

# RULES OF THE INTERNET SERVICE PROVIDERS ASSOCIATION OF NEW ZEALAND INCORPORATED

## 1. NAME:

1.1. The name of the society shall be the:

“Internet Service Providers Association of New Zealand Incorporated”. (“ISPANZ”).

## 2. REGISTERED OFFICE:

2.1. The registered office of ISPANZ shall be situated at such address as the Board shall from time to time decide and the address of the Registered Office of the Association shall appear on all official correspondence.

## 3. DEFINITIONS:

- 3.1.1. Where commencing with a capital letter "Associate Member" means a natural person or Organisation specified in the Register for the time being as an Associate Member.
- 3.1.2. "Director" means a member of the Board.
- 3.1.3. "Executive Officer" means the officer of ISPANZ appointed under Clause 14.4.
- 3.1.4. "Financial Year" means the period from the date of incorporation of ISPANZ to the 31st of March next following and thereafter each period from the 1st April to the 31st of March next following and in the year in which ISPANZ is dissolved the period from the 1st April preceding the date of dissolution of ISPANZ to the date of such dissolution.
- 3.1.5. "Full Member" means a natural person or Organisation specified in the Register for the time being as a Full Member.
- 3.1.6. "Honorary Member" means a person specified in the Register for the time being as an Honorary Member.
- 3.1.7. "Internet" means the co-operative world-wide electronic network of computers and computer networks using TCP/IP protocol and includes future co-operative world-wide electronic networks of computers and computer networks that incorporate, replace and/or develop out of that network using any technology.
- 3.1.8. "ISP" means Internet Service Provider, a company that offers IP connectivity to the commercial or residential public. That is providing and operating IP transit between the customer location or connection and the global Internet.
- 3.1.9. "ISPANZ" means The Internet Service Providers Association of New Zealand.
- 3.1.10. "Member" means a person specified in the Register for the time being as a member of ISPANZ in any class of membership. "Membership Financial Year"

means the membership financial year of ISPANZ from 1st January to 31st December.

- 3.1.11. "Nominee" means the person most recently nominated in writing by a Member that is an Organisation as the representative of that Member at meetings of ISPANZ
- 3.1.12. "Office" means the office of the registered office of ISPANZ for the time being.
- 3.1.13. "Office Bearer" means one of those persons holding the office of President, Vice-President, Treasurer, Secretary, Executive Officer and Publications Officer.
- 3.1.14. "Officers" of ISPANZ include Directors and Office Bearers.
- 3.1.15. "Organisation" means a body corporate, a partnership, a firm, unincorporated association or institution (including clubs or societies) and a trust.
- 3.1.16. "President" means the person for the time being appointed to that office pursuant to these Rules by the Board.
- 3.1.17. "Register" means the Register of Members to be kept pursuant to the Incorporated Societies Act.
- 3.1.18. "Rules" means these Rules of Association for the time being of ISPANZ.
- 3.1.19. "Board" means the Board of ISPANZ appointed pursuant to these Rules.
- 3.1.20. "Seal" means the common seal of ISPANZ.
- 3.1.21. "Secretary" means the person for the time being appointed to that office by the Board.
- 3.1.22. "Treasurer" means the person for the time being appointed to that office by the Board.
- 3.1.23. "Vice-president" means the person for the time being appointed to that office by the Board.
- 3.1.24. "Working Group" means a working group created pursuant to Rule 17.2.

3.2. Where a word or phrase is given a defined meaning, any other part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

### 3.3. REFERENCES TO INCORPORATED SOCIETIES ACT:

- 3.3.1. Unless the context otherwise requires, a reference to:- The Incorporated Societies Act includes any regulation or instrument made under it and where amended, re-enacted or replaced means that amended, re-enacted or replacement legislation; and a section of the Incorporated Societies Act includes any corresponding section for the time being in force.

### PRESUMPTIONS OF INTERPRETATION:

- (a) words importing any gender include all other genders
- (b) words importing the singular include the plural and vice versa; and

- (c) a reference to a statute (or to a provision of a statute) means the statute or provision as modified or amended and in operation for the time being or any statute or provision enacted in lieu thereof and includes any regulation or rule for the time being in force under the statute or provision.
- (d) a person denotes an individual, a body corporate, a partnership, a firm, unincorporated association or institution and a government body; and
- (e) a notice denotes any consent, publication or other written communication.
- (f) except where the contrary intention appears in these Rules an expression in these Rules which deals with a matter dealt with by a relevant provision of the Incorporated Societies Act, has the same meaning as in that provision.
- (g) Headings:- Headings are inserted for convenience only and do not affect the construction of this Memorandum of Association.

## 4. ISPANZ'S OBJECTIVES AND POWERS SHALL BE:

### 4.1.GENERAL OBJECTIVES

- 4.1.1. To promote and facilitate the effective functioning of the Internet in Aotearoa/New Zealand as an open system.
- 4.1.2. To promote wide connectivity and diverse styles of delivery for the Internet.
- 4.1.3. To promote a fully competitive market place for Internet services.
- 4.1.4. To inform concerning the possibilities for advancement of Internet services in Aotearoa/ New Zealand and contribute to wide understanding of the techniques and economics used in providing telecommunications infrastructure for the Internet.
- 4.1.5. To encourage diversity, innovation, cooperation and independence for Internet Service providers, resellers and Internet users in Aotearoa/New Zealand.

### 4.2.POWERS

- 4.2.1. to do all things as are incidental or conducive to the attainment of any of the objects of ISPANZ.
- 4.2.2. to invest and deal with money of ISPANZ not immediately required in such manner as the Board thinks fit.
- 4.2.3. to borrow or raise and secure the payment of money in such manner as ISPANZ may think fit and secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by ISPANZ in any way and in particular by the issue of debentures, perpetual or otherwise, charged upon all or any of ISPANZ's property (both present and future), and to purchase, redeem, or pay off such securities.

## 5. MEMBERSHIP

### 5.1.CLASSES OF MEMBERS

- 5.1.1. ISPANZ consists of the following classes of members:
  - (a) Full Members;
  - (b) Associate Members;
  - (c) Honorary Members.

## 5.2. QUALIFICATION FOR FULL MEMBERSHIP

- 5.2.1. Any natural person or Organisation that is trading as an ISP from a location within New Zealand and agrees to abide by the aims and objectives of ISPANZ may apply to be a Full Member.

## 5.3. QUALIFICATION FOR ASSOCIATE MEMBERSHIP

- 5.3.1. Any natural person or Organisation who, in the opinion of the Board, is interested in the Internet and agrees to abide by the aims and objectives of ISPANZ may apply to become an Associate Member.

## 5.4. QUALIFICATION FOR HONORARY MEMBERSHIP

- 5.4.1. Any natural person who has rendered distinguished service to ISPANZ, or the objects of ISPANZ, may be admitted by the Board as Honorary Member for a period of 10 years.

## 5.5. MEMBERSHIP OF RELATED GROUPS

- 5.5.1. No person or organisation can become or remain a member if a related person or organisation is a member. Any issue as to whether a person or organisation is related to another person or organisation is to be determined by the Board.

## 5.6. APPLICATION FORMS

An application for membership shall be made in the form approved by the Board from time to time.

## 5.7. DETERMINATION OF APPLICATION BY THE BOARD.

- 5.7.1. The Board shall determine whether or not to approve each application for membership.
- 5.7.2. The Board may require an applicant to give such further information as it desires before approving or declining an applicant to membership.
- 5.7.3. The Board need not give any reasons for a decision to admit or decline to admit a person to membership. Its decisions are final and not subject to review.
- 5.7.4. If an application for membership is declined, the Secretary shall send to the applicant written notice of the rejection of the application and refund the membership and entrance fee accompanying the application.

## 5.8. ADMISSION OF MEMBERS

An applicant for membership is taken to be admitted to membership upon the Board approving the application and the name and address of the person being entered in the Register in the appropriate category of membership.

When an applicant has been accepted for membership the Secretary or Treasurer shall forthwith send to the applicant written notice of acceptance.

## 5.9.APPOINTMENT OF HONORARY MEMBERS

- 5.9.1. A person qualified to be an Honorary Member shall be appointed an Honorary Member if the Board recommends the appointment to a General Meeting of ISPANZ and the General Meeting appoints the qualified person by Special Resolution.
- 5.9.2. At the conclusion of any period of appointment of an Honorary Member the period of appointment may be extended by the Board for a further period of 10 years.
- 5.9.3. The number of Honorary Members shall not at any time exceed 4 and not more than one person will be appointed in any one Financial Year.
- 5.9.4. If at the time that a person was admitted as an Honorary Member he or she was an Individual Member upon the conclusion of the period of his or her appointment as an Honorary Member he or she will be reinstated as an Individual Member.

## 6. RIGHTS AND DUTIES OF MEMBERSHIP

### 6.1.TRANSFERABILITY

- 6.1.1. Membership not transferable whether by operation of law or otherwise.

### 6.2.FULL MEMBERS' RIGHTS

Without limiting any other rights conferred on Full Members, a Full Member has the following rights:

- (a) to be given notice of, attend and vote at any general meeting of ISPANZ
- (b) to be given all notices issued to Members generally
- (c) to attend seminars, discussions, excursions and other activities of ISPANZ subject to any fee applicable there to
- (d) to send up to 2 observers to any meeting of ISPANZ except meetings of the Board; and
- (e) to receive all services and regular publications of ISPANZ on the same terms as other Members.
- (f) to inspect and take copies of entries from the Register of Members.

### 6.3.FULL MEMBERS THAT ARE ORGANISATIONS

- 6.3.1. Each Full Member that is an Organisation shall be represented at any General Meeting or other meeting of ISPANZ which Members are entitled to attend by its Nominee.
- 6.3.2. A Member may nominate more than one Nominee provided it indicates which Nominee is to be recognised by ISPANZ if more than one Nominee is present at any meeting.

### 6.4.ASSOCIATE MEMBERS' RIGHTS

- 6.4.1. An Associate Member has the right to receive the regular publications of ISPANZ.
- 6.4.2. An Associate Member has no right to attend or vote at a general meeting of ISPANZ and has no right to receive notices of any such meeting or other communications issued to Members other than the regular publications of ISPANZ.
- 6.4.3. An Associate Member may not hold any office in ISPANZ.

### 6.5.HONORARY MEMBERS' RIGHTS

- 6.5.1. An Honorary Member need not pay any membership fees.
- 6.5.2. An Honorary Member has all of the rights of a Full Member.

### 6.6.CONFIDENTIALITY

- 6.6.1. Each Member shall maintain in strict confidence all confidential information provided to it or them in respect of the affairs of ISPANZ or any other Member. If any Organisation, the members of its governing body, employees and/or any person appointed as its Nominee, representative or official observer obtains confidential or commercially sensitive information about ISPANZ or any other member through involvement with ISPANZ then the strictest confidence shall be observed in respect of that information.

## 7. CESSATION OF MEMBERSHIP

### 7.1.TERMINATION OF MEMBERSHIP

- 7.1.1. All rights and privileges of membership of ISPANZ cease on termination of membership.
- 7.1.2. Subject to these Rules, the membership of a Member terminates immediately upon:
  - (a) receipt from the Member by ISPANZ of a written notice resigning the Member's membership of ISPANZ
  - (b) if the Member is an Organisation, the Member is wound up, except for the purposes of reconstruction or amalgamation
  - (c) if the Member is a natural person, the Member dies, becomes bankrupt, makes a composition with or assigns the Member's estate for the benefit of

the Member's creditors or becomes a person whose estate or person is liable to be dealt with in any way under the law relating to mental health.

- 7.1.3. Subject to these Rules, the Board or Members in General Meeting may by resolution at any time terminate the membership of a Member
- (a) if the Member ceases to satisfy the criteria for admission to membership of ISPANZ the Member refuses or neglects to comply with the provisions of these Rules or the current code of ethics of ISPANZ or any applicable rules made by the Board
  - (b) or is guilty of any conduct which in the opinion of the Board is unbecoming of the Member or prejudicial to the interest of ISPANZ
  - (c) or persistently engages in any behaviour inconsistent with the Objectives of ISPANZ
  - (d) or if the membership fees payable by the Member remain unpaid for a period of 3 months after the due date for payment.
- 7.1.4. A resolution of the Board pursuant to Clauses 7.1.3(a), (b) or (c) is not effective unless:
- (a) the Secretary has given the Member concerned notice of the resolution to be considered by the Board and a copy of any business papers circulated to Directors regarding the resolution not less than 14 days prior to the date of the meeting. If the business papers do not contain particulars of any allegations supporting the resolution to be considered, a statement setting out those allegations shall be given
  - (b) the Member has been invited and permitted to attend that part of the meeting of the Board at which the resolution is considered and permitted to make submissions to the meeting in writing and orally
  - (c) the Member is given an opportunity to respond to any matters raised in the meeting. The Board may ask the Member to leave the meeting during its deliberations once submissions from all interested parties are complete
  - (d) notice of the decision of the Board is given promptly to the Member; and
  - (e) the Member fails to require the matter to be considered de novo by the Members in accordance with Rule 7.2

## 7.2. RIGHT OF REVIEW

- 7.2.1. A Member facing termination and dissatisfied with a decision of the Board with regard to that termination, may require the decision to be reconsidered de novo by the Members in general meeting by notice in writing to ISPANZ within 14 days of the date on which written notice of the Board decision is given to the Member. The Member's notice may set out a statement by the Member provided that it is not of unreasonable length and does not contain any defamatory imputations or assertions damaging to the standing of ISPANZ.
- 7.2.2. If a Member gives notice in accordance with Clause 7.2.1:
- (a) the Secretary shall promptly convene a general meeting of ISPANZ



- (b) the Secretary shall circulate to Members a copy of the Member's notice and any statement by the Board
- (c) the meeting shall be held in the city, town or district in which the registered office is located
- (d) the Member shall be given the opportunity to address the general meeting;  
and
- (e) immediately prior to a vote being taken on the resolution the Member shall be given the opportunity to respond to any matters raised in the meeting.

### 7.3.REMOVAL FROM REGISTER

- 7.3.1. Upon the termination of membership of a Member for any reason the name of the Member shall be immediately removed from the Register.

### 7.4.ACTION REQUIRED ON CEASING TO BE MEMBER.

- 7.4.1. Each Member unconditionally and irrevocably agrees that in the event it ceases to be a Member for any reason, it will forthwith upon the written request of the Board cease to use the ISPANZ logo cease to hold out or in any way represent that it is associated with ISPANZ.

### 7.5.CONTINUING OBLIGATIONS

- 7.5.1. The termination of a Member's membership for any reason does not in any way prejudice, lessen or otherwise affect the liabilities and obligations of a Member (whether they arise under these Rules or otherwise) existing at the date of termination or which arise or crystallise after that date out of or by reason of facts or circumstances occurring or in existence at or before that date.
- 7.5.2. Without limiting the previous clause, termination of membership does not relieve a Member from any obligation to pay any membership fees payable on or before the date of termination and does not entitle the Member to any refund of any membership fees in whole or in part.

## 8. MEMBERSHIP FEES

### 8.1.ANNUAL MEMBERSHIP FEES

- 8.1.1. Each Member (other than an Honorary Member) is obliged to pay an annual membership fee.
- 8.1.2. Annual membership fees are payable in full annually in advance in respect of each Financial Year on the first day of the Financial Year. Payment may be made within one month of the due date (or such other date as the Board may determine from time to time) without prejudice to any rights of the Member.
- 8.1.3. The Board may from time to time determine the annual membership fees in respect of each class of membership. Different rates may apply to different classes of membership but the same rate or rate scale applies to each Member within a class with the exception of overseas memberships where an extra fee may be charged to cover postage and other communication costs.

### 8.2.MEMBERSHIP FEES PAYABLE ON APPLICATION FOR MEMBERSHIP

- 8.2.1. An applicant for membership is obliged to pay the applicable annual membership fee at the time of application and an entrance fee determined by the Board from time to time. Members admitted within the Financial Year shall pay such portion of the annual membership fee as the number of complete months to the end of the Financial Year bears to 12.

## 9. MODE OF AMENDMENT TO RULES

9.1.1. These Rules may be amended or rescinded and substituted by resolution of the Members in general meeting, in accordance with rule 10.8.3.

9.1.2. Suggested alterations, amendments or additions shall be notified to the Secretary at least 14 days' prior to a General Meeting. The Secretary shall notify each member of the details of any proposed suggestions, in accordance with rule 10.7.

## 10. GENERAL MEETINGS OF MEMBERS

### 10.1. GENERAL MEETINGS

10.1.1. An annual general meeting of the Members shall be held once in every year (not being more than 15 months after the holding of the last preceding annual general meeting) at such place as the Board may determine

10.1.2. All other general meetings of the Members shall be extraordinary general meetings.

### 10.2. CONVENING OF GENERAL MEETINGS

10.2.1. The President or any two Directors may convene a general meeting by giving notice to ISPANZ.

10.2.2. The Board shall convene an extraordinary general meeting within 21 days of receiving a requisition of not less than 10% of the Full Members.

10.2.3. If at least 3 clear days before the time appointed for a general meeting at least 5 Full Members have given notice to ISPANZ requiring the business of such meeting to be conducted by electronic means in lieu of a physical meeting, then the Secretary shall cause notice of all reports and proposed resolutions to be given to Full Members by electronic means and all such resolutions shall be dealt with in accordance with Rule 11 hereof.

### 10.3. NOTICE REQUIREMENTS

10.3.1. Subject to the Incorporated Societies Act, where it is proposed to pass a special resolution not less than 14 days' notice and in other cases, not less than 7 days' notice of a general meeting, shall be given to all Members other than Associate Members.

10.3.2. A notice shall specify the place, the day and the time of the meeting and in case of special business, the general nature of that business, including the text of any resolution proposed to be put to the meeting. The notice for an annual general meeting shall set out the names of the Directors to retire at that meeting and the names of the Members offering themselves for election as Directors at that meeting.

10.3.3. All business to be transacted at an extraordinary general meeting and all business to be transacted at an annual general meeting, with the exception of the consideration of the accounts, the reports of the Board and the auditors and the election of Directors, is special business.

### 10.4. QUORUM AT GENERAL MEETINGS

- 10.4.1. Business may not be transacted at a general meeting unless a quorum of Members is present at the time when the meeting proceeds to business and while business is being conducted.
- 10.4.2. Except as otherwise set out in these Rules, 50% of the number of then current Full Members present in person or by proxy is a quorum.
- 10.4.3. If a quorum is not present within 30 minutes from the time appointed for the meeting or a longer period allowed by the Chairperson or a quorum ceases to be present for a continuous period of not less than 10 minutes or a longer period allowed by the Chairperson if the meeting was convened by or on the requisition of Members, it shall be dissolved; or it shall stand adjourned to the same day in the next week at the same time and place or to another day and at another time and place determined by the Chairperson.
- 10.4.4. At an adjourned meeting, if a quorum is not present within half an hour after the time appointed for the meeting, the meeting shall be dissolved.

#### 10.5. CHAIRPERSON

- 10.5.1. The President (or if the President is absent, unable or unwilling to act, the Vice-President) may preside as Chairperson at every general meeting of ISPANZ.
- 10.5.2. If neither the President nor the Vice-president is present within 30 minutes after the time appointed for holding the meeting, or if being present is or are unwilling to act as Chairperson, the Members present shall choose one of their number to be Chairperson.
- 10.5.3. Subject to these Rules, the Chairperson's ruling on all matters relating to the order of business and the procedure and conduct of a general meeting (including any poll or ballot) is final and no motion of dissent from a ruling of the Chairperson may be moved.

#### 10.6. ADJOURNMENT OF MEETINGS

- 10.6.1. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting to another time and to another place.
- 10.6.2. The only business that may be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place.
- 10.6.3. If a meeting is adjourned for 30 days or more, but not otherwise, notice of the adjourned meeting shall be given as in the case of an original meeting.

#### 10.7. MEETING AGENDAS

- 10.7.1. The Secretary shall ensure that an agenda is notified to Members at least one clear 24-hour business day before the commencement of every General Meeting. The agenda must include any resolutions to be decided.

#### 10.8. VOTING AT NON-ELECTRONIC MEETINGS

- 10.8.1. At a general meeting a resolution put to the vote of the meeting is decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded.
- 10.8.2. Subject to these Rules, every Member present in person has one vote on a show of hands and every Member present in person or by proxy shall have one vote on a poll.
- 10.8.3. Decisions will be carried only with a 75% majority of those Members voting in person or by proxy.
- 10.8.4. A Member may not exercise any voting rights if any membership fees payable by the Member are unpaid at the commencement of the meeting and the time allowed for payment has elapsed.
- 10.8.5. An objection to the qualification of a voter shall be referred to the Chairperson who shall rule on the objection before a vote is taken. A vote not disallowed is valid for all purposes.
- 10.8.6. If a poll is not duly demanded, a declaration by the Chairperson that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the general meetings of Members, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

#### 10.9. CONDUCT OF A POLL AT NON-ELECTRONIC MEETINGS

- 10.9.1. A poll may be demanded by:-the Chairperson any Member who has the right to vote at the meeting
- 10.9.2. The demand for a poll may be withdrawn.
- 10.9.3. The demand for a poll does not prevent the continuance of a meeting for the transaction of business other than the question on which a poll is demanded.
- 10.9.4. If a poll is duly demanded, it shall be taken in the manner and, except as to the election of a Chairperson or on a question of adjournment, either at once or after an interval or adjournment or otherwise as the Chairperson directs. A poll demanded on the election of a Chairperson or on a question of adjournment shall be taken immediately.
- 10.9.5. The result of the poll is the resolution of the meeting on the question concerned.

#### 10.10. PROXIES

- 10.10.1. A document appointing a proxy (which for the purposes of these Rules includes a power of attorney of a Member appointing another Member to vote on the first mentioned Member's behalf) shall be in writing and must be signed by the appointor or the attorney of the appointor duly authorised in writing. An email from the appointor to the nominated Member copied to the Secretary will be an acceptable alternative.
- 10.10.2. Only a Member or Nominee may be appointed as a proxy.

- 10.10.3. A document appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where the document so provides, the proxy is not entitled to vote on the resolution except as specified in the document.
- 10.10.4. The document appointing a proxy shall be lodged with the Chairperson by post, facsimile or email at the ISPANZ Office, or at another address specified for that purpose in the notice convening the meeting. The document appointing a proxy must be lodged not less than 24 hours before the scheduled meeting time or adjourned meeting resumption time, although a document appointing a proxy lodged less than 24 hours before the scheduled meeting can be accepted at the discretion of the meeting.
- 10.10.5. A vote given in accordance with the terms of a document appointing a proxy is valid despite the occurrence of any one or more of the following events if no intimation in writing of any of those events has been received by the Chairperson before the commencement of the meeting or adjourned meeting at which the document is used:
- (a) the previous death or unsoundness of mind of the principal;
  - (b) the revocation of the instrument or of the authority under which the instrument was executed;
  - (c) the termination of membership of the Member.

## 11. ELECTRONIC DIALOGUE BETWEEN MEMBERS IN LIEU OF MEETINGS

### 11.1. THE PASSING OF RESOLUTION BY ELECTRONIC MEANS

- 11.1.1. Anything that may be done by ISPANZ by resolution, special resolution or extraordinary resolution, passed at a meeting of ISPANZ, may be done by ISPANZ in the same manner or without a meeting in accordance with the subclauses following and in accordance with the procedures for Electronic Dialogue that the Board may proscribe from time to time.
- 11.1.2. Upon receipt of any resolution proposed by any Member entitled to vote and seconded by another the Secretary shall give notice of the text thereof and a date and time being not less than one clear 24-hour business day with the approval of the Board and 7 clear days in any other case at which voting will close.
- 11.1.3. Every such resolution shall be deemed passed if approved by 75% of the Members entitled to vote and voting thereon personally or by proxy and in writing or by electronic mail verified in such manner as may be approved by resolution of the Board and received by ISPANZ before the closure of votes.
- 11.1.4. Within one working day of the closure of votes the Secretary shall ascertain whether the resolution was carried and by what particular majority or lost and shall cause an entry to the effect in the minute book containing the minutes of the general meetings of Members and shall be notice thereof to every Member entitled to vote.
- 11.1.5. The Secretary shall cause the text of any mail or electronic mail received by ISPANZ before the closure of votes from any Member entitled to vote and

addressing any resolution to be distributed electronically in a manner approved by resolution of the Board to all Members entitled to vote and having an electronic mail address.

- 11.1.6. Any Member entitled to vote may be appointed mediator of the Board and shall have the same powers as the Chairman in general meeting including the power to extend the time and date for closure of votes.

## 11.2. GENERAL MEETINGS BY ELECTRONIC CONFERENCE

- 11.2.1. Any general meeting may be held by way of an electronic conference on the Internet in a manner approved by resolution of the Board, such that the text of all addresses shall be broadcast to the Officers and Members attending and otherwise consonant with the Rules for general meeting and providing for prior electronic dialogue as described by Rule 11.1.5 provided that every notice of such meeting shall inform Members of the appropriate means to join and participate at the conference.

## 12. APPOINTMENT OF OFFICERS (DIRECTORS)

### 12.1. COMPOSITION OF THE BOARD

- 12.1.1. Only a Full Member, Honorary Member or Nominee may be appointed or elected as Director.
- 12.1.2. If a Nominee is appointed or elected as a Director, the Nominee is elected in his or her personal capacity and not as Nominee of the Member represented by the Nominee; and may not be replaced or substituted by another Nominee of the same Member except by election or appointment of the other Nominee in accordance with these Rules.
- 12.1.3. The subscribers to these Rules shall appoint the first Board. The first Board shall hold office until the first extraordinary general meeting of ISPANZ at which all positions shall be declared vacant and an election shall be held for all Board positions. The Directors shall call an extraordinary general meeting within 3 months of the date of incorporation of ISPANZ.

### 12.2. NUMBER OF DIRECTORS

- 12.2.1. The Board shall consist of a minimum of 3 and a maximum of 7 elected Directors.

### 12.3. TERM OF OFFICE OF DIRECTORS

- 12.3.1. Directors shall hold office from election until the next annual general meeting.
- 12.3.2. If an elected director ceases to hold office during his or her term of office the director appointed to fill any vacancy shall serve from the date of appointment until the date of the next election of Directors.

### 12.4. ELECTION OF DIRECTORS

- 12.4.1. At each annual general meeting of ISPANZ, Directors shall be elected.

## 12.5. PROCEDURE FOR ELECTION OF DIRECTORS

- 12.5.1. A Member seeking election as a Director shall give a nomination in a form approved by the Secretary to ISPANZ not later than 14 days prior to the annual general meeting.
- 12.5.2. If on the close of nominations there are the number of nominations required to fill all vacancies or less, the nominated candidates shall be declared elected at the annual general meeting and the elected Directors shall fill the remaining positions as casual vacancies.
- 12.5.3. The list of candidates and any statement included with the nomination in accordance with Clause 12.5.1 shall be included in the notice of annual general meeting.
- 12.5.4. The election of Directors shall be first past the post.
- 12.5.5. The Chairperson of the meeting shall have absolute discretion in the conduct of the election.

## 12.6. CASUAL VACANCIES

- 12.6.1. Subject to Clause 12.6.2, the Board may fill a casual vacancy in the office of a Director by appointing an Honorary Member, a Full Member who is a natural person or a Nominee.
- 12.6.2. If a Director is removed from office by the Members in general meeting, the Members may at that general meeting appoint a Member as a replacement. The Member so appointed holds office for the remainder of the term of the removed Director.

## 12.7. TERMINATION OF OFFICE OF DIRECTORS.

- 12.7.1. Unless revoked or renewed, each Director's term will terminate upon election of Directors at each annual general meeting.
- 12.7.2. In addition to the circumstances in which the office of a Director becomes vacant by virtue of the Incorporated Societies Act or another provision of these Rules, the office of a Director becomes vacant:
  - (a) if the Director resigns that office by notice in writing to ISPANZ
  - (b) if the Director ceases to be a Member for any reason
  - (c) if the Director is removed from office by the Members by ordinary resolution in general meeting pursuant to the Incorporated Societies Act
  - (d) if the Director becomes a bankrupt.
  - (e) if the Director becomes a person whose estate or person is liable to be dealt with in any way under the law relating to mental health
  - (f) if the Director is absent without permission of the Board from 3 consecutive meetings of the Board and the latter determines that the Director should no longer be a Director



- (g) if the Director is directly or indirectly interested in any contract or proposed contract with ISPANZ and fails to declare the nature of that interest in the manner required by the Incorporated Societies Act (or at the first meeting of the Board after the relevant facts have come to the Director's knowledge) and the Board determines that the Director should no longer be a Director
- (h) if the Director commits any act or omission likely in the bona fide opinion of the Board to bring discredit to ISPANZ or be inimical to its objects and the Board determines that the Director should no longer be a Director.

## 13. INDEMNITY OF OFFICE

- 13.1.1. Every officer, auditor or agent of ISPANZ is entitled to be indemnified out of the property of ISPANZ against any liability incurred by the officer, auditor or agent in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour of the officer, auditor or agent or in which the officer, auditor or agent is acquitted; or in connection with any application in relation to those proceedings in which relief is granted to the officer, auditor or agent by the Court.
- 13.1.2. The indemnity under this clause will be limited to the amount of the liability after deducting the amount in respect of which the person is otherwise entitled to be indemnified and is otherwise actually indemnified by another person (including, in particular, an insurer under any insurance policy); and where the liability is incurred in the conduct of the business of another person or in the discharge of the duties of the officer in relation to another person, the amount in respect of which the officer is entitled to be indemnified and is actually indemnified out of the assets of that person.
- 13.1.3. To the maximum extent permitted, "liability" in this clause means all costs, charges, losses, damages, expenses, penalties and liabilities of any kind, including in particular legal costs (calculated on a solicitor/client basis) incurred in defending any proceedings (whether criminal, civil, administrative or judicial) or appearing before any court, tribunal, government authority or otherwise.

## 14. OFFICE BEARERS, OFFICES AND PATRON

### 14.1. OFFICE BEARERS

The office bearers of ISPANZ are:

- (a) the President
- (b) the Vice-president
- (c) the Treasurer,
- (d) the Secretary.

14.2. ELECTION OF OFFICE BEARERS

14.2.1. The President, Vice-president, Treasurer and Secretary of ISPANZ shall be elected by the Board from its members.

14.2.2. The first meeting of the Board following each annual general meeting shall be held immediately following the conclusion of the annual general meeting and the first item of business shall be election of the President, Vice-president, Treasurer and Secretary.

14.2.3. The Officer bearer elections shall be conducted by the immediate past President.

14.2.4. The term of office of the President, Vice-president, Treasurer and Secretary concludes, on the first to occur of:

- (a) unless the Board otherwise determines, the conclusion of the annual general meeting held in the next calendar year after the person's appointment.
- (b) the person giving notice of retirement from the office to ISPANZ
- (c) the person ceasing to be a Director for any reason; or
- (d) the person being removed from that office by the Board.

14.2.5. A casual vacancy in the office of President, Vice-president, Treasurer or Secretary may be filled by the Board from amongst the Directors. A person filling a casual vacancy holds office for the remainder of the term of the office holder who last held the position.

#### 14.3. DUTIES OF OFFICE BEARERS

14.3.1. The President shall supervise the affairs of ISPANZ and is an ex-officio member of all Working Parties established pursuant to Clause 17.2 and committees established by the Board.

14.3.2. The Vice-president shall discharge the duties of the President where the President is unable to do so.

14.3.3. The Secretary shall supervise and report regarding the performance of the duties of the Executive Officer.

14.3.4. The Treasurer shall manage the finances of ISPANZ and must report on the financial position of ISPANZ as required and attend to all other duties required by the Board.

#### 14.4. EXECUTIVE OFFICER

14.4.1. The Board may appoint an Executive Officer for such term and at such remuneration and upon such conditions as it may think fit.

14.4.2. The Executive Officer may be removed by the Board.

14.4.3. The Executive Officer, if any, shall have duties as defined by the Board from time to time. These duties will be documented in a job description.

### 15. POWERS AND DUTIES OF THE BOARD

15.1.1. The business of ISPANZ is managed by the Board. The Board may exercise all powers of ISPANZ and on behalf of ISPANZ do all such acts as may be exercised and done by ISPANZ and as are not by the Incorporated Societies Act or by these Rules required to be exercised by ISPANZ in general meeting.

15.1.2. The Board shall have power to make regulations governing the conduct of ISPANZ generally provided that such regulations are not inconsistent with these rules. Subject to the right of ISPANZ in general meeting to amend, repeal or add to regulations made by the Board, such regulations shall be deemed to be rules of ISPANZ.

15.1.3. Subject to these Rules the Board may engage the services of any person as an employee or contractor on such terms as the Board thinks fit.

15.1.4. The outgoing Board shall annually propose a business plan and budget to the annual general meeting..

15.1.5. The Board may determine whether (on its own motion or at the suggestion of any Member) any matter affecting the objects of ISPANZ should be the subject of investigation, consideration, discussion or other action.

## 15.2. REPRESENTATIONS BY ISPANZ

- 15.2.1. The President or the Board may authorise any committee or individual to represent ISPANZ before any government or governmental body or committee or to make statements or express views on behalf of ISPANZ. The authority may be given generally or for a specific situation and may be given on such conditions as the Board thinks fit.
- 15.2.2. Unless duly authorised to do so pursuant to this clause, no Member of ISPANZ may make any statement or express any view which purports to be a statement or view of ISPANZ or having been made on behalf of or with the concurrence of ISPANZ.

## 15.3. ATTORNEYS

- 15.3.1. The Board may from time to time by power of attorney appoint a corporation, firm, or person or body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of ISPANZ.
- 15.3.2. The attorney may be granted all powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) for the period and subject to the conditions which the Board thinks fit.
- 15.3.3. A power of attorney may contain any provisions for the protection and convenience of persons dealing with the attorney which the Board thinks fit. It may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

## 15.4. CHEQUES

- 15.4.1. All cheques, promissory notes, banker's drafts, bills of exchange and other forms of payment and all receipts for money paid to ISPANZ shall be signed, drawn, accepted, endorsed or otherwise executed in such manner from time to time determined by the Board.
- 15.4.2. All appropriations or expenditure of funds of ISPANZ is subject to such approval and may be made in such manner as may be determined by the Board for the time being.

## 16. MEETINGS OF THE BOARD

### 16.1. BOARD MEETINGS

- 16.1.1. The Board may meet for the despatch of business and adjourn and otherwise regulate its meetings as it thinks fit.
- 16.1.2. The Directors are to be regarded as present together when in communication by telephone, audio or audio visual communication or email and each of the Directors participating in the communication is able to read the written contributions or hear each of the other participating Directors. A meeting of the Board may only be held in this manner where all of the Directors (other than any Director on leave of absence) have access to the communication facilities to be used for the meeting
- 16.1.3. The Secretary shall on the requisition of a Director convene a meeting of the Board.

### 16.2. NOTICE OF BOARD MEETINGS

- 16.2.1. At least 3 days' notice of a meeting of the Board shall be given to each Director specifying the place, time and date of the meeting and the general nature of items to be discussed.
- 16.2.2. Shorter notice may be given if not less than 75% of the Directors agree or if the President considers that the business of the meeting is urgent.

### 16.3. QUORUM FOR BOARD MEETINGS

- 16.3.1. The quorum necessary for the transaction of the business of the Board is 3.
- 16.3.2. The continuing Directors may act notwithstanding any vacancy on the Board.
- 16.3.3. If and so long as the number of Directors is less than the number fixed as the necessary quorum of the Board, the continuing Directors may act for the purpose of increasing the number of Directors but for no other purpose.

### 16.4. CHAIRPERSON FOR BOARD MEETINGS

- 16.4.1. The President (or if the President is absent unable or unwilling to act, the Vice-President) presides as Chairperson at every meeting of the Board.
- 16.4.2. If neither the President nor the Vice-President is present, or if being present is or are unable or unwilling to act as Chairperson, the Directors present shall choose one of their number to be Chairperson of the meeting.

### 16.5. VOTING AT BOARD MEETINGS

- 17.5.1 Questions arising at a meeting of the Board are decided by majority of votes of Directors present and voting. A decision by a majority of the members present and voting is for all purposes a decision of the Board.
- 17.5.2 The Chairperson of the meeting has a casting vote in addition to a deliberative vote where there is an equality of votes.

## 16.6. WRITTEN RESOLUTION

16.6.1. A written resolution signed or approved by electronic mail by all Directors (other than any Director on leave of absence) is taken to be a decision of the Directors passed at a meeting of the Directors duly convened and held.

16.6.2. The written resolution may consist of:- several documents in like form, each signed by one or more Directors and if so signed it takes effect on the last date on which a Director signs one of the documents; or the printed record of several electronic mail messages each indicating the identity of the sender, the text of the resolution and the sender's agreement or disagreement to the resolution, as the case may be, and such a resolution takes effect on the date on which the last director sends such a message.

16.6.3. The written resolution may be given to the Office or to the President in the same manner as other notices, including facsimile. If the President (or in the absence of the President, the Vice-President) certifies in writing that a Director has verbally approved the terms of a written resolution, for the purposes of this clause that Director will be taken to have signed the written resolution provided that such certification is given in respect of not more than 3 Directors.

## 16.7. DEFECTS IN APPOINTMENT OR QUALIFICATION OF A DIRECTOR.

16.7.1. All acts done bona fide by a meeting of the Board or of a committee thereof or by any person acting as a Director, committee member or Office Bearer of ISPANZ shall be valid and effective notwithstanding that it is afterwards discovered that there was some defect in the appointment of that person or that the person was disqualified from so acting for any reason.

## 16.8. DIRECTOR'S INTERESTS

16.8.1. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with ISPANZ shall declare the nature of the Director's interest on or before the next meeting of the Board.

16.8.2. The Secretary shall record every declaration of interest in the minutes of the meeting at or before which it is made.

16.8.3. If a Director is interested in a contract or proposed contract with ISPANZ and declares the nature of the interest as required by these Rules:

- (a) the Director is not disqualified by holding office as a Director from contracting or entering into any arrangement with ISPANZ, whether as vendor, purchaser or otherwise
- (b) a contract or arrangement entered into by or on behalf of ISPANZ in which the Director is in any way, whether directly or indirectly, interested, is not liable to be avoided; and,
- (c) the Director is not liable to account to ISPANZ for a profit realised from that contract or arrangement by reason of the Director holding that office.

16.8.4. A Director and a firm in which the Director is interested may act in a professional capacity for ISPANZ. The Director and that firm are entitled to

remuneration for professional services as if the Director was not a Member of ISPANZ.

16.8.5. Nothing in this clause authorises a Director or a firm in which the Director is interested to act as auditor of ISPANZ.

16.9. PARTICIPATION BY INTERESTED DIRECTOR.

16.9.1. A Director may not vote on or be present during the consideration by the Board of any matter in which the Director has, directly or indirectly, a material, personal interest. If a Director votes in contravention of this clause that Director's vote is not counted.

16.9.2. A Director who is not entitled to vote or to be present during the consideration of a matter, may not be counted in any quorum required for a meeting of the Board.

16.9.3. The prohibition in Clauses 16.9.1 and 16.9.2 do not apply if:

- (a) the Board has at any time resolved that it is satisfied that the Director's interests in the matter (as specified by resolution of the Board) should not disqualify the Director from considering or voting on the matter
- (b) the Director is lawfully able to vote on and be present during consideration by the Board of the matter; or
- (c) the interest which the Director has in the matter arises by reason only that the Director is a Member and has an interest in the matter in common with the other Members.

- 16.9.4. A Director may attest the affixing of the Seal to a contract or arrangement entered into by the Director or in which the Director is, directly or indirectly, interested.

## 17.WORKING GROUPS

- 17.1.1. The Board may from time to time appoint such persons to constitute a Working Group as the Board thinks fit
- 17.1.2. That Board shall provide a project brief to any Working Group thus appointed
- 17.1.3. The Working group shall elect a chair person from within their number.
- 17.1.4. Any interested Full Member or Honorary Member or other person may be invited by the Chair of a Working Group to participate in any Working Group.
- 17.1.5. The Chair of a Working Group shall report in writing to the Board on its activities from time to time.
- 17.1.6. Subject to any conditions imposed by the Board, the meeting and proceedings of a Working Group shall be convened and conducted as the Chair thinks fit.

## 18.MINUTES OF MEETINGS

### 18.1. SECRETARY TO ATTEND MEETINGS.

- 18.1.1. Unless directed otherwise by the Board, the Secretary shall attend all meetings of the Board and other committees established by the Board and all general meetings of ISPANZ and shall keep a record of the proceedings of those meetings.

### 18.2. PREPARATION, CIRCULATION AND APPROVAL OF MINUTES

- 18.2.1. The Secretary shall cause draft minutes of all such meetings to be promptly circulated to all Directors for information and approval.
- 18.2.2. Subject to any objection, the Chairperson of the meeting or the next such meeting shall sign the minutes to certify that they are a true and correct record of the proceedings of the meeting.

## 19.ISPANZ COMMON SEAL

- 19.1.1. The Board will adopt a common seal. The common seal shall not be affixed to any deed or document except by order of the Board. Every document to which the common seal is affixed shall be signed by the President and one other Director. The common seal shall be kept at the registered office of the association.

## 20.ACCOUNTS

### 20.1. ISPANZ TO KEEP ACCOUNTS

- 22.1.1 The Board shall cause proper books of account to be kept in accordance with the Incorporated Societies Act.



## 20.2. WHERE ACCOUNTS TO BE KEPT

20.2.1. The books of account shall be kept at the Office, or subject to the Incorporated Societies Act, at such other place or places as the Board thinks fit.

## 20.3. ACCOUNTS OPEN FOR INSPECTION

20.3.1. The books of account shall always be open for the inspection of Directors.

20.3.2. Subject to the Incorporated Societies Act, the Board may from time to time determine at what times and places and under what conditions the accounts and books of ISPANZ or any of them may be open for inspection by other Members.

## 20.4. ANNUAL ACCOUNTS

The Board shall cause to be prepared, circulated to and laid before the Members in general meeting such income and expenditure accounts, balance sheets, group accounts (if any) and reports as are from time to time required by law.

## 20.5. AUDITING OF ACCOUNTS

The accounts of ISPANZ shall be audited annually by properly qualified auditors who shall report to the Members thereon.

# 21. NOTICES

## 21.1. MEANS OF GIVING NOTICES

21.1.1. A notice pursuant to these Rules shall be given in writing and may be given to the addressee by:

- (a) mail (postal service)
- (b) sending it by electronic mail on the Internet
- (c) facsimile to the facsimile number; or
- (d) electronic mail address of the addressee.

21.1.2. A Director, Secretary or other person authorised by the Board may give notices on behalf of ISPANZ. The signature on notice given by ISPANZ may be written, photocopied, printed or stamped.

21.1.3. Notices given to ISPANZ shall be marked for the attention of the Secretary.

## 21.2. ADDRESS FOR SERVICE

21.2.1. The address for service is in the case of a Member or Director, the street address (or any postal address, document exchange address, electronic mail address or facsimile number in the case of postal, electronic mail or facsimile despatch) of the Member or Director specified in the Register in the case of ISPANZ, the address (or any postal address, electronic mail address or facsimile number in the case of postal or electronic or facsimile despatch) of the Office for the time being specified on the official stationery of ISPANZ.

## 21.3. NOTIFICATION OF CHANGE OF ADDRESS

21.3.1. If the street address, postal address, electronic mail address or facsimile number of a Member changes, the Member shall promptly give notice of the change to ISPANZ.

21.3.2. ISPANZ shall promptly notify Members of any change in its address.

## 21.4. TIME NOTICES ARE GIVEN

21.4.1. Except if a later time is specified in a clause dealing with a notice or other communication, a notice (other than a notice convening a meeting) is to be regarded as given, served, receiving and as having come to the attention of the addressee:

- (a) if delivered to the street address of the addressee, at the time of delivery
- (b) if it is sent by post to the street address or postal address of the addressee, on the 1st (or 5th if outside New Zealand) business day after posting; or
- (c) if sent by electronic mail or facsimile to the facsimile number, electronic mail address of the addressee, at the time transmission is completed.

## 21.5. PROOF OF GIVING NOTICES

- 21.5.1. Proof of the sending of a notice by facsimile and the time of completion of transmission may be established by the production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the addressee.
- 21.5.2. Proof of sending of a notice by electronic mail and the time of completion of transmission may be established by the production of a Mail Delivery Subsystem report confirming that the email notice was delivered in its entirety to the email address of the addressee.
- 21.5.3. A certificate signed by a Director or Secretary that a notice was delivered by courier or facsimile, or posted by mail at a particular time is deemed to be conclusive evidence that the notice was delivered or posted at that time.
- 21.5.4. A certificate signed by a Director or Secretary that a notice was sent by electronic mail, together with a copy of the Mail Delivery Subsystem report confirming that the email notice was delivered to the addressee's electronic mail box at a particular time, is deemed to be conclusive evidence that the notice was delivered at that time.

## 21.6. NOTICE OF MEETINGS

- 21.6.1. Subject to the Incorporated Societies Act, a notice of a general meeting or a meeting of the Board is taken to be given on the day of despatch.
- 21.6.2. The accidental failure to give a notice of meeting to a Member, Director or a committee member or the non-receipt of such a notice shall not invalidate the proceedings of the meeting.

## 22.NO PAYMENT TO DIRECTORS

No remuneration or other benefit in money or money's worth shall be paid or given by ISPANZ to any Director except:

- (a) for the payment of out-of-pocket expenses incurred by the director in the performance of any duty as Director where the amount payable does not exceed any amount previously approved by the Directors
- (b) for payment of any service rendered by the Director in a professional or technical capacity, other than in the capacity as Director, where the provision of the service has the prior approval of the Directors and where the amount payable is approved by the Directors and is not more than an amount which commercially would be reasonable payment for the service; or
- (c) for payment of any salary or wage due to the Director as an employee where the terms of employment have been approved by the Directors
- (d) Reasonable remuneration may be paid to Directors if approved by Members at the annual general meeting.

## 23.NO PROFITS FOR MEMBERS

- 23.1.1. The income and property of ISPANZ shall be applied solely towards the promotion of the objects of ISPANZ as set out in these Rules.
- 23.1.2. No income or property of ISPANZ may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise, to any Member
- 23.1.3. Nothing in this Rule prevents:
- (a) the payment in good faith of -
    - (i) remuneration to any officers or employees of ISPANZ for services actually rendered to ISPANZ
    - (ii) an amount to any member of ISPANZ in return for any services actually rendered to ISPANZ or for goods supplied in the ordinary and usual course of business
    - (iii) interest (at a rate not exceeding any rate which may at any time be fixed for the purpose of this paragraph in accordance with the Rules but not exceeding the highest rate charged by trading banks carrying on business in New Zealand on overdraft accounts of less than \$100,000) on money borrowed from any Members; or
    - (iv) reasonable and proper rent for premises let by any Member to ISPANZ.
  - (b) ISPANZ from providing services or information to the Members on terms which are different from the terms pursuant to which services or information is provided to persons who are not Members.
  - (c) any distribution to members in the event of ISPANZ being put into liquidation.

## 24.WINDING-UP AND DISPOSITION OF PROPERTY

- 24.1.1. ISPANZ may be wound up voluntarily if, at a general meeting of its members, a resolution is passed requiring ISPANZ so to be wound up, and the resolution is confirmed at a subsequent general meeting called together for that purpose and held not earlier than 30 days after the date on which the resolution so to be confirmed was passed.
- 24.1.2. Passing a resolution to wind up ISPANZ requires a 75% majority vote of members at a general meeting called together to consider such action pursuant to clause 9.
- 24.1.3. Upon the passing of a resolution to wind up, the general meeting shall appoint a liquidator to conduct the winding-up process.
- 24.1.4. Upon the winding-up, every member shall contribute to the assets of ISPANZ all moneys owing by that member to the association.
- 24.1.5. If upon the winding-up or dissolution of ISPANZ and the settlement of all liabilities, there remain any assets, these shall be dealt with as directed by the General Meeting.