

Rules of Beacon Pathway Incorporated

The Society

1. Name

- 1.1 The name of the society is Beacon Pathway Incorporated ("the Society").
- 1.2 The Society is constituted by resolution dated [date].

2. Registered Office

- 2.1 The Registered Office of the Society is 109 Great South Road, Auckland.

3. Purposes of Society

- 3.1 The purpose of the Society is to transform New Zealand's homes and neighbourhoods to be high performing, adaptable, resilient and affordable through:
 - (a) Facilitating transformational projects which demonstrate and validate higher performing homes and neighbourhoods;
 - (b) Facilitating robust research which provides a fact based platform for transforming New Zealand's residential built environment towards more sustainable, affordable, buildable and adaptable homes and neighbourhoods;
 - (c) Providing research services in the area of sustainable, affordable, buildable and adaptable homes, neighbourhoods and the built environment;
 - (d) Undertaking demonstration projects;

- (e) Enabling Members to lead the transformation of the built environment in New Zealand;
- (f) Collaborating with any institution, group or person engaged in similar activities and for similar purposes as those of the Society, whether in New Zealand or elsewhere and
- (g) Doing anything that is necessary or helpful to the above purposes.

3.2 Pecuniary gain is not a purpose of the Society.

4. **MEMBERSHIP**

4.1 The Board may from time to time impose conditions of Membership upon Members and may create special classes of Membership and may grant special privileges to any Member or class of Members. The Board shall review such Membership conditions and Member classes on an annual basis.

4.2 At the present time the classes of Member are Project Members (those which are major contributors to the Society's projects according to criteria established by the Board) and Non-Project Members.

4.3 Any Member may appoint a person to act as the Member's representative for such period as the Member may decide. The appointment of a representative shall be in writing addressed to the Board and may at any time be revoked in writing. A representative shall be entitled to exercise all rights of the relevant class of Membership, including the right to attend and vote at General Meetings of the Society where permitted.

5. **SUBSCRIPTION**

5.1 Each Member shall pay annually to the Society the subscription appropriate to the Member's class of Membership and fixed by the Board from time to time.

MANAGEMENT OF THE SOCIETY

6. The Board

6.1 The Society shall have a Board comprising the following persons:

- (a) The Chairperson;
- (b) Such other Members as the Society shall decide.

6.2 There shall be a minimum of five Board Members including the Chairperson, in addition to the Officers.

7. Appointment of Board Members

7.1 Only Project Members or their Representative if they are corporate can be a Board Member, and only Project Members may nominate Board Members.

7.2 At a Society Meeting, the Members shall elect by majority vote at least four Board Members.

7.3 Board members shall nominate and vote on at least one Independent Board Member.

7.4 At a Board Meeting, the Board Members shall decide by majority vote who shall be the Chairperson; an independent Board Member may be Chairperson.

7.5 Board Members will be appointed for a term of two years and when the term expires they shall be eligible for re-election.

8. Cessation of Board Membership

8.1 Persons cease to be Board Members when:

- (a) They resign by giving written notice to the Board.
- (b) Their Term expires.

8.2 A Board member cannot be removed by a vote of the Society at a Society Meeting.

8.3 If a person ceases to be a Board Member, that person must within one month give to the Board all Society documents and property.

9. **Nomination of Board Members**

9.1 Nominations for Members of the Board shall be called for at least 28 days before an Annual General Meeting. Each candidate shall be proposed and seconded in writing by Project Members and the completed nomination delivered to the Chief Executive. Nominations shall close at 5pm on the fifth day before the Annual General Meeting.

9.2 If the position of any Officer becomes vacant between Annual General Meetings, the Board may appoint another Board Member to fill that vacancy until the next Annual General Meeting.

9.3 If the position of any Board Member becomes vacant between Annual General Meetings, the Board may appoint another Society Member to fill that vacancy until the next Annual General Meeting.

9.4 If any Board Member is absent from three consecutive meetings without leave of absence the Chairperson may declare that person's position to be vacant.

10. **Role of the Board**

10.1 Subject to the rules of the Society ("The Rules"), the role of the Board is to:

- (a) Control the society;
- (b) Provide Governance and strategic direction to the Society;
- (c) Appoint a Chief Executive Office (CEO) and other offices and/or employees recommended by the CEO;
- (d) Carry out the purposes of the Society, and Use Money or Other Assets to do that;
- (e) Manage the Society's financial affairs, including approving the annual financial statements for presentation to the Members at the Annual General Meetings;
- (f) Set accounting policies in line with generally accepted accounting practice;

- (g) Delegate responsibility and co-opt Members where necessary;
- (h) Ensure that all Members follow the Rules;
- (i) Decide how a person becomes a Member, both as to application process and eligibility criteria;
- (j) Decide how a person stops being a Member;
- (k) Decide the times and dates for Meetings, and set the agenda for Meetings;
- (l) Decide the procedures for dealing with complaints;
- (m) Set Membership fees, including subscriptions and levies;
- (n) Make regulations; and
- (o) Establish sub-committees.

10.2 The Board has all of the powers of the Society, and the Members of the Society shall not have the power to override the Board's powers and control.

10.3 All decisions of the Board shall be by a majority vote. In the event of an equal vote, the Chairperson shall have a casting vote.

10.4 Decisions of the Board bind the Society.

11. Roles of Board Members

11.1 The Chairperson is responsible for:

- (a) Ensuring that the Rules are followed;
- (b) Convening Meetings and establishing whether or not a quorum (half of the Board) is present;
- (c) Chairing Meetings, deciding who may speak and when;
- (d) Overseeing the operation of the Society;
- (e) Providing a report on the operations of the Society at each Annual General Meeting.

12. Board Meetings

12.1 Board meetings may be held via video or telephone conference, or other formats as the Board may decide;

- 12.2 No Board Meeting may be held unless more than half of the Board Members attend;
- 12.3 The Chairperson shall chair Board Meetings, or if the Chairperson is absent, the Board shall elect a Board Member to chair that meeting;
- 12.4 Decisions of Board shall be by majority vote;
- 12.5 The Chairperson or person acting as Chairperson has a casting vote;
- 12.6 Only Board Members present at a Board Meeting may vote at that Board Meeting;
- 12.7 Subject to these Rules, the Board may regulate its own practices;
- 12.8 The Chairperson or nominee shall adjourn the meeting if necessary;
- 12.9 Adjourned Meetings: If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened upon requisition of Members, shall be dissolved; in any other case it shall stand adjourned to a day, time and place determined by the Chairperson/ of the Society, and if at such adjourned meeting a quorum is not present the meeting shall be dissolved without further adjournments. The Chairperson may with the consent of any Society Meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

13. **Sub-committees**

- 13.1 The Board may from time to time create subcommittees for any purposes within the Board's scope of authority, and appoint Members to serve on those subcommittees. The Board may delegate any of its functions to the subcommittees and shall determine the procedures to be followed by those subcommittees and shall determine the procedures to be followed by those subcommittees in carrying out those functions.
- 13.2 Each of the subcommittees shall have a head of their subcommittee appointed by the Board, and the head of that subcommittee shall represent the subcommittee on the Board. The Board may revoke any such appointment and appoint a substitute person

at any time.

14. Appointment of Officers

14.1 The Officers of the Society shall comprise the Chief Executive Officer, and any other officer who may be appointed from time to time, either by the Board or by the Chief Executive Officer with the prior approval of the Board. Unless the Board resolves otherwise the Chief Executive Officer shall perform the functions normally undertaken by a Secretary and Treasurer of an incorporated society.

The Officers shall be appointed for such duration and on such terms and conditions as the Board may decide. Unless the Board decides otherwise, the Chief Executive Officer shall not be a Member of the Society.

14.2 The Chief Executive Officer shall be accountable to the Board, and unless the Board resolves otherwise, any other officers appointed from time to time shall be accountable to the Chief Executive Officer.

14.3 Any of the Officers may operate as an independent contractor, providing services to the Society on a contract basis rather than as an employee. Subject to the terms of their service contracts or contracts of service, in addition to any remuneration they may be entitled to, the Officers shall be entitled to be reimbursed for any out-of-pocket expenses they may reasonably incur in the course of performing their duties.

14.4 The Society shall maintain a policy or policies of insurance to indemnify the Board Members and Officers in respect of any liability they may incur in the course of or as a result of performing their functions as Board Members and Officers, to the maximum extent permissible by law.

15. Powers and responsibilities of Chief Executive Officer

15.1 The Chief Executive Officer shall be responsible for the day-to-day management of the affairs of the Society and, subject to the terms of his or her appointment and to any lawful directions given or qualifications imposed by the Board from time to time, shall have full authority to do any lawful thing that he or she considers to be

consistent with or incidental or conducive to the attainment of the objects of the Society.

15.2 In particular, and without limiting the generality of Rule 15.1, the Chief Executive Officer's powers and responsibilities may include the following:

- (a) To attend all general meetings of the Society and meetings or conference calls of the Board, and keep all minutes of those meetings or conference calls.
- (b) To implement, administer and report the results of all Member postal ballots and all Board postal ballots and written resolutions.
- (c) To implement and carry into effect all decisions of the Members or the Board where that responsibility has not been specifically allocated to some other person.
- (d) To receive, process and/or pass on to the appropriate recipient all incoming correspondence and other written or electronic communications relating to the Society, and maintain the files and records of the Society.
- (e) To maintain the register of the Members and to comply with all other requirements imposed on the Society by the Act.
- (f) To prepare immediately, prior to each annual general meeting an annual report of the business and proceedings of the Society since the last annual general meeting.
- (g) At the request of the Board, to produce any correspondence, books, records or property of the Society within his or her possession or control, and on vacating the office, to deliver to his or her successor or other authorised person all such correspondence, books, records or property.
- (h) To collect the moneys due to the Society and issue receipts.
- (i) To deposit all such moneys into a bank account in the name of the Society.
- (j) To maintain the accounts of the Society.
- (k) To prepare prior to the annual general meeting the annual Financial Statement required by the Act to be submitted to the Members during the last financial year, a statement of the Society's assets and liabilities as at the close of the last financial year, and a statement of all mortgages, charges and securities affecting the Society's property.
- (l) To pay all the expenses of the Society.
- (m) To obey all such lawful instructions and do all such lawful acts and things as may be given or required to be done by the Members, the Board, the Act and these Rules.

- (n) To do and perform all such other lawful duties as usually pertain to the office of Chief Executive Officer.

Society Membership

16. Types of Members

16.1 The minimum number of Members of the Society shall be as is required by the Act but there shall be no maximum number.

16.2 Project Members shall have the following rights:

- (a) To attend and speak at general meetings;
- (b) To nominate Board Members;
- (c) To vote on appointment of Board Members;
- (d) Input into strategic decision-making;
- (e) To have access to certain proprietary information of the Society, including research outputs where appropriate, prior to public release; and
- (f) To receive all other benefits that the Society may provide.

16.3 Non-Project Members shall be those who have paid the annual Society subscription relevant to their Member type.

16.4 Non-Project Members shall have the following rights:

- (a) To attend and speak at general meetings;
- (b) To vote on appointment of Board Members; and
- (c) To have access to certain proprietary information of the Society, including research outputs where appropriate, prior to public release.

17. Admission of Members

17.1 To become a Member, a person (“the Applicant”) must:

- (a) Complete an application form in writing; and
- (b) Supply any other information the Board requires.

17.2 The Board may interview the Applicant when it considers Membership applications.

17.3 The Board shall have complete discretion when it decides whether or not to allow the Applicant to become a Member. The Board shall advise the Applicant of its decision, and that decision shall be final.

18. The Register of Members

18.1 The Chief Executive Officer shall keep a register of Members (“the Register”), which shall contain the names, the postal and email addresses and telephone numbers of all Members, and the dates at which they became Members.

18.2 If a Member’s contact details change, that Member shall give the new postal or email address or telephone number to the Chief Executive Officer.

18.3 Each Member shall provide such other details as the Board requires.

18.4 Members shall have reasonable access to the Register of Members.

19. Cessation of Membership

19.1 Any Member may resign by giving written notice to the Chief Executive.

19.2 Membership may be terminated in the following way:

- (a) If, for any reason whatsoever, the Board is of the view that a Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Society, the Board may give written notice of this to the Member (“the Board’s Notice”). The Board’s Notice must:

- (i) Explain how the Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Society;
 - (ii) State what the Member must do in order to remedy the situation; or state that the Member must write to the Board giving reasons why the Board should not terminate the Member's Membership.
 - (iii) State that if, within 14 days of the Member receiving the Board's Notice, the Board is not satisfied, the Board may in its absolute discretion immediately terminate the Member's Membership.
 - (iv) State that if the Board terminates the Member's Membership, the Member may appeal to the Society.

- (b) 14 days after the Member received the Board's Notice, the Board may in its absolute discretion by majority vote terminate the Member's Membership by giving the Member written notice ("Termination Notice"), which takes immediate effect. The Termination Notice must state that the Member may appeal to the Society at the next Meeting by giving written notice to the Chief Executive ("Member's Notice") within 14 days of the Member's receipt of the Termination Notice.

- (c) If the Member gives the Member's Notice to the Chief Executive, the Member will have the right to be fairly heard at a Society Meeting held within the following 28 days. If the Member chooses, the Member may provide the Chief Executive with a written explanation of the events as the Member sees them ("the Member's Explanation"), and the Member may require the Chief Executive to give the Member's Explanation to every other Member within 7 days of the Chief Executive receiving the Member's Explanation. If the Member is not satisfied that the other Society Members have had sufficient time to consider the Member's Explanation, the Member may defer his or her right to be heard until the following Society Meeting.

- (d) When the Member is heard at a Society Meeting, the Society may question the Member and the Board Members.

- (e) The Society shall then by majority vote decide whether to let the termination stand, or whether to reinstate the Member. The Society's decision will be final.

20. Obligations of Members

20.1 All Members (and Board Members) shall promote the purposes of the Society and shall do nothing to bring the Society into disrepute.

Money and other assets of the society

21. Use of Money and Other Assets

21.1 The Society may only Use Money and Other Assets if:

- (a) It is for a purpose of the Society;
- (b) It is not for the sole personal or individual benefit of any Member; and
- (c) That Use has been approved by the Board.

22. Income, Investment and Expenditure

22.1 The activities of the Society shall be funded from annual fees or subscriptions, and such other sources including levies, donations, grants, bequests, sponsorships, commissions, fees, surpluses from commercial activities, dividends, return from investments and loans as the Board may determine from time to time.

22.2 All income of the Society that is not immediately required to meet expenditure, may be invested in such manner as the Chief Executive Officer may see fit, provided however that any investment of a high risk or long term nature that is outside the ordinary course of the Society's activities must first be approved by the Board.

22.3 The funds of the Society may be utilised for any purpose that the Chief Executive Officer or the Board in their absolute discretion consider to be consistent with the attainment of the objects of the Society, subject to the requirements of the Act and these Rules.

23. Joining Fees, Subscriptions and Levies

23.1 If any Member does not pay a Subscription or levy by the date set by the Board or the Society, the Chief Executive Officer will give written notice that, unless the arrears are paid by a nominated date, the Membership will be terminated. After that date, the Member shall (without being released from the obligation of payment of any sums due to the Society) have no Membership rights and shall not be entitled to participate in any Society activity.

24. **Additional Powers**

24.1 The Society may:

- (a) Employ people for the purposes of the Society;
- (b) Exercise any power a trustee might exercise;
- (c) Invest in any investment that a trustee might invest in;
- (d) Borrow money and provide security for that if authorised by the Board;
- (e) Enter into contracts with research providers;
- (f) Enter into contracts with third parties for the provision of research services.

25. **Financial Year**

25.1 The financial year of the Society begins on 1 July of every year and ends on 30 June of the next year.

26. **Assurance on the Financial Statements**

26.1 The Society shall appoint an accountant to review the annual financial statements of the Society ("the Reviewer"). The Reviewer shall conduct an examination with the objective of providing a report that nothing has come to the Reviewer's attention to cause the Reviewer to believe that the financial information is not presented in accordance with the Society's accounting policies. The Reviewer must be a suitably qualified person, preferably a Member of the New Zealand Institute of Chartered Accountants, and must not be a Member of the Board, or an employee of the Society. If the Society appoints a Reviewer who is unable to act for some reason, the Board shall appoint another Reviewer as a replacement.

The Board is responsible to provide the Reviewer with:

- (a) Access to all information of which the Board is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters
- (b) Additional information that the reviewer may request from the Board for the purpose of the review; and
- (c) Reasonable access to persons within the Society from whom the reviewer determines it necessary to obtain evidence.

26.2 No audit of the annual financial statements is required unless it is requested by 30% of the Members at any properly convened Society Meeting.

Conduct of meetings

27. Society Meetings

27.1 A Society Meeting is either an Annual General Meeting or a Special General Meeting.

27.2 The Annual General Meeting shall be held once every year no later than five months after the Society's balance date. The Board shall determine when and where the Society shall meet within those dates.

27.3 Special General Meetings may be called by the Board.

27.4 The Chief Executive shall:

- (a) Give all Members at least 14 days Written Notice of the business to be conducted at any Society Meeting.
- (b) Additionally, the Chief Executive will provide, appropriate:
 - (i) A copy of the Chairperson's Report on the Society's operations and of the Annual Financial Statements as approved by the Board,

- (ii) A list of Nominees for the Board, and information about those Nominees if it has been provided.
- (iii) If the Chief Executive has sent a notice to all Members in good faith, the Meeting and its business will not be invalidated simply because one or more Members do not receive the notice.

27.5 All Members may attend and vote at Society Meetings.

27.6 No Society Meeting may be held unless at least 50% of eligible Members attend. (This will constitute a quorum.)

27.7 All Society Meetings shall be Chaired by the Chairperson. If the Chairperson is absent, the Society shall elect another Board Member to Chair that meeting. Any person Chairing a Society Meeting has a casting vote.

27.8 In regard to voting for appointment of Board Members, the Chairperson shall in good faith determine whether to vote by:

- (a) Voices;
- (b) Show of hands; or
- (c) Secret ballot.

However, if any Member demands a secret ballot before a vote by voices or show of hands has begun, voting must be by secret ballot. If a secret ballot is held, the Chairperson will have a casting, that is, second vote.

27.9 The business of an Annual General Meeting shall be:

- (a) Receiving any minutes of the previous Society's Meeting(s);
- (b) The Chief Executive's report on the business of the Society;
- (c) The Chief Executive's report on the finances of the Society, and the Annual Financial Statements;
- (d) Election of Board Members;
- (e) General business.

- 27.10** Members at Society meetings, including Annual General Meetings, shall have the power to vote for Board Members and to amend these Rules; all other business of the Society shall be managed and controlled by the Board.
- 27.11** The Chairperson or nominee shall adjourn the meeting if necessary.
- 27.12** Adjourned Meetings: If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened upon requisition of Members, shall be dissolved; in any other case it shall stand adjourned to a day, time and place determined by the Chairperson of the Society, and if at such adjourned meeting a quorum is not present the meeting shall be dissolved without further adjournments. The Chairperson may with the consent of any Society Meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Signing of documents

28. Signing of Documents

- 28.1** Documents should be signed by whomever is authorised by the Board so long as execution of Deeds complies with statutory requirements.
- 28.2** The Chief Executive Officer shall be responsible for the Society's seal and shall ensure that it is used as appropriate in relation to execution of legal documents.

Altering the rules

29. Altering the Rules

- 29.1** The Society may alter or replace these Rules at a Society Meeting by a resolution passed by a two-thirds majority of those Members present and voting.
- 29.2** Any proposed motion to amend or replace these Rules shall be signed by at least 75% of eligible Members and given in writing to the Chief Executive at least 28 days before the Society Meeting at which the motion is to be considered, and accompanied by a written explanation of the reasons for the proposal.

29.3 At least 14 days before the General Meeting at which any Rule change is to be considered the Chief Executive Officer shall give to all Members written notice of the proposed motion, the reasons for the proposal, and any recommendations the Board has.

29.4 When a Rule change is approved by a General Meeting no Rule change shall take effect until the Chief Executive has filed the changes with the Registrar of Incorporated Societies.

Bylaws

30. Bylaws to govern the Society

30.1 The Board may from time-to-time make, alter or rescind bylaws for the general management of the society, so long as these are not repugnant to these rules or to the provisions of law. All such bylaws shall be binding on Members of the Society. A copy of the bylaws for the time being, shall be available for inspection by any Member on request to the Chief Executive Officer.

Winding up

31. Winding up

31.1 If the Society is wound up:

- (a) The Society's debts, costs and liabilities shall be paid;
- (b) Surplus Money and Other Assets of the Society may be disposed of:
 - (i) By resolution; or
 - (ii) According to the provisions in the Incorporated Societies Act 1908; but
- (c) No distribution may be made to any Member;
- (d) After payment of the Society's liabilities surplus assets shall be disposed of as decided by the Board to any non-profit body having objects similar to those of the Society or other suitable non-profit recipient.

32. Definitions and Miscellaneous matters

- (a) “Majority vote” means a vote made by more than half of the Members who are present at a Meeting and who are entitled to vote and voting at that Meeting upon a resolution put to that Meeting.
- (b) “Money or Other Assets” means any real or personal property or any interest therein, owned or controlled to any extent by the Society.
- (c) “Society Meeting” means any Annual General Meeting, or any Special General Meeting, but not a Board Meeting.
- (d) “Use Money or Other Assets” means to use, handle, invest, transfer, give, apply, expend, dispose of, or in any other way deal with, Money or Other Assets.
- (e) “Written Notice” means communication by post, electronic means (including email, and website posting), or advertisement in periodicals, or a combination of these methods.
- (f) It is assumed that
 - (i) Where a masculine is used, the feminine is included
 - (ii) Where the singular is used, plural forms of the noun are also inferred
 - (iii) Headings are a matter of reference and not a part of the rules
- (g) Matters not covered in these rules shall be decided upon by the Board.