Meetings. General Members shall have such other privileges as may be determined from time to time by the Board.

**7.2 Associate Members:** Each Associate Member is entitled to attend and be heard and to vote at General Meetings. Associate Members shall have such other privileges as may be determined from time to time by the Board.

**7.3 Life Members:** Each Life Member is entitled to attend and be heard at General Meetings but shall not be entitled to vote at General Meetings. Life Members shall have such other privileges as may be determined from time to time by the Board.

**8. Cessation of Membership**

**8.1 Resignation of General Member:** Any General Member may resign from the Society by giving not less than three calendar months' notice in writing to the Board of its resignation. Any resigning General Member shall remain liable for all of that General Member's subscriptions and levies outstanding and unpaid as at the date of the expiry of any such notice.

**8.2 Resignation of Associate Member:** Any Associate Member may resign from the Society by giving one month's notice in writing to the Board of its resignation. Any resigning Associate Member shall remain liable for all of that Associate Member's subscriptions and levies outstanding and unpaid as at the date of the expiry of any such notice.

**8.3 Cancellation:** Any Member's membership of the Society will be cancelled if:

**8.3.1** a resolution is passed to this effect by a majority of two thirds of the votes cast at a General Meeting;

**8.3.2** the Member becomes bankrupt or insolvent or is put into liquidation or receivership or enters into a composition with creditors;

**8.3.3** the Member's subscriptions or levies remain in arrears for more than six months from the date the invoice is sent to that Member; or

**8.3.4** the Board determines to cancel the Member's membership because in the opinion of the Board that Member brings discredit on the Society or disrupts the activities of the Society



so as to make continued membership undesirable in the interests of the other Members.

**8.4 Cancellation Recommended by Board:** If the Board proposes to cancel the membership of a Member pursuant to Rule 8.3.4, then at least 30 days' written notice of the proposal and particulars relating to the conduct complained of shall be given to the Member concerned before any determination is made by the Board. That Member shall be given an opportunity to be heard by the Board before the matter is voted on by the Board and the Board will otherwise consider the matter in accordance with the rules of natural justice.

## **9. Subscriptions and Levies**

**9.1 Subscriptions and Levies:** General Members and Associate Members must pay subscriptions and levies as set by the Board. Annual subscriptions for General Members and Associate Members and the method of collection of those annual subscriptions shall be determined by the Board and notified to Members from time to time. The Board must consider the different voting and other rights of General Members and Associate Members when setting subscription levels so that Associate Member subscription levels are lower than General Member subscription levels. The Board may otherwise set subscriptions on any basis it thinks fit and may differentiate between the General Members and the Associate Members and may differentiate amongst the General Members and amongst the Associate Members as to the amount to be paid.

**9.2 Non-Payment of Subscriptions:** The Board may suspend all or any of the rights and privileges enjoyed by any General Member or Associate Member who fails to pay a subscription or levy within the period specified for payment.

**9.3 Additional Levies:** If the income of the Society in any one Financial Year is insufficient for the purposes of the Society then, in addition to the powers of the Board to set subscriptions under Rule 9.1, the Board may levy General Members and Associate Members such additional amounts as the Board may determine.

## **GENERAL MEETINGS**

### **10. Chairperson of General Meetings**

**10.1 Chairperson:** The Chairperson shall act as chairperson of all General Meetings of the Society. In his or her absence, the Deputy Chairperson or, in the absence of both of these Directors, a person elected by the persons entitled to vote at a General Meeting, will be chairperson of a General Meeting.

**10.2 Vote of Chairperson:** The chairperson of the General Meeting shall have a second or casting vote.

**10.3 Regulation of Procedure:** The chairperson of the General Meeting shall regulate the proceedings at General Meetings.

**10.4 Powers to Adjourn Meetings:** The chairperson of the General Meeting:

**10.4.1** may adjourn the meeting from time to time and from place to place; and

**10.4.2** shall adjourn the meeting if so directed by the meeting.

No business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 Business Days or more, notice of the adjourned meeting must be given as in the case of an original meeting, but otherwise it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**10.5 Unruly Meetings:** If any General Meeting becomes so unruly, disorderly or inordinately protracted that in the opinion of the chairperson of the General Meeting the business of the meeting cannot be conducted in a proper and orderly manner, the chairperson may either adjourn or dissolve the meeting.

**10.6 Unfinished Business:** If any General Meeting is to be dissolved by the chairperson under Rule 10.5 the chairperson may direct that any item of business which is completed at the meeting and which requires a vote be put to the vote without further discussion.

## **11. Annual General Meetings**

**11.1 Timing:** An Annual General Meeting must be held once each calendar year on a date and at a venue fixed by the Board, but no later than six months after the end of each Financial Year.

**11.2 Business:** The following business will be transacted at the Annual General Meeting:

**11.2.1** receiving the annual report and consideration of the statement of accounts for the past year;

**11.2.2** appointing an auditor of the Society;

**11.2.3** consideration of any recommendations of the Board;

**11.2.4** election of Directors;

**11.2.5** setting of Directors' fees or honoraria if any; and

**11.2.6** consideration of any other business notified to the Board under Rule 13.2.

## **12. Special General Meetings**

**12.1 Called by Board:** The Board may call a Special General Meeting.

**12.2 Requisitions:** The Board must call a Special General Meeting if requested to do so by General Members and/or Associate Members who together may exercise not less than 25% of the votes that could be cast at a General Meeting. Such a request must be given to the Chief

Executive in writing signed on behalf of those General Members and Associate Members and must state the objects of such a meeting.

- 12.3 Timeframe for Requisitioned Meetings:** Special General Meetings called under Rule 12.2 must be held not more than five weeks after the day on which the request was received by the Chief Executive.

**13. Notice of Meetings**

- 13.1 AGM Date:** The Board must give Members at least five weeks' prior written notice of the date of an Annual General Meeting. This notice must state the date by which nominations and notification of business for an Annual General Meeting must be given to the Board by Members.

- 13.2 Notification by Members:** Members must provide the Board with the names of their nominees for Director positions requiring nomination by them and the details of any business they wish to put on the agenda for the Annual General Meeting by the date specified by the Board under Rule 13.1.

- 13.3 Notice of Business:** The Board will collate nominations and business for the agenda received under Rule 13.2 and will notify Members of the names of nominees and details of all business which is to be considered at an Annual General Meeting and the time and venue at which the Annual General Meeting will be held at least one week prior to the date of the Annual General Meeting.

- 13.4 SGM Date:** Subject to Rule 12.3, a Special General Meeting will be held on a date and at a venue fixed by the Board.

- 13.5 Notice of SGM:** The Board must give Members at least three weeks' notice of the date, venue and business of a Special General Meeting.

- 13.6 Failure to Comply:** An irregularity in a notice of a meeting is waived if all the persons entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity, or if all such persons agree to the waiver.

- 13.7 Accidental Omission:** The accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, a Member does not invalidate the proceedings at that meeting.

**14. Right To Attend**

Members, Delegates, Directors, the auditor of the Society and observers invited by the Board are entitled to attend General Meetings.

**15. Delegates**

- 15.1 Appointment:** Each General Member may appoint two persons and each Associate Member may appoint one person to attend any General Meeting as its delegate on its behalf.

- 15.2 Notice of Appointee:** Each General Member and Associate Member must give the Board notice of appointment of that Member's Delegate or Delegates not less than three days before the date of the meeting at which the Delegate is to act.

**15.3 Authority:** A Delegate has the powers of the Member it represents including the power to vote (if the Member it represents has this power), provided that if two Delegates of a General Member are present at any General Meeting each of those Delegates has one vote each.

**16. Proxies**

**16.1 Proxies Appointed by Members:** If a Delegate is unable to attend the relevant General Meeting, the Member whom the Delegate represents may appoint a proxy. The Board must be notified of the appointment of a proxy. For the avoidance of doubt a Delegate may be appointed as the proxy of another Delegate.

**16.2 Form of Proxy:** The instrument appointing a proxy shall be in writing and signed by the appointor and, in all other respects, shall be in such other form as the Board may determine from time to time.

**16.3 Proxies Appointed by Delegates:** Any Delegate who retires from a General Meeting at the General Meeting may in writing to the Chief Executive appoint some other Delegate to exercise that Delegate's vote.

**17. Quorum**

No business may be transacted at any General Meeting of the Society if a quorum is not present. A quorum for a General Meeting of the Society shall be present if Members, the Delegates or proxies representing not less than 10% of the votes of Members are present.

**18. Speaking Rights**

Members and observers approved by the Chairperson have the right to speak and be heard on any issue considered at a particular General Meeting.

**19. Voting by Members**

**19.1 General Members:** Each General Member is entitled to two votes on matters put to a vote at a General Meeting provided that a General Member who has not paid any subscription or levy required under Rule 9 will not be entitled to vote.

**19.2 Associate Members:** Each Associate Member is entitled to one vote on matters put to a vote at a General Meeting provided that an Associate Member who has not paid any subscription or levy required under Rule 9 will not be entitled to vote.

**19.3 Directors:** Each Director is entitled to one vote at a General Meeting.

**19.4 Majority:** Except as otherwise provided in these Rules any question arising at General Meetings shall be decided by a majority of votes.

**19.5 Method of Voting:** Voting shall be by voice or show of hands (at the discretion of the chairperson of the General Meeting) unless any Member or the chairperson demands a poll. A poll may be demanded either before or after the vote is taken on a resolution.

**19.6 Proof of Resolution:** A statement by the chairperson of a General Meeting to the effect that a resolution has been carried, or carried by a particular majority, or lost shall be conclusive evidence without proof of the number of votes recorded in favour or against the resolution.

**19.7 Validity of Votes:** In the case of any dispute as to the admission or rejection of a vote, the chairperson of the General Meeting will determine the same and such determination will be conclusive.

## **BOARD**

### **20. Composition of Board**

**20.1 Composition of Board:** The Board of the Society shall consist of 7 Directors but a maximum of 9 Directors of which:

**20.1.1 General Directors:** 5 Directors shall be General Directors or persons who have been appointed to replace General Directors under Rule 25;

**20.1.2 Co-opted Directors:** Up to 2 additional Co-opted Directors who have been appointed by the Board for their skill and experience, under Rule 25; and

**20.1.3 Professional Director:** 1 Director shall be an Professional Director appointed under Rule 21; and

**20.1.4 Employee Director:** 1 Director shall be an Employee Director or a person who has been appointed to replace an Employee Director under Rule 25.

**20.2 Continued Existence of Board:** If, for whatever reason, a vacancy occurs on the Board between Annual General Meetings of the Society meaning that the number of directors becomes less than 7, the existing directors will still constitute the Board and will be authorised to act provided that any applicable quorum requirements in Rule 30.2 are met.

### **21. Professional Director**

**21.1 Appointment:** The General Directors and Employee Director shall, by majority vote, appoint from time to time a Professional Director to serve as a director on the Board for such a period, and on such terms, as the General Directors and Employee Director see fit.

**21.2 Qualifications:** The General Directors and Employee Director may only appoint a person as a Professional Director if they consider, in their sole discretion, that the candidate has the appropriate skills and abilities to add value to the Board.

### **22. Election of Directors**

#### **22.1 Rotation of Directors:**

**22.1.1** At the 2007 Annual General Meeting of the Society and:

- (a) in respect of General Directors, at each subsequent Annual General Meeting of the Society; and

- (b) in respect of an Employee Director, at each second subsequent Annual General Meeting of the Society,

two General Directors and the Employee Director must retire from office.

**22.1.2** Unless two General Directors retire from office voluntarily at the relevant Annual General Meeting, the General Directors who must retire are those directors who have been longest in office since their last election.

**22.1.3** If more than two General Directors have been in office for the same period since their last election then such General Directors shall agree among themselves which of them must retire but if they are unable to agree the General Directors who must retire shall be chosen by lot.

**22.1.4** A retiring Employee Director or General Director continues to hold office:

- (a) until he or she is re-elected; or
- (b) if he or she is not re-elected, until the Annual General Meeting at which he or she retires (or any adjournment of that meeting) elects someone in his or her place.

**22.1.5** A retiring General Director or Employee Director is eligible for re-election.

**22.2 Annual Election:** There shall be an election at each Annual General Meeting for General Directors and, if applicable, an Employee Director to fill any vacancies in the Board for such positions.

## **23. Nomination and Election of an Employee Director**

**23.1 Nomination:** No person may be elected as an Employee Director at an Annual General Meeting unless that person has been a Member, or is an employee of a Member that has been a Member for not less than 12 months prior to the date of that Annual General Meeting and is nominated by a General Member or an Associate Member who is an industrial union of workers or a similar employee organisation from the construction industry as determined by the Board whose decision shall be final.

**23.2 Election:** All General Members and Associate Members may vote on the candidates for Employee Director and the highest polling candidates equating with the number of positions available will be new Employee Director commencing from the cessation of the Annual General Meeting.

## **24. Nomination and Election of General Directors**

**24.1 Nomination:** No person may be elected as a General Director at an Annual General Meeting unless that person has been a Member, or is an employee of a Member that has been a Member for not less than 12 months prior to the date of the Annual General Meeting, or is a co-opted Director retiring at that Annual General Meeting, and is nominated by a General Member or Associate Member.

**24.2 Election:** All General Members and Associate Members may vote on the candidates for General Director and the highest polling candidates equating with the number of positions available will be the new General Directors commencing from the cessation of the Annual General Meeting. Candidates for General Director will be voted on after candidates for Trade Union Director have been voted on.

## **25. Co-Option of Directors**

**25.1 Co-option:** The Board shall have the power at any time, and from time to time, to appoint any person who is a Member, or an Employee of a Member and, in the reasonable opinion of the Board, is willing and able to make a significant contribution to the achievement of the objects of the Society, to be a Co-opted Director, to:

**25.1.1** fill a casual vacancy of a General Director or an Employee Director;  
or

**25.1.2** be an additional Director (a maximum of 2).

**25.2 Term of Office:** Any Co-opted Director so appointed shall hold office only until the end of the next Annual General Meeting and shall then be eligible for election as a General Director or an Employee Director as the case may be, subject to being nominated under Rule 23 or 24.

**25.3 Notification:** The name of any Co-opted Director must be notified to Members by the Chief Executive within two months of the co-option.

**25.4 Rights of Co-opted Directors:** Directors appointed under clause 25.1;

**25.4.1** may be appointed for such term as the Board considers appropriate, provided that such appointment shall terminate at the next Annual General Meeting (unless the Director has resigned earlier); and

**25.4.2** shall count for a quorum of the Board and shall be entitled to all of the rights and privileges of other Directors.

## **26. General Provisions Applying to Nomination and Elections**

**26.1 Form of Nomination:** Nominations must be in the form prescribed by the Board from time to time.

**26.2 Number of Nominations:** Each General Member or Associate Member may only make one nomination for the Employee Director positions and one nomination for General Director positions.

**26.3 Consent to Nomination:** Except for Directors retiring at an Annual General Meeting, for a nomination to be valid the nominee must have consented to his or her nomination in writing and a copy of his or her consent have been provided to the Board with his or her nomination.

**26.4 Insufficient Nominations:** If insufficient nominations for a position are received then additional nominations from Members shall be called for such positions at the Annual General Meeting. Such nominees must be present at the Annual General Meeting and must give their consent in accordance with Rule 26.3.

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- 26.5 Nomination for One Position:** A candidate can only be nominated for election as either an Employee Director or a General Director.
- 26.6 Exact Number of Nominations:** If the number of candidates nominated for any position equals the number of vacancies those nominated are deemed to be elected.
- 26.7 Papers:** All ballot papers and other documents used for or relevant to an election shall be kept for a period of one month after the election whereupon they shall be destroyed by the Chief Executive if no notice of challenge to the election result has been received. If the election result is challenged within one month of the election the Chief Executive shall retain the papers until authorised at a General Meeting to destroy them.

**27. Board Following 2006 AGM**

No election for Directors needs to be held at the 2006 AGM and, from the close of the 2006 AGM the Board of the Society will consist of:

- 27.1 General Directors:** Peter Heaphy, Peter Mayow, Brian Olsen, Steve Walsh and Roy Wilson who will be deemed to be elected as General Directors; and
- 27.2 Employee Director:** Ray Bianchi who will be deemed to be elected as an Employee Director.

**28. Cessation of Directorship**

- 28.1 Cessation:** A Director ceases to hold office if he or she:
- 28.1.1** resigns by giving one month's notice (or such lesser period of notice accepted by the Board) to the Board;
  - 28.1.2** dies;
  - 28.1.3** is through illness or disability unable to fulfil the duties of a Director;
  - 28.1.4** is adjudged bankrupt or is a person who is prohibited from being a director or promoter of or being concerned or taking part in the management of a company under section 382 or section 383 or section 385 of the Companies Act 1993;
  - 28.1.5** is required to leave office under Rule 25.2;
  - 28.1.6** fails to attend three consecutive meetings of the Board without the prior permission of the Board;
  - 28.1.7** is removed by resolution of the Board passed by a two-thirds majority, provided the Director has been given the right to be heard on the question of his or her removal and has otherwise been treated in accordance with the rules of natural justice; or
  - 28.1.8** being a Director other than a Professional Director, ceases to be a Member or an employee of a Member.

**29. Board Appointments**

- 29.1 Chairperson:** The Board must elect one of the Directors to be the Chairperson of the Board for the ensuing year at the first Board meeting after every Annual General Meeting.



**29.2 Deputy Chairperson:** The Board must elect a Deputy Chairperson for the ensuing year from its members at the first Board meeting after every Annual General Meeting.

**29.3 Casual Chairperson:** In the absence of both the Chairperson and Deputy Chairperson from any meeting of the Board, a chairperson for that meeting must be elected from the Directors present.

### **30. Board Meetings**

#### **30.1 Notice of Meetings:**

**30.1.1 Requirements for Notice:** Not less than 7 days' notice of a meeting of the Board must be sent to every Director who is in New Zealand. The notice must include the date, time and place of the meeting and the matters to be discussed.

**30.1.2 Waiver of Irregularity:** An irregularity in the notice of a meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.

**30.2 Quorum:** A quorum for a meeting of the Board is a majority of the Directors holding office at the time of the meeting. No business may be transacted at a meeting of Directors if a quorum is not present.

#### **30.3 Types of Meetings and How They are Called**

**30.3.1 Regular Meetings:** The Chairperson of the Board, or any person whom the Chairperson authorises to do so, may call a meeting of the Board at any time by giving notice of a meeting.

**30.3.2 Special Meetings:** If the Chairperson receives a requisition of a meeting from three or more Directors, the Chairperson must call a meeting of the Board by giving notice of a meeting. The Chairperson may require the requisitioning Directors to give him or her sufficient details to draft a notice of meeting.

**30.4 Method of Meeting:** A meeting of the Board may be held either:

**30.4.1** by a number of the Directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting;

**30.4.2** by the contemporaneous linking together by means of audio, or audio and visual, communication by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting; or

**30.4.3** by a Director participating in a meeting of the Board by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other, and a Director participating in a meeting by those means is deemed for the purposes of these Rules to be present at that meeting.

**30.5 Minutes:** Minutes of each Board meeting must be taken and distributed to all Directors within five Business Days of the meeting. The minutes

must then be amended as necessary and signed by the chairperson of the meeting and filed in the minute book.

**30.6 Resolution in Writing:** A resolution in writing signed by all Directors for the time being entitled to receive notice of meetings of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held provided that that the Directors signing the resolution would constitute a quorum of the Board and would have power to pass such resolution at a meeting of the Board. Any such resolution may consist of several documents in similar form each signed by one or more Director. Any such document sent by a Director by telegram, facsimile transmission, cable or telex or other means approved by a Director is deemed to have been signed by such Director.

**31. Proxies for Directors**

Any Director may in writing delegate to any other Director (with that Director's consent) his or her power of voting at any specified meeting of the Board on any specified subject or subjects, by notifying the Chief Executive in writing that such a delegation is made and the scope of and time limit for that proxy.

**32. Voting by Directors**

**32.1 One Vote:** Directors are entitled to one vote each at any meeting of the Board. All matters shall be decided by a majority of votes of Directors present provided there is a quorum.

**32.2 Chairperson Vote:** The Chairperson of a meeting has a second or casting vote as well as a deliberative vote.

**32.3 Method of Voting:** Voting may be by voice or show of hands (at the discretion of the Chairperson) but if it is desired by any Director present, voting shall be secret ballot or poll.

**33. Board Powers**

**33.1 Board Powers:** The Board manages the affairs of the Society and in particular has the following powers:

**33.1.1** to exercise any and/or all of the powers of the Society other than those required to be exercised by the Members at a General Meeting;

**33.1.2** to delegate any of its powers to such person or persons as the Board may determine from time to time;

**33.1.3** to appoint sub-committees of the Board and committees of the Society, and to delegate any of the Board's powers to any such sub-committee of the Board or committee of the Society as the case may be. The membership, terms of reference and powers of any such sub-committee or committee shall be set out by the Board when the sub-committee or committee is established;

**33.1.4** to authorise any Director or Directors to enter into any contract or execute any instrument in the name of and on behalf of the Society. This authority may be general or confined to specific circumstances;

- 33.1.5** subject to any maximum annual amount of remuneration of Directors recommended by the Board and subsequently ratified by a majority of votes cast at an Annual General Meeting, to authorise the payment of remuneration or the provision of other benefits by the Society to a Director for services as a Director or in any other capacity and to enter into any contract to do so;
  - 33.1.6** to make recommendations to be considered at a General Meeting of persons to be considered for membership of the Society as Life Members; and
  - 33.1.7** to establish, regulate, modify and/or remove Industry Liaison Groups as the Board sees fit and on terms which the Board considers appropriate;
  - 33.1.8** to send information to Members prior to a meeting of the Society at which Directors will be elected, specifying what skills and qualities the Board sees as being desirable in candidates for election as Directors; and
  - 33.1.9** to do all such other things that are necessary to give effect to the objects of the Society.
- 33.2** **Purported Exercise of Power:** The purported exercise by a Director of a power vested in the Board may be ratified or approved by the Board in the same manner in which the power may be exercised. The purported exercise of a power ratified under this Rule is deemed to be, and to always have been, a proper and valid exercise of that power.
- 33.3** **Dispute:** If any difference of opinion arises as to the meaning of any Rule, it shall be determined by the Board or, if it occurs at a General Meeting, by the chairperson of that meeting, and any such determination shall be conclusive and binding on Members unless revoked at the next Annual General Meeting or Special General Meeting (whichever is earlier) following the determination.
- 33.4** **Matters Not Provided For:** If any case should occur which, in the opinion of the Board, is not provided for in these Rules, it shall be determined by the Board in such manner as it deems expedient, and any such determination shall be conclusive and binding on Members unless revoked at the next Annual General Meeting or Special General Meeting (whichever is earlier) following the determination.

#### **34. Objects of Board**

The objects of the Board are to:

- 34.1** **Consultation:** promote full consultation with Members, customers, Government agencies and other interest groups;
- 34.2** **Goals:** establish and revise the goals and priorities of the Society;
- 34.3** **Objectives:** set and monitor the Society's objectives, performance standards and budget;

**34.4 Quality:** take active steps to continually improve the quality of the Society's services; and

**34.5 Management:** promote effective management and financial viability of the Society's affairs, adequate internal controls, risk management practices, indemnity insurance and compliance with statutory requirements.

**35. Review of Performance**

**35.1 Regular Review:** From time to time, and at least every two years, the Board shall assess its own performance and set objectives to assist it to continually improve its performance.

**35.2 Accountability:** The Board shall be accountable to the Society in General Meeting for the day to day management of the Society.

**36. Planning and Reporting**

**36.1 Strategic Plan:** The Board may establish a strategic plan from time to time.

**36.2 Business Plan and Budget:** Prior to the commencement of each Financial Year the Board shall approve a business plan and budget for that year. Any variations to the business plan and budget shall be approved by the Board.

**36.3 Chief Executive Report to Board:** At periods that the Board may determine the Chief Executive shall furnish to the Board reports on the achievement of business plan objectives and on revenue and expenditure against budget.

**36.4 Chief Executive Report to AGM:** The Chief Executive shall furnish to the Annual General Meeting a report on the achievement of business plan objectives and the audited financial statements for that year.

**36.5 Board Report to AGM:** The Chairperson shall furnish to the Annual General Meeting, in consultation with the other Directors, a report on the performance of the Society for that year.

**37. Chief Executive**

The Chief Executive shall be appointed by, may be removed by, and shall be directly responsible to, the Board for the effective and efficient functioning of the Society's administration in accordance with the goals, policies, objectives and directions of the Society. The Board may delegate such powers to the Chief Executive as it sees fit.

**38. Indemnification of Directors and Employees**

**38.1 Indemnity:** Each Director and employee of the Society shall at all times be indemnified out of the funds of the Society from and against all claims, actions, losses and expenses of any nature that such Director or employee incurs in respect of any act or omission done or permitted by them in relation to the duties of their office except when such act or omission is brought about by their wilful neglect or default.

**38.2 Fault of Others:** No Director or employee of the Society shall be liable for the acts or omissions of any other Director or employee for any loss, damage or expense, or to the Society through any insufficiency or deficiency of title to any property acquired by order of the Board on behalf of the Society or for the insufficiency or deficiency for any security in which monies of the Society shall be placed or for any loss arising from the bankruptcy, insolvency or tortious loss of any person or entity with whom any monies of the Society shall be lodged or from any loss occasioned by an error of judgment or oversight on the part of the Director or employee or for any other loss or damage which may happen in the execution of their office unless the same shall happen by or through wilful default.

**38.3 Insurance:** The Society may, with the approval of the Board, insure any Director or employee from and against all claims, actions, losses and expenses of any nature that the Director or employee incurs in respect of any act or omission done or permitted by him or her in relation to the duties of their office except when such act or omission is brought about by his or her wilful neglect or default.

## FINANCE

### 39. Financial Year

Each financial year of the Society commences on the first day of January and ends on the thirty-first day of December next following, or such other period as is determined by the Board.

### 40. Receipts and Payments

**40.1 Management of Funds:** The Chief Executive shall have charge and custody and be responsible for all funds in the Society's name in banks, trust companies or other securities as may be selected by the Board and shall render a statement of the finances to the Board at regular meetings and in general shall perform such other duties as the Board may establish, from time to time.

**40.2 Cheques:** All cheques shall be signed by the Chief Executive and one other person from the signatories authorised by the Board.

**40.3 Returns:** The Chief Executive shall furnish such returns as are required by section 23 of the Incorporated Societies Act 1908.

**40.4 Other Person:** The Board shall have the power from time to time to appoint any other officer or employee to carry out the financial duties and responsibilities of the Chief Executive pursuant to this Rule.

### 41. Auditor

The accounts of the Society must be audited by an auditor appointed at the Annual General Meeting. The auditor must not hold any other office in the Society.

## MISCELLANEOUS

### 42. Common Seal

The common seal of the Society will be kept in the custody of the Chief Executive and shall be affixed to any document or writing only by resolution of the Board, by two Directors or one Director and the Chief Executive.

### 43. Alteration of Rules

No Rule of the Society may be rescinded or altered nor a new Rule added except by a majority of three-quarters of the votes cast at a General Meeting called for that purpose in favour of a motion rescinding or altering a Rule or adding a new Rule. Notice of any proposed rescission, alteration or addition must be given in writing to the Members at least two months before the General Meeting at which it is to be considered. No alteration to or amendment to the Rules shall be made which will in any way damage the existing charitable status of the Society. Any alteration, amendment or rescission of these Rules shall forthwith be registered with the Registrar of Incorporated Societies.

### 44. Liquidation

**44.1** The Society may be liquidated if a motion to do so has been passed by a majority of votes recorded at a General Meeting of which at least two months' notice has been given in writing to each Member and the resolution is confirmed at a subsequent General Meeting called for that purpose and held not earlier than thirty days after the date on which the resolution to be confirmed was passed.

**44.2** Upon liquidation, any property or assets remaining after the satisfaction of all the Society's debts, liabilities and obligations shall be given or transferred to such persons as is resolved at a General Meeting, provided that such property or assets shall not be paid or distributed among Members but may be given or transferred to an appropriate allied charitable body within New Zealand whose objects are similar to those of the Society.

### 45. No Pecuniary Gain

No benefit or advantage, whether or not convertible into money or income of any kind shall be afforded to, or received, gained, achieved or derived by any persons where that person is able in any way (whether directly or indirectly) to determine, or in any material way to influence in any way the determination of, the nature or the amount of that benefit or advantage or that income or the circumstances in which it is or is to be so received, gained, achieved, afforded or derived.