

# **Rules of PrefabNZ (Incorporated)**

28 June 2018 (Updated)

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# Rules of PrefabNZ (Incorporated)

## 1. Name

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- 1.1 The name of the Society shall be **PrefabNZ Incorporated** (PrefabNZ).

## 2. Registered Office

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- 2.1 The registered office of PrefabNZ shall be at such a place, as the Board shall from time to time determine. On incorporation the registered office shall be at 2/9 Hawker St; Mount Victoria, Wellington 6011. The CEO shall notify the Registrar of Incorporated Societies of any change of location of the registered office.

## 3. Interpretation

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- 3.1 In this Constitution the following terms shall, if not inconsistent with the context, have the following meanings:

**"Board"** is the Board which governs the affairs of PrefabNZ;

**"CEO"** means the Chief Executive Officer of PrefabNZ appointed by the Board responsible for the management of the affairs of PrefabNZ;

**"Executive"** means the staff of PrefabNZ.

**"Industry"** means the offsite prefabricated design and construction industry including the design and other professionals trades, manufacturers and materials suppliers involved in that industry;

**"Member"** means any member of PrefabNZ of the classes set out in clause 7 being a person, partnership or incorporated body engaged in business in the Industry and who remains eligible for membership of PrefabNZ in accordance with these Rules and, where a Membership Contract has been adopted, who has entered into it.

**"Membership Contract"** means a contract promulgated by the Society required to be entered into between every Member and PrefabNZ, relating to the business practices and professional standards of that Member;

**"PrefabNZ"** means PrefabNZ (Incorporated);

**"Secretary"** is the person appointed by the Board who holds that office to carry out the functions specified in these Rules;

**"Society"** means PrefabNZ (Incorporated).

*Where the context requires, the singular shall include the plural and vice-versa, and person shall include an incorporated body.*

## 4. Objects

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4.1 The primary objects of PrefabNZ are to:

- a. Promote the education, development, understanding and growth of the Industry in New Zealand to the wider public and the industry, and elsewhere and without limiting this object this may include:
  - i. promotion and furtherance of the interests of those involved in the Industry, including designers, engineers, specifiers, fabricators, installers and suppliers of prefabricated design and construction components;
  - ii. encouragement of co-operation, exchange of information, research, education, networking and strong relationships between the public and those in the Industry;
  - iii. do any act or thing incidental or conducive to the attainment of any of the above objects.

4.2 Without detracting from the primary objects, the secondary objects of the Society are to:

- a. establish codes of behaviour applicable to Members, which may be embodied in a Membership Contract;
- b. make regulations or bylaws to advance the attainment of any of the above objects.

## 5. Furtherance of Objects

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5.1 In furtherance of the objects PrefabNZ may do any or all of the following:

a. **Conduct**

Promote, within the wider public and Industry, sound and ethical commercial practices and the maintenance of the highest standards of design and quality of workmanship.

b. **Affiliations**

Joint or co-operate with other organisations in promoting or advancing any movement for the betterment of conditions in the Industry and to join with them in negotiations with outside bodies on matters affecting the well-being of the Industry.

c. **Medium for Information**

Be a central body for Members in the collection and dissemination of information for the public and industry, including the collection and compilation of statistics necessary to define industry trends, and for the preparation of submissions to Governments, Statutory Bodies and professional organisations.

d. **Education and Research**

Encourage and/or conduct research and development, and educational and promotional programs to the wider public, in order to maintain a high standard of technical and other knowledge in the Industry, its professional and educational bodies.

e. **Representation**

Make representations and submissions to local and central government, committees and hearings, conferences and to other bodies, and professional organisations, on any matter which may affect the interests of the wider public and the Industry.

f. **Public Relations**

To engage in promotional activities such as advertising and public relations, lectures, seminars and discussion groups, in support of the objects to the wider public and industry.

## 6. Powers

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6.1 In addition to its statutory powers and all other powers conferred by law, the Society:

- a. may use such of its funds to pay the costs and expenses of furthering or carrying out its objects, and for that purpose may employ such people as may seem expedient;
- b. may purchase, lease, exchange, hire or acquire, and sell, mortgage, charge, manage, subdivide, develop and deal, with every kind of real and personal property, rights and privileges;
- c. may construct, maintain, restore, repair and alter any buildings, structures or other property;
- d. shall have the power to borrow or raise money by any means, with or without security, but such borrowing powers shall not be exercised other than by resolution of a General Meeting, of which proposed resolution, at least ten clear days written notice was given by circulation to all Members;
- e. may invest in any investment in which a trustee might invest;
- f. may act as mediator or arbitrator of any dispute arising between Members or between Members and non-member customers;
- g. may include in any of the codes, regulations bylaws or Membership Contract established in pursuance of the secondary objects of the Society, the power to impose penalties and fines, and suspension or expulsion of Members for breach.

6.2 Notwithstanding any other provision, the Society shall not expend any money:

- a. other than to further purposes recognised by law; nor
- b. for the sole personal or individual benefit of any Member.

6.3 Any transactions between the Society and any Member, or Member of the Board, or any associated persons, shall be at arms' length and in accordance with prevailing commercial terms on which the Society would deal with third parties not associated with the Society. Any payments made in respect of such transactions shall be limited to:

- a. a fair and reasonable reward for services performed;
- b. reimbursement of expenses properly incurred;
- c. usual professional, business or trade charges; and

- d. interest at no more than current commercial rates.

## 7. Membership

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7.1 The classes of membership and the method by which members are admitted to different classes of membership are as follows:

a. **Sponsoring Member**

A Sponsoring Member is an individual or incorporated or unincorporated body contributing to PrefabNZ and admitted to membership under Rule 8 and who or which has not ceased to be a member under any other Rule.

b. **Member**

A Member is an individual or incorporated or unincorporated body involved in the design, specification or manufacture of prefabricated building components or buildings and admitted to membership under Rule 8 and who or which has not ceased to be a member under any other Rule.

c. **Associate Member**

An Associate Member is an individual, incorporated or unincorporated body who uses or has an interest in the design, specification or manufacture of prefabricated building components or buildings and admitted to membership under Rule 8 and who or which has not ceased to be a member under any other Rule. This includes industry associations, universities and government ministries. Membership is conditional on one person being the point of contact.

d. **Affiliate Member**

An Affiliate Member is an individual, incorporated or unincorporated body that holds a Memorandum of Understanding (MoU) with PrefabNZ Inc and is admitted to membership under Rule 8 and who or which has not ceased to be a member under any other Rule.

e. **Student Member**

A Student Member is an individual currently engaging in academic study through a registered academic institution and is admitted to membership under Rule 8 and who has not ceased to be a member under any other Rule. Membership is conditional on providing annual proof of current academic enrolment.

f. **Graduate Member**

A Graduate Member is an individual who has graduated from a registered academic institution and is admitted to membership under Rule 8 and who has not ceased to be a member under any other Rule. Membership is conditional on providing proof of graduation and is limited to a period of two years from the commencement of membership.

g. **Life Member**

A Life Member is a person honoured for meritorious service to PrefabNZ or PrefabNZ Membership after recommendation by the Board and election as a Life Member by resolution of a General Meeting passed by a majority of two-thirds of those present and voting. A Life Member shall have all the rights and privileges of a Member and shall be subject to all the duties of a Member except those of paying subscriptions and levies.

h. **Honorary Member**

An Honorary Member is a person honoured for services to PrefabNZ or in an associated field elected as an Honorary Member by resolution of a General Meeting passed by a majority of two-thirds of those present and voting. An Honorary Member shall have no membership rights, privileges or duties.

- 7.2 Every Sponsoring, Individual, Associate, Affiliate, Student, Graduate and Life Member shall advise the Secretary of any change of address.
- 7.3 The Secretary shall keep a membership register of Sponsoring, Individual, Associate, Affiliate, Student, Graduate, Life and Honorary Members, recording their names and addresses, the dates each Member became a Member, and in the case of a Life or Honorary Member, the date on which they became one.
- 7.4 All Members (and Board Members) shall promote the interests and objects of the Society and shall do nothing to bring the Society into disrepute.

## **8. Admission of Members**

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- 8.1 Applicants for membership as Sponsoring Members, Members, Associate Members Affiliate Member, Student and Graduate Members shall complete any application form provided by the Board, and supply such information as may be required by the Executive.
- 8.2 Membership applications shall be considered by the Board who may interview the person or representatives of the Individual Member.
- 8.3 The Board shall have discretion as to whether or not to admit a membership applicant and shall advise the applicant of its decision.

## **9. Subscriptions and Levies**

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- 9.1 The annual subscription (or the amount of any periodic payments if the General Meeting decides that it is payable by instalments) and any capitation fees for different classes of membership for the following calendar year, shall be set by resolution of a General Meeting.
- 9.2 The Board may by resolution impose a levy or levies on members in different classes of membership in any calendar year, up to a maximum totalling 50% of the annual subscription for that year for each class member.
- 9.3 Any Member failing to pay the annual subscription (including any periodic payment), any levy, or any capitation fees within one calendar month of the date the same was set, shall be considered as unfinancial and shall (without being released from the obligation of payment) have no membership rights and shall not be entitled to participate in any Society activity until all the arrears are paid. If such arrears are not paid within three months of the date the

subscription or levy became due, or such later date as the Board may determine, the Member's membership shall be deemed to have been terminated.

## **10. Cessation of Membership**

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- 10.1 Any Member may resign from the Member's class of membership by written notice to the Secretary, and each such resignation shall take effect from the end of the Society's then current financial year. In such circumstances the resigning Member shall remain liable to pay all subscriptions and any other fees to the end of that year.
- 10.2 The Board may declare that a Member is no longer a Member (from the date of that declaration or such date as may be specified) if:
- a. that Member ceased to be qualified to be a Member; or
  - b. is convicted of any indictable offence or offence for which a convicted person may be imprisoned; or
  - c. is adjudged bankrupt, makes a composition with creditors, or (if a body corporate) is wound up or placed in receivership or liquidation, or statutory management.
- 10.3 Membership of PrefabNZ may be terminated by resolution of the Board:
- a. where in the opinion of the Board a Member has acted in such a way as to bring the Society or the Industry into disrepute;
  - b. where the Member has:
    - i. failed to comply with these Rules; and
    - ii. failed to comply with any Membership Contract; or
    - iii. failed to renew any Membership Contract, where such contracts are time limited, within three months after receiving a request to do so.
- 10.4 Upon termination of membership under any of the provisions of this clause 10:
- a. a member remains liable for and required to pay any subscription, levy or other payment due and unpaid at the date of cessation of membership;
  - b. the Member shall cease to hold himself, herself or itself out as a Member of the Society
  - c. any rights to use a logo or trademark of PrefabNZ shall terminate and the Member shall cease to use it or them; and
  - d. the Member shall return to the Society all material produced by the Society, including any membership certificate, handbook and manuals.

## **11. Re-admission of Former Members**

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- 11.1 Any former Member may apply for re-admission in the manner prescribed for new applicants and may only be re-admitted by decision of the Board.

- 11.2 However, if a former Member's Membership was terminated under either of Rules 10.2 or 10.3, the Applicant shall not be re-admitted by the Board without the prior approval of a General Meeting.

## **12. Board**

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- 12.1 Management and control of the affairs of PrefabNZ shall be vested in a Board.
- 12.2 The Board shall consist of no fewer than six persons not more than ten.
- 12.3 The term of office for all Board Members shall be two years, expiring on conclusion of the relevant AGM. A Board Member may be on the Board for a maximum of three terms in total. Except in the situation where a Chair may serve an additional two years.
- 12.4 At the end of each Board term, a Board Member may offer himself or herself for re-election.
- 12.5 The elected Board shall appoint a Board Chair, a Deputy Chair and a Treasurer immediately following its election.
- 12.6 Any Board Member who wishes to resign during their term of office may do so by letter of resignation to the Board Chair. The resignation shall be effective when accepted by the Board and that acceptance conveyed to the resigning Board Member in writing by the Board Chair.
- 12.7 Any Member of the Board who is absent from three consecutive Board meetings without a leave of absence shall be deemed to have resigned. Leave of absence shall be granted if an apology has been tendered and accepted for any meeting.
- 12.8 A resigning Board Member's position may be filled as a casual vacancy by the Board until the next Annual General Meeting which coincides with the end of a Board term.
- 12.9 In addition to the power to fill a casual vacancy, the Board has the power to co-opt one further Board Member and to remove that Member.
- 12.10 The Board shall meet regularly and no less frequently than six times per annum.
- 12.11 No Board Chair may serve as chair for more than four consecutive years.
- 12.12 The Board has the power to remove a board member for such reasons as attending less than 50% of board meetings or bringing the industry or PrefabNZ into disrepute, by a vote of a majority of the other board members.

## **13. Election of the Board**

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- 13.1 Nominations for nominees to the Board shall be called for from Members by the Secretary, not less than 42 days prior to the Annual General Meeting where a Board is to be elected.
- 13.2 If a Membership Contract has been adopted by the Society, only those Members who have entered into it may nominate Board Members.
- 13.3 A nomination for the Board must be received by the Secretary no later than 21 clear days prior to the date of the Annual General Meeting and must be accompanied by the nominee's consent in writing.

- 13.4 Not less than 14 clear days prior to the date of the Annual General Meeting, the Secretary shall post to all financial Members a Ballot paper listing all nominees for membership of the Board, and such information as may be supplied to the Secretary in support of the nomination.
- 13.5 If there are insufficient valid nominations received to satisfy Rule 12.2, but not otherwise, further nominations may be received from the floor at the Annual General Meeting.
- 13.6 Where the number of nominees for Board Member exceeds the minimum number but not the maximum number required for the Board there shall be no need for a ballot and the nominees shall be confirmed as the Board at the Annual General Meeting.
- 13.7 Where the number of nominees for Board Member exceeds the maximum number permitted by Rule 12.2 there shall be a need for a Ballot. Completed Ballot papers must be received by the Secretary at the Society's registered office on or before the nominated closure date, being not less than five days before the Annual General Meeting.

## **14. Annual General Meeting**

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- 14.1 The Annual General Meeting shall be held not later than the thirtieth 30<sup>th</sup> of June each year.
- 14.2 The Business of the Annual General Meeting shall include the Annual Reports, Financial Statements, Election of the Board, such other business as has been advertised and such business is put forward and accepted by the meeting as general business.
- 14.3 Not less than forty-two days notice of the Annual General Meeting shall be given to all Members.

## **15. Special General Meeting**

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- 15.1 The Secretary of PrefabNZ shall, upon receipt of a written request from not less than six members, call a Special General Meeting of PrefabNZ for the purpose of dealing with the matter or matters specified in the written request for such a meeting. A Special General Meeting shall be held not less than seven (7) days or more than twenty one (21) days after the receipt of such written requests. The Secretary shall within this time fix the date for the Special General Meeting. The Secretary shall give each member at least seven (7) days notice of the date, time and place of the meeting and of the matter or matters to be dealt with.
- 15.2 The Board may also call a Special General Meeting of PrefabNZ to be held at such time and for such purpose as is deemed necessary, provided that at least seven (7) days notice of the details are forwarded to each Member.

## **16. Notice of General Meetings:**

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- 16.1 All Members, irrespective of class of membership, shall be notified of General Meetings.

## **17. Voting**

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- 17.1 All Members shall be entitled to attend and speak at all General Meetings of PrefabNZ.

- 17.2 Each Member shall have one vote on every question coming before any General Meeting, the Annual General Meeting or any Special General Meeting, subject to the membership criteria defined in Rule 7.
- 17.3 Voting shall be determined by a show of hands or ballot. A ballot shall be taken at the discretion of the chairperson or at the request of three or more Members.
- 17.4 A ballot shall be used for the election of Board Members, in accordance with Rule 11(b) of this Constitution.
- 17.5 A ballot shall be taken at such time during the meeting, and in such a manner as is determined by the chairperson at the time the ballot is called for. Prior to a ballot being taken, at least two independent scrutineers shall be appointed by the members present.
- 17.6 In circumstances where the voting is such that one further vote would achieve the voting majority, the chairperson shall have and may exercise a casting vote, if the casting vote is not exercised in this situation a new vote shall be taken on the matter in question.

## **18. Power to Appoint Proxy**

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- 18.1 Every Member entitled to vote shall be entitled to appoint a proxy to attend General Meetings of PrefabNZ and vote at such meetings.
- 18.2 Every proxy shall be signed by the Member and shall be in the form of a written authority. The authority shall be delivered to the CEO prior to the commencement of the meeting at which the proxy is to attend.

## **19. Quorum**

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- 19.1 The quorum of all General Meetings shall be no less than eight (8) Members of PrefabNZ.
- 19.2 The quorum for all Board Meetings shall be a majority of the Board Members. Where a quorum is not met and a decision is required, and in the instance where equal proportion of votes exists, the Board Chair has a deciding vote.

## **20. Minutes**

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- 20.1 PrefabNZ shall cause minutes of all General Meetings and Board Meetings to be recorded. The minutes shall record names of those present and all the resolutions and proceedings of each meeting.
- 20.2 A copy of the minutes of each Board Meeting shall be sent to each Board Member.
- 20.3 A copy of the minutes of each General, Special and Annual Meeting shall be posted on the website of PrefabNZ with Member password access.

## **21. Powers of the Board**

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- 21.1 PrefabNZ shall develop, adopt and maintain through the Board a full set of operating policies which shall be available to all members to allow clear and transparent understanding of the operation of PrefabNZ.
- 21.2 PrefabNZ shall have the power to do all things which are conducive to the attainment of the objects of PrefabNZ, including the power to buy, sell or otherwise deal with assets, to borrow and secure payment of money, control and invest the funds of PrefabNZ, hire and dismiss employees, and do things it may see fit, in accordance with the policies and Strategies adopted by the Board.
- 21.3 General Meetings and Board Meetings shall be authorised to exercise all the powers of PrefabNZ, including the power to frame PrefabNZ policy, regulations and standing orders as may from time to time be deemed necessary for the purpose of regulating the affairs of PrefabNZ. All policy and standing orders framed in accordance with clause 21.1 shall be binding until rescinded by resolution of a Special or Annual General Meeting of PrefabNZ.

## **22. Finances**

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- 22.1 The Board shall ensure proper records are kept of all moneys received and expended by PrefabNZ. Proper records shall be kept of the assets and liabilities of PrefabNZ, including all mortgages, charges and securities of any description affecting any or all of the property of PrefabNZ.
- 22.2 All funds of PrefabNZ shall be held in the name of PrefabNZ and be only lodged in bank accounts or investments authorised by the Board.
- 22.3 The Board shall make provision for the signing of cheques, promissory notes and other documents which have a charge against the funds of PrefabNZ.
- 22.4 The financial statements of PrefabNZ shall be audited after the Annual General Meeting by a member of the Institute of Chartered Accountants of NZ, only if requested by the majority of members attending the Annual General Meeting.
- 22.5 The financial year of PrefabNZ shall commence on the first (1<sup>st</sup>) day of April in each year.
- 22.6 Membership subscriptions and payment terms shall be set by the Annual General Meeting based on a recommendation from the Board.

## **23. Pecuniary Gain**

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- 23.1 The funds of PrefabNZ shall be applied exclusively for the attainment of the objects of PrefabNZ. No portion of the funds shall be paid or advanced to members in any way except by way of bona fide remuneration to employees or agents or for services rendered as a reimbursement of authorised expenses incurred on behalf of PrefabNZ.

## **24. Chief Executive Officer**

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- 24.1 The Board shall appoint a Chief Executive who shall be responsible to the Board for the day to day management of the affairs of the PrefabNZ and these duties shall include the development of the work of PrefabNZ and the development of income and the attainment of PrefabNZ's objectives in accordance with the policy of the Board. The Chief Executive shall report to the Board at each meeting. It shall be a condition of the employment of the Chief Executive that the Chief Executive may be removed from office for misconduct or by resolution passed by a majority of not less than two thirds of the votes exercised by the Members entitled to vote at the meeting of the Board at which such Resolution is proposed.
- 24.2 The salary and allowances of the Chief Executive shall be determined by the Board. The titles, duties, and salaries of employees of PrefabNZ shall be determined by the Chief Executive but shall be in accordance with a compensation plan approved by the Board.

## **25. Secretary**

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- 25.1 The Board shall appoint a Secretary.
- 25.2 The Secretary shall record the minutes of all General Meetings and Board Meetings.
- 25.3 The minutes of meetings when confirmed by the next such meeting and signed by the chairperson of that meeting, shall be prima facie evidence that the meeting was duly called and shall prima facie be a true and correct record of what occurred at the meeting.
- 25.4 The Secretary shall hold the Society's records, documents, and books and carry out the other functions and actions required by these Rules.
- 25.5 The Secretary shall deal with and answer correspondence and perform such other duties as directed by the Board.
- 25.6 The Board shall have the power in its discretion to suspend or remove the Secretary from office.

## **26. Common Seal**

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- 26.1 PrefabNZ shall have a common seal which shall be kept in the custody of the CEO of PrefabNZ. The affixing of the common seal shall be attested by the CEO and the Chairperson or an authorised signatory for the Board.

## **27. Alteration of the Rules**

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- 27.1 Provided that not less than fourteen (14) days notice of the details of the proposed alteration(s) are given in writing to all members, these Rules may be altered, added to or rescinded at a Special General Meeting by a majority of two thirds of the members or their proxies present and entitled to vote at such meeting.

## 28. Winding Up

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- 28.1 PrefabNZ may be voluntarily wound up in accordance with the provisions of the Incorporated Societies Act 1908 or any statutory enactment substituted therefore. Upon such winding up and after the satisfaction of all debts and liabilities settled the surplus assets shall be distributed to another charitable organisation as directed by the Board. Such distribution shall be directed by resolution of PrefabNZ to be passed and confirmed at the same meeting which passes and confirms the winding up resolution. If no resolution is passed and confirmed for the purpose of in so far as any such assets are not dealt with by such a resolution they shall be divided amongst such charities as may be decided by the last elected or appointed chairman, CEO and auditor or the survivor of these three.