

**UNDER THE INCORPORATED  
SOCIETIES ACT 1908**

**RULES OF  
HEART OF AUCKLAND CITY INCORPORATED**

**February 2007**

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# RULES OF HEART OF AUCKLAND CITY INCORPORATED

## CHAPTER I - NAME AND OBJECTS

### 1. INTERPRETATION

In these Rules, unless the context indicates otherwise:

"**Act**" means the Incorporated Societies Act 1908 as amended from time to time;

"**Annual Financial Statement**" means the Annual Financial Statement for the Association to be approved by the Members, so that it may then be delivered to the Registrar of Incorporated Societies in accordance with section 23 of the Act;

"**Annual General Meeting**" has the meaning given to it in Rule 27;

"**Associate Member**" means a member of the Association admitted pursuant to Rule 4.4;

"**Association**" means the *Heart of Auckland City Incorporated*;

"**Auditor**" means the auditor appointed in accordance with Rule 18;

"**Chairperson**" means the chairperson of the Association referred to in Rule 16;

"**Community Board**" means the Hobson Community Board;

"**Council**" means the Auckland City Council;

"**Mainstreet Business**" has the meaning in Rule 13.2;

"**Full Member**" means a member of the Association in terms of Rules 4.1 and 4.2;

"**General Meetings**" means the Annual General Meeting and Special General Meetings of the Association;

"**Mainstreet Annual Financial Statement**" means the separate accounts and annual financial statement for the Association relating to the Mainstreet Funding Grant and Mainstreet Programme to be approved by Members and finally approved by the Mainstreet Board so that it may then be included as part of the Annual Financial Statement;

"**Mainstreet Business**" means all matters relating to the Mainstreet Programme and the Mainstreet Funding Grant;

"**Mainstreet Co-ordinator**" means a person employed or appointed by the Association to undertake the role of administering and co-ordinating the Mainstreet Programme on behalf of the Association in either a paid or unpaid capacity;

"**Mainstreet Board**" means the Board of the Association referred to in Rule 12;

"**Mainstreet Funding Grant**" means any grant received from the Council for the purposes of the Mainstreet Programme, which shall be deposited and held in a special bank account, separate from the Association's other monies and administered by the Mainstreet Board;

**"Mainstreet Programme"** means the community programme involving local government, the business community and the community at large to organise, design, promote, improve and develop the Auckland CBD commercial area;

**"Members"** means the members of the Association from time to time including Associate Members and Full Members;

**"Officers"** means the Chairperson, Secretary and Treasurer of the Association referred to in Rules 16 and 17;

**"Operational Mainstreet Business"** has the meaning in Rule 13.2;

**"Secretary"** means the Secretary of the Association referred to in Rule 16;

**"Separate Rate"** means any rate levied by the Council pursuant to section 16 of the Rating Powers Act 1988 or any equivalent legislation for the purpose of funding or contributing to the funding of the Mainstreet Programme;

**"Separate Rating Area"** means the geographical area subject to the Separate Rate;

**"Special General Meeting"** has the meaning given to it in Rule 28;

**"Special Resolution"** has the meaning given to it in Rule 34;

**"Special Subscription"** has the meaning given to it in Rule 4.5;

**"Treasurer"** means the Treasurer of the Association referred to in Rule 17.

**References to Persons:** references in these Rules to persons include references to individuals, companies, corporations, partnerships, firms, joint ventures, associations, trusts, organisations or other entities.

## 2. NAME

The name of the Association is **HEART OF AUCKLAND CITY INCORPORATED**

### OBJECTS

The objects of the Association are:

- 2.1 To assist and guide the development and advancement of the commercial interests of business people and businesses in the Auckland Central Business District (CBD) through a co-ordinated and structured promotion and planning programme.
- 2.2 To foster and promote the welfare of the business community of the Auckland CBD.
- 2.3 To capitalise on the heritage significance of the Auckland CBD town centre and to use that heritage significance as a means of establishing an identity for the area;

- 2.4** To make arrangements with the Government, local authorities, the Council and/or persons, corporations or associations for the improvement of streets, reserves, playing areas and park areas, and for lighting, surfacing, and cleaning in the business area of Auckland CBD.
- 2.5** For the purposes and objects stated in these Rules, to administer in conjunction with the Council, or other territorial authority having jurisdiction, the Mainstreet Funding Grant.
- 2.6** To do all things as are, or may be incidental to, or conducive to, the attainment of these objects.

## **CHAPTER II - POWERS**

### **3. SCOPE OF THE ASSOCIATION'S POWERS**

Subject to Rule 13 (Powers and Authority of Mainstreet Board), the Association has the widest possible powers to do all things which may be necessary to pursue the Association's objects including (but not limited to) the following powers:

- 3.1** To purchase, take on, lease, exchange, hire, or otherwise acquire any real or personal property, and to sell, mortgage, dispose of or otherwise deal with any real or personal property of the Association and any rights or privileges which the Association thinks necessary or expedient for the purposes of attaining the objects of the Association or promoting the interests of the Association, its Members or any other persons.
- 3.2** Subject to Rule 13.4, to use the funds of the Association as the Association may consider necessary or proper to:
  - 3.2.1** pay the costs and expenses of the Association; and
  - 3.2.2** further the objects of the Association;including the employment of solicitors, agents, officers and servants as necessary or expedient.
- 3.3** To engage in prosecuting, defending or otherwise taking any legal action or legal proceedings on behalf of the Association and for that purpose, to expend such moneys and employ such solicitors, counsel and other advisors as the Association may think fit.
- 3.4** To apply for and acquire any licences or permits deemed necessary by the Association.
- 3.5** To open and operate bank accounts of whatever nature or description subject to such conditions as the Association thinks fit provided that the Association shall through its Mainstreet Board open and operate a separate bank account for any Mainstreet Funding Grant.

- 3.6** To assist any charity or charitable purpose by such financial or other means as the Association thinks fit.
- 3.7** To borrow or raise money by any means and upon such conditions as the Association thinks fit.
- 3.8** To employ staff and nominate contractors for such purposes and for such periods and subject to such conditions as the Association thinks fit.
- 3.9** To establish a Mainstreet Board with the functions and powers set out in these Rules.
- 3.10** **PROVIDED THAT** the Association shall not lend money at less than current commercial rates, having regard to the nature and term of the loan, to any person (as defined in the Income Tax Act 1994):
- (i) who is a Member of the Association; or
  - (ii) who is a shareholder or director of any company by which any business of the Association is carried on; or
  - (iii) who is a settlor or trustee of a trust that is a shareholder of any company by which any business of the Association is to be carried on; or
  - (iv) if the person, company, settlor, trustee, shareholder, director referred to in any of paragraphs (i) to (iii) of this Rule are Associated Persons (as defined in the Income Tax Act 1994).

## **CHAPTER III – ASSOCIATION MEMBERSHIP**

### **4. MEMBERSHIP QUALIFICATIONS**

- 4.1** There shall be Full Members of the Association.
- 4.2** A person shall be entitled to be a Full Member of the Association if the person:
- 4.2.1** owns, occupies or is the tenant of a commercially rated property within the Separate Rating Area: and/or
  - 4.2.2** has been co-opted on to the Mainstreet Board to fill a casual vacancy in accordance with Rule14; and
  - 4.2.3** has not previously been expelled from the Association; and
  - 4.2.4** provides their full name and address to the Secretary.
- 4.3** Any person who ceases to be entitled to be a Full Member of the Association shall immediately provide notice of that fact, and of the date their entitlement ceased, to the Secretary, except that Board members shall hold office subject to

these Rules until the conclusion of the next Annual General Meeting following the date of their appointment.

**4.4** There may be Associate Members of the Association. A person who does not qualify to be a Full Member may become an Associate Member of the Association by applying to the Secretary to do so. The Secretary shall advise the Mainstreet Board of the application and the Mainstreet Board shall determine at its next scheduled Mainstreet Board meeting whether or not the applicant shall be admitted.

**4.5** An Associate Member shall, in each year, pay a Special Subscription of such amount as is determined by the Mainstreet Board from time to time.

**4.6** Each Member which is not an individual shall designate an individual representative to act on its behalf in all matters relating to the Association, and shall notify the Secretary of that representative's name and address.

**4.7** The rights of the Members of the Association shall be as follows.

**4.7.1** each Full Member shall be entitled to one vote;

**4.7.2** each Associate Member shall not be entitled to vote.

**4.7.3** Associate Members shall not be entitled to hold the position of any Officer of the Association.

**4.7.4** The Council and Community Board Member under Rule 14.2 shall not be entitled to hold the position of any officer of the Association.

## **5. TERMINATION OF MEMBERSHIP**

**5.1** A person ceases to be a Member of the Association if the person:

**5.1.1** dies, becomes bankrupt or, being a company or other incorporated body is wound up; or

**5.1.2** resigns that membership by notice in writing to the Association; or

**5.1.3** is expelled from the Association; or

**5.1.4** ceases to be entitled to be a Full Member in terms of Rule 4.1, and has not been admitted as an Associate Member.

## **6. MEMBERSHIP ENTITLEMENTS NOT TRANSFERABLE**

A right, privilege or obligation which a person has, by reason of being a Member of the Association:

**6.1** is not capable of being transferred or transmitted to another person; and

**6.2** terminates upon cessation of the person's membership.

## **7. REGISTER OF MEMBERS**

**7.1** The Secretary of the Association shall establish and maintain a register of Members of the Association pursuant to section 22 of the Act specifying the name, address and occupation or business of each person who is a Member of the Association, together with the date on which the person became a Member, whether that person is a Full or Associate Member and, in the case of members which are not individuals, the name and address of that Member's individual representative.

**7.2** Each Member shall advise the Secretary if there is any change to any of the information in the register relating to that Member.

**7.3** The register of Members shall be kept at the principal place of administration of the Association and shall be open for inspection, free of charge, by any Member of the Association at any reasonable hour.

## **8. FEES, SUBSCRIPTIONS, ETC.**

**8.1** The Association may levy its Members such subscription charge deemed by the Mainstreet Board necessary to properly carry out its objects.

**8.2** Any Member ceasing to be a member of the Association pursuant to Rule 5 shall not be entitled to any refund of any subscription, charge or Separate Rate paid or payable by that Member prior to his, her or its termination and such Member shall continue to remain liable to pay such subscription, charge or Separate Rate despite ceasing to be a Member.

## **9. MEMBER'S LIABILITIES**

The liability of a Member of the Association to contribute towards the payment of the debts and liabilities of the Association or the costs, charges and expenses of the winding up of the Association is limited to the amount, if any, unpaid by the Member in respect of membership of the Association as required by Rule 4.5 and Rule 8. In the event any Member ceases to be a Member of the Association pursuant to Rule 5 such Member shall not be released from any liability to the Association for any matters arising prior to the end of the financial year in which the Member ceased to be a Member.

## **10. DISCIPLINING OF MEMBERS**

**10.1** Where the Mainstreet Board is reasonably of the opinion that a Member of the Association:

**10.1.1** has persistently refused or neglected to comply with a provision or provisions of these Rules; or

- 10.1.2** has persistently and wilfully acted in a manner prejudicial to the interests of the Association; or
- 10.1.3** has failed to make any subscription or charge payable under Rule 8 or any Special Subscription payable under Rule 4.5 or otherwise failed to make any payment due under these Rules and such failure continues for a period of three calendar months after it is due; or
- 10.1.4** does anything which, in the opinion of the Mainstreet Board in its absolute discretion is likely to seriously harm the reputation of the Association or the objects of the Association in general;

the Mainstreet Board may by resolution:

- 10.1.5** remove that Member's entitlement to vote at any General Meeting or on any Mainstreet Business until such time as payment is made in full; or
  - 10.1.6** expel the Member of the Association; or
  - 10.1.7** suspend the Member from membership of the Association for a specified period;
- 10.2** A resolution of the Mainstreet Board under Rule 10.1 is of no effect unless the Mainstreet Board confirms the resolution at a meeting held not earlier than fourteen days and not later than twenty eight days after service on the Member of a notice under Rule 10.3.
- 10.3** Where the Mainstreet Board passes a resolution under Rule 10.1, the Secretary shall, as soon as practicable, cause a notice in writing to be served on the Member:
- 10.3.1** setting out the resolution of the Mainstreet Board and the grounds on which it is based;
  - 10.3.2** stating that the Member may address the Mainstreet Board at a meeting to be held not earlier than fourteen days and not later than twenty-eight days after service of the notice;
  - 10.3.3** stating the date, place and time of that meeting; and
  - 10.3.4** informing the Member that the Member may do either or both of the following:
    - (a)** attend and speak at that meeting;
    - (b)** submit to the Mainstreet Board at or prior to the date of that meeting written representations relating to the resolution.

**10.4** At a meeting of the Mainstreet Board held in accordance with Rule 10.3, the Mainstreet Board shall:

**10.4.1** give the Member an opportunity to make oral representations;

**10.4.2** give due consideration to any written representations submitted to the Board by the Member at or prior to the meeting; and

**10.4.3** by resolution determine whether to confirm or to revoke the resolution.

**10.4.4** allow the Member to bring a supporting person

## **11. MEMBER DEALINGS WITH AND INTERESTS IN THE ASSOCIATION**

**11.1** Any Member who is or may be interested or concerned directly or indirectly in any property or undertaking in which the Association is or may be in any way concerned or involved:

**11.1.1** must disclose the nature and extent of that Member's interest to the other Members; and

**11.1.2** must not take any part whatever in any deliberation concerning any matter in which that Member has a pecuniary interest.

**11.2** No private pecuniary profit shall be made by any person from the Association except that:

**11.2.1** any Member may receive full reimbursement for all expenses properly incurred by that Member in connection with the affairs of the Association;

**11.2.2** the Association may pay reasonable remuneration to any officer or servant of the Association (whether a Member or not) in return for services actually rendered to the Association. This may include an annual honorarium paid to the Chairperson and the Treasurer as determined by the Board acting in accordance with Rule 13.

**11.2.3** any Member may be paid all usual professional, business or trade charges for services rendered, time expended and all acts done by the Member, or by any firm or entity of which that Member is a member, employee or associate in connection with the affairs of the Association;

**11.2.4** any Member may retain any remuneration properly payable to that Member by any company or undertaking with which the Association may be in any way concerned or involved for which that Member has acted in any capacity whatever, notwithstanding that the Member's connection with that company or undertaking is in any way attributable to that Member's connection with the Association.

**11.3** Notwithstanding anything contained or implied in these Rules any person who is:

**11.3.1** a Member of the Association; or

**11.3.2** a shareholder or director of any company carrying on any business of the Association; or

**11.3.3** a shareholder or director of any company which is a Member of the Association; or

**11.3.4** a member of any association which is a shareholder or any company carrying on any business of the Association; or

**11.3.5** an associated person (as defined in the Income Tax Act 1994) of any such Member, shareholder or director;

shall not by virtue of that capacity in any way (whether directly or indirectly) determine, or materially influence the determination of the nature or the amount of any benefit or advantage or income or the circumstances in which it is or is to be received, gained, achieved, afforded or derived by that person.

## **CHAPTER IV – COMMITTEES**

### **12. MAINSTREET BOARD - GENERAL**

There shall be a Mainstreet Board which, subject to Rule 13:

**12.1** shall control and manage the affairs of the Association;

**12.2** may exercise all such functions as may be exercised by a General Meeting of Members of the Association;

**12.3** shall fix the amount of subscription which may be in several parts or categories and shall be made on Members or classes of Members for special purposes;

**12.4** has power to perform all such acts and do all such things as appear to the Mainstreet Board to be necessary or desirable for the proper management of the affairs of the Association;

**12.5** shall be responsible for co-ordinating and undertaking any poll in relation to the Mainstreet Programme required by the Council to be carried out by the Association.

### **13. POWERS AND AUTHORITY OF MAINSTREET BOARD**

**13.1** The Mainstreet Board shall have the sole right and duty to carry out Mainstreet Business on behalf of the Association.

**13.2** Mainstreet Business includes financial and operational business:

**13.2.1** Financial Mainstreet Business includes:

- (a) recommending Mainstreet projects and budgets for approval by the Council;
- (b) allocating the Mainstreet Funding Grant;
- (c) overseeing the spending of approved budgets;
- (d) monitoring work progress against approved budgets;
- (e) reporting to the Council as required;
- (f) any other financial matters relating to the Mainstreet Programme.

**13.2.2** Operational Mainstreet Business, which:

- (a) comprises Mainstreet Business other than Financial Mainstreet Business; and
- (b) includes the day to day management of the Mainstreet Programme.

**13.3** The Mainstreet Board shall not undertake any business of the Association that is not Mainstreet Business.

**13.4** The Association shall not be entitled to use the Mainstreet Funding Grant or any part of it without the prior written approval of the Mainstreet Board.

**13.5** The Mainstreet Board shall be responsible for accounting for the Mainstreet Funding Grant which shall be held in a separate Association bank account titled "Mainstreet Funding" or similar, which is to be operated jointly by at least two nominated members of the Mainstreet Board, who are also to be joint signatories to that account.

### **14. MEMBERSHIP OF MAINSTREET BOARD**

- 14.1** The Mainstreet Board shall consist of:
- 14.1.1** an uneven number of members;
  - 14.1.2** no less than five voting members;
  - 14.1.3** and a maximum of 11 voting members; and
  - 14.1.4** two non-voting members.
- 14.2** Subject to Rule 22 the voting members of the Mainstreet Board shall be:
- 14.2.1** one Councillor of the Council; and
  - 14.2.2** one Community Board member;  
(both to be appointed by the Council); and
  - 14.2.3** at least three Full Members of the Association, to be elected by the Association pursuant to Rule 15.
- 14.3** Non-voting members of the Mainstreet Board shall be:
- 14.3.1** the Mainstreet Co-ordinator, and
  - 14.3.2** a Council Officer with Mainstreet responsibilities
- 14.4** In the event of a casual vacancy occurring in the membership of the Mainstreet Board, the casual vacancy shall be filled as follows:
- 14.4.1** in the case of a person appointed under Rules 14.2.1, 14.2.2, 14.3.2 the casual vacancy shall be filled by the Council;
  - 14.4.2** in the case of a person elected under Rule 14.2.3, the casual vacancy shall be filled by the Mainstreet Board;
  - 14.4.3** in the case of a person appointed under Rule 14.3.1, the casual vacancy shall be filled by the Mainstreet Board.
- 14.5** The Members appointed to fill a casual vacancy shall hold office subject to these Rules until the conclusion of the next Annual General Meeting following the date of the appointment. Full membership under Clause 4 of the Rules shall only be accorded however to a maximum of 2 such appointees that do not otherwise meet the criteria for full membership of the Association under Rules 4.1.1 and 4.1.2.

## **15. ELECTION OF ASSOCIATION MEMBERS TO MAINSTREET BOARD**

**15.1** Subject to Rule 4.7, nominations of candidates for election as members of the Mainstreet Board:

**15.1.1** shall be made in writing, signed by two Full Members of the Association and accompanied by the written consent of the candidate (which may be endorsed on the form of the nomination); and

**15.1.2** shall be delivered to the Secretary of the Association not less than seven days before the date fixed for the holding of the Annual General Meeting at which the election is to take place.

**15.2** In filling vacancies under 14.4.2 and 14.4.3 the Mainstreet Board shall give consideration to achieving representation for the following sectors within the Auckland CBD namely: retail; tourism; commercially rated property owners; corporate; parking; arts, culture, and entertainment; and professional.

**15.3** If insufficient nominations are received to fill all vacancies, the candidates nominated shall be deemed to be elected and further nominations shall be received at the Annual General Meeting.

**15.4** If insufficient further nominations are received, any vacant positions remaining shall be deemed to be casual vacancies.

**15.5** If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated shall be deemed to be elected.

**15.6** If the number of nominations received exceeds the number of vacancies to be filled a ballot shall be held.

**15.7** Any such ballot shall be conducted at the Annual General Meeting in such usual and proper manner as the Mainstreet Board may direct.

## **16. CHAIRPERSON AND SECRETARY**

**16.1** At the first meeting of the Mainstreet Board following the AGM the Mainstreet Board shall elect one member (who is a Full Member) as Chairperson of the Association to chair all meetings. Prior to the appointment of a Chairperson at the first meeting of the Board the Mainstreet Co-ordinator shall conduct the meeting subject to Clause 22.1.2

**16.2** At the first meeting of the Mainstreet Board following the AGM the Mainstreet Board shall appoint the Mainstreet Co-ordinator as Secretary of the Association.

**16.3** It is the duty of the Secretary to keep minutes of:

**16.3.1** the names of members of the Mainstreet Board present at each Mainstreet Board meeting and General Meeting; and

**16.3.2** all proceedings at Mainstreet Board meetings and General Meetings.

- 16.4** Minutes of proceedings at a meeting shall be signed by the Chairperson of the meeting or by the Chairperson of the next succeeding meeting.

## **17. TREASURER**

- 17.1** At the first meeting of the Mainstreet Board following the AGM the Mainstreet Board shall elect one member as Treasurer of the Association. In the event that no member of the Mainstreet Board is qualified to act as Treasurer the Mainstreet Board may engage a professionally qualified person (not necessarily a Member of the Association) to act as Treasurer of the Association.

- 17.2** It is the duty of the Treasurer of the Association to ensure that:

**17.2.1** all money due to the Association is collected and received and all payments authorised by the Association are made;

**17.2.2** correct books and accounts are kept showing the financial affairs of the Association including full details of all receipts and expenditure connected with the activities of the Association.

## **18. AUDITOR**

- 18.1** The Auditor shall be appointed by the Association on an annual basis to carry out the functions set out in this Rule.

- 18.2** No person who is an Officer or a Member may be appointed as Auditor.

- 18.3** The remuneration of the Auditor shall be fixed by the Association.

- 18.4** If any casual vacancy occurs in the office of any Auditor appointed by the Association, the Mainstreet Board shall appoint an Auditor to carry on the duties of the Auditor until the next Annual General Meeting.

- 18.5** Every Auditor shall be supplied with a copy of the accounts and statements. It shall be the Auditor's duty to thoroughly examine the accounts and statements.

- 18.6** The Auditor shall be provided with a list of all books kept by the Association and shall at all reasonable times have access to the books and documents of the Association. The Auditor may, in investigating such accounts, examine the Mainstreet Board or any Officers of the Association. The Mainstreet Board and Officers of the Association shall at all times render all assistance to the Auditor.

- 18.7** The Auditor shall provide the Members with a report regarding the accounts and statements. In that report, the Auditor shall state whether, in his or her opinion, the accounts and statements are full and fair accounts and statements containing the particulars required by the Rules, and whether the accounts and statements have been properly drawn up so as to exhibit a true and correct view of the

Association's affairs. The report shall be read together with the report of the Mainstreet Board at the Annual General Meeting.

## **19. CASUAL VACANCIES**

**19.1** For the purposes of these Rules, a casual vacancy in the office of a member of the Mainstreet Board occurs if the member:

**19.1.1** dies;

**19.1.2** ceases to be a Member of the Association;

**19.1.3** is declared bankrupt;

**19.1.4** resigns office by notice in writing given to the Secretary;

**19.1.5** is removed from office under Rule 20;

**19.1.6** becomes of unsound mind or becomes a person who is liable to be dealt with in any way under the law relating to mental health; or

**19.1.7** fails to attend 3 meetings in succession without apologies being tendered and accepted by resolution of the Board, or without having been granted leave of absence by resolution of the Board.

## **20. REMOVAL OF MEMBER**

**20.1** The Association in a General Meeting may, by resolution, remove any of the Association members of the Mainstreet Board from office before the expiration of the member's term of office.

**20.2** Where a member of the Mainstreet Board to whom a proposed resolution referred to in Rule 20.1 relates:

**20.2.1** makes representations in writing (not exceeding a reasonable length) to the Secretary or Chairperson; and

**20.2.2** requests that the representations be notified to the Members of the Association;

then the Secretary or Chairperson may send a copy of the representations to each Member of the Association. If they are not so sent, the Member is entitled to require that the representations be read out at the meeting at which the resolution is considered.

## **21. MEETINGS OF MAINSTREET BOARD**

**21.1** The Mainstreet Management Committee shall have no less than ten Mainstreet Business meetings in accordance with Rule 13.

**21.2** A quorum for the transaction of the business of the Mainstreet Board shall be any five voting members of the Mainstreet Board, one of whom shall be either the Councillor referred to in Rule 14.2.1 or the Community Board member referred to in Rule 14.2.2.

**21.3** Additional meetings of the Mainstreet Board may be convened by the Chairperson or by any member of the Mainstreet Board, if necessary.

**21.4** Oral or written notice of a meeting of the Mainstreet Board shall be given by the Secretary to each member of the Mainstreet Board at least 48 hours (or such other period as may be unanimously agreed upon by the members of the Mainstreet Board) before the time appointed for the holding of the meeting.

**21.5** No business shall be transacted by the Mainstreet Board unless a quorum is present within half an hour of the time appointed for the meeting. If a quorum is not present, the meeting stands adjourned to the same place and at the same hour of the same day in the following week.

**21.6** If at the adjourned meeting, a quorum is not present within half an hour of the time appointed for the meeting, the meeting shall be dissolved.

**21.7** At a meeting of the Mainstreet Board:

**21.7.1** the Chairperson or, in the Chairperson's absence, any member of the Mainstreet Board nominated to stand in his/her place shall preside, subject to Rule 16; and

**21.7.2** the Chairperson and/or such other person shall vote in accordance with Rule 23.

## **22. VOTING RIGHTS OF MEMBERS OF MAINSTREET BOARD**

**22.1** The voting rights of members of the Mainstreet Board shall be as follows:

**22.1.1** Each full member shall be entitled to one vote including the Councillor of the Council and the Community Board member;

**22.1.2** Neither the Mainstreet Co-ordinator nor the Council Officer with Mainstreet responsibilities shall be entitled to vote.

## **23. VOTING AND DECISIONS OF MAINSTREET BOARD**

**23.1** Questions arising at a meeting of the Mainstreet Board shall be determined by a majority of the votes of members of that Board present at the meeting and entitled to vote.

**23.2** In relation to the election of officers, namely the Chairperson and Treasurer, however proxy votes may be provided to the Mainstreet Co-ordinator provided these are received no later than 5pm on the day prior to the first meeting of the

Mainstreet Board following the AGM. The election of officers shall be by exhaustive ballot.

**23.3** In relation to all other matters, apart from the election of officers, the Chairperson may exercise a casting vote but only to preserve the status quo, in the case of equality of votes in addition to his/her deliberative vote.

**23.4** Subject to Rule 21.7, the Mainstreet Board may act notwithstanding any vacancy on the Mainstreet Board.

**23.5** Any act or thing done or suffered, or purporting to have been done or suffered by the Mainstreet Board is valid and effectual notwithstanding any defect that may afterwards be discovered in the appointment or qualification of any member of that Board.

## **24. DELEGATION BY MAINSTREET BOARD TO SUB-COMMITTEE**

**24.1** The Mainstreet Board may delegate to one or more sub-committees (consisting of such Members of the Association as the Mainstreet Board thinks fit) the exercise of such of the functions of the Mainstreet Board (not being the final decision in relation to any Financial Mainstreet Business) as the Mainstreet Management Committee may decide.

**24.2** A function which has been delegated to a sub-committee under this Rule may, while the delegation remains unrevoked, be exercised from time to time by the sub-committee in accordance with the terms of the delegation.

**24.3** Notwithstanding any delegation under this Rule, the Mainstreet Board may continue to exercise any function delegated.

**24.4** Any act or thing done or suffered by a sub-committee acting in the exercise of a delegation under this Rule has the same force and effect as it would have if it had been done or suffered by the Mainstreet Board.

**24.5** The Mainstreet Board may, by instrument in writing, revoke wholly or in part any delegation under this Rule.

## **25. SUB COMMITTEES**

**25.1** A sub-committee may meet and adjourn as it thinks proper.

## **CHAPTER V - GENERAL MEETINGS**

### **26. ANNUAL GENERAL MEETING**

The Association shall, at least once in each calendar year, and within the period of six months after the expiration of each financial year of the Association, convene an Annual General Meeting of its Members.

### **27. ANNUAL GENERAL MEETING - CALLING AND BUSINESS**

- 27.1** The Annual General Meeting of the Association shall, subject to the Act and to Rule 26, be convened on such date and at such place and time as the Mainstreet Board thinks fit.
- 27.2** In addition to any other business which may be transacted at an Annual General Meeting, the business of an Annual General Meeting shall be:
- 27.2.1** to confirm the Minutes of the last preceding Annual General Meeting and of any Special General Meeting held since that meeting;
  - 27.2.2** to receive from the Mainstreet Board reports on the activities of the Association during the preceding financial year;
  - 27.2.3** to approve the Annual Financial Statements;
  - 27.2.4** to elect members of the Mainstreet Board
  - 27.2.5** to appoint an Auditor.
- 27.3** For the purposes of section 23 of the Act the Association's financial year shall end on 30 June.
- 27.4** An Annual General Meeting shall be specified as such in the notice convening it.

## **28. SPECIAL GENERAL MEETINGS**

- 28.1** The Mainstreet Board may, whenever it thinks fit, convene a Special General Meeting of the Association.
- 28.2** The Mainstreet Board shall, on the requisition in writing of not less than five percent of the total number of Members, convene a special meeting of the Association.
- 28.3** A requisition of Members for a Special General Meeting:
- 28.3.1** shall state the purpose or purposes of the meeting;
  - 28.3.2** shall be signed by the Members making the requisition;
  - 28.3.3** shall be lodged with the Secretary;
  - 28.3.4** may consist of several documents in a similar form, each signed by one or more of the Members making the requisition.
- 28.4** If the Mainstreet Board fails to convene a Special General Meeting to be held within one month after the date on which a requisition of Members for the meeting is lodged with the Secretary, any one or more of the Members who made the requisition may convene a Special General Meeting to be held not later than three months after that date.

**28.5** A Special General Meeting convened by a Member or Members as referred to in Rule 28.4 shall be deemed to have been convened by the Mainstreet Board. Any Member who incurs expense as a result of the Special General Meeting is entitled to be reimbursed by the Association for any expenses so incurred.

**28.6** The business to be conducted at a Special General Meeting shall be the only business for which the Special General Meeting in question was convened, provided that it is business which can properly be dealt with by Members in General Meeting.

## **29. NOTICE**

**29.1** Except where the nature of the business proposed to be dealt with at a General Meeting requires a Special Resolution of the Association, the Secretary shall, at least 14 days before the date fixed for the holding of the General Meeting, cause to be sent by prepaid post to each Member at the Member's address appearing in the register of Members, a notice specifying the place, date and time of the meeting and the nature of the business proposed to be transacted at the meeting.

**29.2** Where the nature of the business proposed to be dealt with at a General Meeting requires a Special Resolution of the Association the Secretary shall, at least 21 days before the date fixed for the holding of the General Meeting, cause notice to be sent to each Member of the Association provided in Rule 29.1 specifying in addition to the matters required under Rule 29.1, the intention to pass such a resolution as a Special Resolution.

**29.3** No business other than that specified in the notice convening a General Meeting shall be transacted at a meeting except, in the case of an Annual General Meeting, present business which may be transacted pursuant to Rule 27.

**29.4** A Member desiring to bring any business before a General Meeting may give notice in writing of that business to the Secretary who shall include that business in the next notice calling a General Meeting given after receipt of the notice from the Member.

## **30. PROCEDURE**

**30.1** No item of business shall be transacted at a General Meeting unless a quorum of Members entitled under these Rules to vote is present.

**30.2** Five Full Members present in person constitute a quorum for the transaction of the business of a General Meeting.

**30.3** If, within half an hour after the appointed time for the commencement of a General Meeting, a quorum is not present, then the meeting shall stand adjourned to the same day in the following week at the time and (unless another place is specified at the time of the adjournment by the person presiding at the meeting or communicated by written notice to Members given before the day to which the meeting is adjourned) at the same place.

### **31. PRESIDING MEMBER**

- 31.1** The Chairperson shall preside at each General Meeting of the Association.
- 31.2** If the Chairperson is absent from a General Meeting or unable or unwilling to act, the Members present shall elect one of their number to preside as Chairperson at the meeting.

### **32. ADJOURNMENT**

- 32.1** The Chairperson of a General Meeting at which a quorum is present may, with the consent of the majority of Members present at the meeting, adjourn the meeting from time to time and place to place. No business shall be transacted at an adjourned meeting other than business left unfinished at the meeting at which the adjournment took place.
- 32.2** Where a General Meeting is adjourned for 14 days or more, the Secretary shall give written or oral notice of the adjourned meeting to each Member of the Association. The notice shall state the place, date and time of the meeting and the nature of the business to be transacted at the meeting.
- 32.3** Except as provided in Rules 32.1 and 32.2, notice of an adjournment of a General Meeting or of the business to be transacted at an adjourned meeting is not required to be given.

### **33. MAKING OF DECISIONS**

- 33.1** A question arising at a General Meeting of the Association shall be determined on a show of hands. Unless a poll is demanded before, or on the declaration of a show of hands, then a declaration by the Chairperson (for example, that a resolution has, on a show of hands, been carried or carried unanimously or carried by a particular majority or lost, or an entry to that effect has been entered in the Minute Book of the Association) shall constitute evidence of the outcome of the resolution without proof of the number or proportion of votes recorded in favour of or against that resolution.
- 33.2** At a General Meeting of the Association, a poll may be demanded by the Chairperson or by not less than five Full Members present in person.
- 33.3** Where a poll is demanded at a General Meeting, the poll shall be taken:
  - 33.3.1** immediately in the case of a poll which relates to the election of the Chairperson of the meeting or to the question of adjournment; or
  - 33.3.2** in any other case, in such manner and at such time before the closing of the meeting as the Chairperson directs. Resolution of the poll on the

matter shall be deemed to be the resolution of the meeting on that matter.

#### **34. SPECIAL RESOLUTION**

A resolution of the Association is a special resolution if:

- 34.1** it is passed by a majority (which comprises not less than three-quarters of such Members of the Association, as being entitled under these Rules so to do), voting in person; and
- 34.2** the resolution is passed at a General Meeting; and
- 34.3** not less than 21 days written notice of the meeting has been given to Members specifying the intention to propose the resolution as a special resolution.

#### **35. VOTING AT GENERAL MEETINGS INCLUDING AGM.**

- 35.1** Upon any question arising at a General Meeting of the Association, a Member has one vote only, provided that no Associate Member shall have the right to vote on any issue relating to Mainstreet Business.
- 35.2** All votes shall be given personally with no provision for proxy votes.
- 35.3** In the case of an equality of votes on a question at a General Meeting, the Chairperson of the meeting is entitled to exercise a second or casting vote but only to preserve the status quo.
- 35.4** In the case of equality of votes between two or more candidates at the AGM for election as members of the Board an exhaustive ballot will be held in relation to the tied candidates.
- 35.5** A Member is not entitled to vote at any General Meeting of the Association unless all money due and payable by the Member to the Association has been paid.

### **CHAPTER VI - MISCELLANEOUS**

#### **36. INSURANCE**

- 36.1** The Association shall effect and maintain full and proper insurance on all of its assets.
- 36.2** In addition to the insurance required under Rule 36.1, the Association may effect and maintain other insurance.

#### **37. FUNDS - MANAGEMENT**

- 37.1** Subject to any resolution passed by the Association in General Meeting, and subject to Rule 13.4, the funds of the Association shall be used to pursue the objects of the Association in such manner as the Mainstreet Board determines.

**37.2** All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments shall be signed by any two members of the Mainstreet Board or employees of the Association, being Members or employees authorised to do so by the Mainstreet Board.

**37.3** All funds received by the Association remain the property of the Association. The property of the Association is irrevocably dedicated to objects stated in these Rules. No part of the net income or assets of the Association shall ever inure to the benefit of any director, officer or Member of the Association or to the benefit of any private persons.

## **38. ALTERATION OF OBJECTS AND RULES**

**38.1** Subject to the provisions of the Act, Rule 38.2 and the statement of objects, these Rules may be altered, rescinded or added to only by a Special Resolution of the Association provided that no addition to or alteration or rescission of the Rules shall be effective if it affects the charitable objects, pecuniary benefits or winding up clauses.

**38.2** None of the Rules of the Association affecting the Mainstreet Programme, the Mainstreet Funding Grant and the Mainstreet Board shall be altered in any way without the prior written approval of the Council.

## **39. COMMON SEAL**

**39.1** The common seal of the Association shall be kept in the custody of the Secretary.

**39.2** The common seal shall not be affixed to any instrument except by the authority of the Mainstreet Board. The affixing of the common seal shall be attested by the signatures of two members of the Mainstreet Board.

## **40. CUSTODY OF BOOKS, ETC.**

Except as otherwise provided by these Rules, the Secretary shall keep in his or her custody or under his or her control all records, books and other documents relating to the Association.

## **41. SERVICE OF NOTICES**

**41.1** For the purposes of these Rules, a notice may be served by or on behalf of the Association upon any Member either personally or by sending it by post to the Member at the Member's address shown in the register of Members.

**41.2** Where a document is sent to a person by properly addressing, prepaying and posting to the person a letter containing the document, the document shall, unless the contrary is proved, be deemed for the purposes of these Rules to have been served on the person at the time at which the letter would have been delivered in the ordinary course of post.

## **42. WINDING UP**

**42.1** Should the dissolution of the Association be deemed necessary, then two meetings must be held in accordance with section 24 of the Act. The first meeting shall be called to pass a resolution to wind up the Association and must be carried by a majority of valid votes. The second meeting must be called (not earlier than 30 days after the first meeting) to confirm the resolution to be passed.

**42.2** Once debts and liabilities of the Association have been discharged any excess Mainstreet Funding Grant funds will be transferred to the Council to be applied towards any purpose for which the Separate Rate was levied.

**42.3** If, upon the winding up or dissolution of the Association there remains, after the satisfaction of all its debts and liabilities, and any payment in terms of Rule 42.2, any property whatsoever, the same shall not be paid or distributed among the members of the Association. Such remaining property shall be given or transferred to some other charitable organisation or approved non-profit body within New Zealand having objects similar to the objectives of the Association. In the event of the Mainstreet Board being unable to decide, the remaining assets are to be distributed as a Judge of the High Court of New Zealand directs.