

**RULES OF**

**KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

**REGISTERED UNDER THE CO-OPERATIVES ACT 1992**

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# RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED

## 1. INTERPRETATION

### 1.1 Interpretation

In these rules, unless the context otherwise requires:

- (a) **active member** means a member who is in active membership within the provisions of Rule 11;
- (b) **alter** or similar word or expression used in relation to a rule amendment, includes add to, substitute, and rescind;
- (c) **Auditor** means auditor or auditors for the time being of the co-operative appointed pursuant to Rule 54;
- (d) **banking account** includes an account with a credit union or building society registered or authorised to operate under the Financial Institutions (NSW) Code into which the co-operative's monies may be paid;
- (e) **business day** means a day (other than a Saturday or Sunday) on which banks are open for general banking business in Sydney;
- (f) **conversion date** means the day that is three calendar months after the date that these rules are registered by the Registrar (or, if that day is not a business day, the first business day after that day);
- (g) **director** means any director of the co-operative for the time being and any deputy director acting in the absence of a nominating director under Rule 41;
- (h) **financial year** means the financial year of the co-operative as specified in Rule 51;
- (i) **may** a similar word or expression, used in relation to a power of the board indicates that the power may be exercised or not at the board's discretion;
- (j) **member** means a member of the co-operative and includes a summer member;
- (k) **month** means calendar month;
- (l) **prescribed** means prescribed by the Act or under the Act by Regulation;
- (m) **relative** of a person means:
  - (i) a spouse of that person;
  - (ii) a son or daughter of that person; or
  - (iii) a parent of that person;
- (n) **regulation** means regulation made under the Act;
- (o) **rules** mean the registered rules of the co-operative as amended from time to time and reference to particular rules has a corresponding meaning;

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- (p) **shall** or a similar word or expression, used in relation to a power of the board indicates that the power must be exercised, subject to the Act or the rule granting the power;
- (q) **special resolution** means a resolution which is passed in accordance with Rule 34;
- (r) **summer member** means a member whose entitlements are restricted in the manner specified in Rule 3(a);
- (s) **the Act** means the Co-operatives Act 1992 and includes any amendment or reenactment of that Act, or any Act, Code or other Statutory Instrument in substitution of that Act;
- (t) **the board** means the whole or any number of the directors assembled at a meeting of the directors or transacting business in accordance with Rule 42, being not less than a quorum or a majority, as the case may be;
- (u) **the co-operative** means Kunapipi Ski Club Co-operative Limited;
- (v) **the Registrar** means the Registrar of Co-operatives or any person delegated the Registrar's functions;
- (w) **the State** means the State of New South Wales;
- (x) **writing** includes printing, typing, lithography and other modes of representing or reproducing words in a visible form and "written" has a corresponding meaning;
- (y) words importing one gender include the other genders;
- (z) words importing persons include corporations;
- (aa) words in the singular include the plural, and vice versa; and
- (bb) words or expressions used have the same meanings as those given to them by the Act;

## 2. CONVERSION

- (a) Before the conversion date (which is defined in Rule 1.1(f)), each member must elect by notice in writing addressed to the secretary at the registered office of the co-operative, either:
  - (i) to continue as a member, either:
    - (A) with full entitlements, in which event that member must at the time of the election pay to the co-operative a once only non-returnable conversion fee of \$2,000; or

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- (B) with entitlements restricted in the manner specified in Rule 2A(a), in which event that member must at the time of the election pay to the co-operative a once only non-returnable conversion fee of \$500; or
- (ii) to resign as a member, in which event the co-operative will (subject to the limitation under section 172 of the Act) repay to that member the amount paid up on the shares held by that member, being an amount of \$200.

A member who fails to make an election before the conversion date is deemed to have made an election under paragraph (ii) of this rule.

- (b) These rules (apart from paragraph (a) of this rule, this paragraph (b) and those paragraphs of Rule 1 which are necessary for the interpretation of paragraph (a) of this rule and this paragraph (b)) do not take effect until the conversion date.
- (c) On the conversion date:
  - (i) the co-operative shall convert from being a co-operative with a share capital to a co-operative without a share capital;
  - (ii) every person who was a member before the conversion date continues to be a member in accordance with these rules;
  - (iii) all shares in the co-operative held by any member before the conversion date are cancelled; and
  - (iv) the paid up share capital remaining after repayments under Rule 2(a)(ii) shall become part of the general reserves of the co-operative to be applied in accordance with these rules.
- (d) The conversion to a co-operative without a share capital shall not affect the obligation of a member to pay to the co-operative any amount which was payable, but unpaid by the member to the co-operative on or before the conversion date.
- (e) No member (including a deceased member, through their personal representative), admitted to membership of the co-operative prior to the conversion date, shall be entitled to the amount paid up on that member's share on the cancellation of membership, or on the member ceasing membership, in accordance with Rule 18.

### **2A SUMMER MEMBERS**

- (a) As a transitional arrangement, a member may make an election under Rule 2(a)(i)(B) to continue as a member with the following restrictions:
  - (i) the member will have no entitlement to transfer membership under Rule 17; and
  - (ii) the member may only stay overnight using the accommodation and other facilities of the co-operative:

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- (A) outside the ski season (either off-peak or peak); and
  - (B) during the ski season (either off-peak or peak), if accommodation is available after members with full entitlements have been given priority to book accommodation, at a 25% premium to the fee determined by the board is payable by members will full entitlements to use the accommodation and the other facilities of the co-operative.
- (b) A summer member may at any time elect to remove the restrictions under Rule 2A(a) by payment to the co-operative of an amount of \$2,000.

### **3. RULES**

- (a) The rules have the effect of a contract under seal:
- (i) between the co-operative and each member;
  - (ii) between the co-operative and each director, the principal executive officer and the secretary of the co-operative; and
  - (iii) between a member and each other member.

Under the contract, each of those persons agrees to observe and perform the provisions of the rules as in force for the time being so far as those provisions, are applicable to that person.

- (b) The rules may be altered by a special resolution, by a resolution of the board in accordance with Section 112 of the Act or as otherwise permitted by the Act. No alteration to these rules takes effect until it is registered by the Registrar.
- (c) Any member or creditor shall be entitled on demand to a copy of these rules upon payment of such amount as the board may from time to time determine. Any member or creditor may inspect a copy of these rules free of charge at the registered office during normal office hours.

### **4. NAME**

- (a) The name of the co-operative shall be:
- "Kunapipi Ski Club Co-operative Limited".**
- (b) The co-operative may change its name in accordance with Section 259 of the Act.

### **5. REGISTERED OFFICE**

- (a) The registered office of the co-operative shall be at:

**Suite 53, Level 1, 23 Norton Street, Leichhardt, NSW, 2040**

or at such other place as the board of the co-operative may determine. The board shall notify the registrar of any change of address of the registered office within 14 days after the change, and on the form approved by the Registrar.



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- (b) (i) The board may, with the Registrar's approval, pass a resolution to alter paragraph (a) to insert the new address of the registered office.
- (ii) An application for registration of the board resolution shall be forwarded to the Registrar together with the approved form notifying the change of address, within 14 days of the passing of the board resolution altering paragraph (a).
- (iii) Notice of the registration of alteration shall be given to members in accordance with Section 112 (2) of the Act.

### **6. POWERS**

- (a) The co-operative shall have, both within and outside the State, the legal capacity of a natural person and have all the powers allowed by or under the Act.
- (b) The powers of the co-operative to:
  - (i) obtain financial accommodation; and
  - (ii) give security for the repayment of money,shall be exercised subject to the Act, but otherwise unlimited by these rules.

### **7. BY-LAWS**

- (a) The board shall have power to make by-laws, not inconsistent with the Act, the Regulations and these rules, relating to the conduct of members on the premises of the co-operative or to the operations of the co-operative.
- (b) A breach of a by-law shall be deemed to be an infringement of these rules for the purposes of Rule 60.

### **8. SEAL**

- (a) The co-operative shall, as required by Section 258(1)(a) of the Act, have the name of the co-operative appear in legible characters on its common seal and on any official seal. The common seal shall be kept at the registered office in such custody as the board shall direct.
- (b) The co-operative may, pursuant to Section 49 of the Act, have for use in place of its Common Seal outside the State, one or more official seals. Each of the additional seals must be a facsimile of the common seal with the addition on its face of the name of the place where it is to be used.
- (c) (i) The seal of the co-operative shall not be affixed to any instrument except by resolution of the board. Two directors and the secretary must be present and must sign all instruments sealed while they are present. (The board may appoint some person other than the secretary for this).
- (ii) The person affixing the official seal must certify in writing on the instrument to which it is affixed, the date and place at which it is affixed.

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### **9. CUSTODY AND INSPECTION OF RECORDS AND REGISTERS**

- (a) The co-operative must have at its registered office and available during normal office hours for inspection by any member or creditor free of charge the following:
- (i) a copy of the Act and the regulations;
  - (ii) a copy of these rules;
  - (iii) a copy of the accounts of the co-operative and of each subsidiary of the co-operative, in respect of the financial year of the co-operative or subsidiary then last past, together with any report of the auditors or directors of the co-operative or subsidiary concerning those accounts;
  - (iv) the register of directors;
  - (v) the register of members;
  - (vi) the register of loans to, securities given by, debentures issued by and deposits received by the co-operative;
  - (vii) the register of CCUs (Co-operative Capital Units) issued by the co-operative; and
  - (viii) such other registers as are required by the Act or the Regulations to be open for inspection.
- (b) Any person is entitled to inspect the register of members or directors of a co-operative during normal office hours free of charge.
- (c) A person who is entitled under this rule to inspect a register of the co-operative is in addition entitled to make a copy of entries in the register upon payment of such amount as the directors may from time to time determine.
- (d) The minutes of the meetings of the co-operative must be kept at the registered office and available for inspection by any member free of charge.

### **10. QUALIFICATIONS FOR MEMBERSHIP**

A person is not qualified to be admitted to membership of the co-operative unless there are reasonable grounds for believing that the person will be an active member of the co-operative.

### **11. ACTIVE MEMBERSHIP PROVISIONS**

In accordance with Part 6 of the Act:

- (a) the encouragement, development and promotion of snow sports, skiing (both alpine and cross-country), bush walking and other athletic sports related to an alpine environment is a primary activity of the co-operative; and
- (b) a member shall:

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- (i) pay an annual subscription of not less than \$20 in accordance with Rule 14; or
- (ii) in each financial year of the co-operative:
  - (A) stay overnight for at least two consecutive nights using the accommodation and other facilities of the co-operative; or
  - (B) assist in maintaining the accommodation and other facilities of the co-operative by attending at least one work-party; or
  - (C) undertake honorary activities on behalf of the co-operative to the reasonable satisfaction of the directors,

in order to establish active membership of the co-operative.

### **12. CANCELLATION OF MEMBERSHIP**

- (a) The board shall, after giving notice in accordance with Section 132 of the Act, declare the membership of a member cancelled if:
  - (i) the whereabouts of the member are not presently known to the co-operative and have not been known to the co-operative for a continuous period of at least 2 years before that date; or
  - (ii) the member is not presently an active member and has not been an active member at any time during the past 2 years immediately before that time.
- (b) The co-operative shall, in a form approved of by the Registrar, keep a register of memberships cancelled pursuant to paragraph (a), which shall specify the particulars prescribed in Schedule 3 of the Co-operatives (General) Regulation 1993.

### **13. MEMBERSHIP APPLICATION**

- (a) Every applicant for membership must pay to the co-operative a once only non-returnable entry fee of such amount, not exceeding \$10,000, as the board may from time to time determine. The entry fee shall be paid either in full on becoming a member or in accordance with a schedule of instalments determined by the board.
- (b) The co-operative shall supply, with each application for membership, a written notice of any entry and periodic fees that a person will be liable to pay on becoming a member of the co-operative.
- (c) Applications for membership, shall be lodged at the registered office in or to the effect of the form approved of by the board. Subject to paragraph (e) of this rule. every such application shall be considered by the board. If the board approves of the application, the applicant's name together with any other information required by or under the Act shall be entered in the register of members. The applicant shall be notified in writing of the entry in the register and shall then be entitled to the privileges attaching to membership.

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- (d) The board may, at its discretion, refuse any application for membership and need assign no reasons for such refusal. Upon refusal any monies accompanying the application for membership shall be refunded, without interest.
- (e) As a transitional arrangement, following registration of these rules by the Registrar, applications for membership will not be considered by the board until after the conversion date.

### 14. ANNUAL SUBSCRIPTION

Members may be required to pay an annual subscription which shall, in respect of a financial year of the co-operative:

- (a)
  - (i) be in addition to any other charges payable under these rules;
  - (ii) be determined by the board in accordance with the following formula:

$$AS = 1.5 \times \frac{AR}{N}$$

where:

AS = the annual subscription payable by each member in respect of that financial year,

AR = the annual rental payable by the co-operative in respect of the accommodation and other facilities of the co-operative for that financial year, and

N= the number of members at the end of that financial year; and

- (iii) be payable in arrears within the period following the end of that financial year as is set by the board.
- (b) The board may, either generally or in a specific case, extend a period for the payment of the annual subscription, even though the previous period has expired. The extended period for payment shall not exceed 6 months.
- (c) The board may waive payment of the annual subscription by a member if that member has satisfied at least one of the requirements of Rule 11(b)(ii) in relation to the relevant financial year.
- (d) A member who does not pay the annual subscription within the period set by the board, or within any extended period which may be granted by the board, and who does not satisfy at least one of the requirements of Rule 11(b)(ii) in relation to the relevant financial year shall be regarded as an inactive member from the commencement of that financial year.
- (e) For the purposes of this rule, the term "within", in relation to a period set by the board, means at any time at all before the end of the period.

### 15. PERIODIC FEES

Members may be required to pay periodic fees determined from time to time by the board, which shall be in addition to any other charges payable under these rules.

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### **16. LIABILITY OF MEMBERS TO CO-OPERATIVES**

- (a) A member shall not, as a member of the co-operative, be under any personal liability to a creditor of the co-operative.
- (b) A member shall, in accordance with Section 76 of the Act, be liable to the co-operative for any charges, including entry and periodic fees, payable by the member to the co-operative as required by these rules.
- (c) The co-operative may, in accordance with Section 268 of the Act, raise money on loan by requiring members to lend money, with or without security, to the co-operative, in accordance with a proposal approved of by the members by special resolution.
- (d) On the death of a member, the member's estate is subject to the same liability as the member would have been.

### **17. TRANSFER OF MEMBERSHIP**

- (a) Subject to Section 82 of the Act (transfer of membership on death), a member is not entitled to transfer his or her membership except in accordance with this rule.
- (b) A summer member may not transfer his or her membership in any circumstances.
- (c) A member other than a summer member may transfer his or her membership if the following requirements are satisfied:
  - (i) the transferor must be an active member of the co-operative;
  - (ii) the transferor and the transferee must establish to the satisfaction of the board that there are reasonable grounds for believing that the transferee will be an active member of the co-operative;
  - (iii) either:
    - (A) the transferor and the transferee must establish to the satisfaction of the board that there are reasonable grounds for believing that the transferee is a relative of the transferor; or
    - (B) the transferee is a person approved by the board;
  - (iv) the transferor and the transferee must sign an instrument of transfer in a form approved by the board;
  - (v) the transferee must pay to the co-operative a once only non-returnable transfer fee of such amount as the board may from time to time determine; and
  - (vi) the transfer of membership must be approved by the board.

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- (d) The transfer fee payable under Rule 17(c)(v) shall be paid either in full on the transferee becoming a member or in accordance with a schedule of instalments determined by the board.
- (e) The co-operative shall supply to the transferee, on receipt of an instrument of transfer for registration, a written notice of any transfer and periodic fees that a person will be liable to pay on becoming a member of the co-operative.
- (f) Instruments of transfer shall be lodged at the registered office in or to the effect of the form approved of by the board. Subject to paragraph (h) of this rule, every instrument of transfer shall be considered by the board. If the board approves of the transfer of membership, the transferee's name together with any other information required by or under the Act shall be entered in the register of members. The transferee shall be notified in writing of the entry in the register and shall then be entitled to the privileges attaching to membership.
- (g) The board may, at its discretion, refuse any transfer of membership and need assign no reasons for such refusal. Upon refusal any monies accompanying the instrument of transfer shall be refunded, without interest.
- (h) As a transitional arrangement, following registration of these rules by the Registrar, transfers of membership will not be considered by the board until after the conversion date.

### **18. CEASING MEMBERSHIP**

A person shall cease to be a member in any of the following circumstances:

- (a) if a member who makes an election under Rule 2(a)(i) fails to pay the applicable conversion fee before the conversion date;
- (b) if the member's membership is cancelled under Rule 12;
- (c) on registration of a transfer of that member's membership under Rule 17;
- (d) if the member is expelled in accordance with Rule 19;
- (e) if the member becomes bankrupt and the trustee of the member's estate disclaims any of his or her property in accordance with the law relating to bankruptcy;
- (f) on death of the member;
- (g) if the contract of membership is rescinded on the ground of misrepresentation or mistake; or
- (h) on the expiration of one months notice in writing of the member's intention to resign from membership given by the member, to the Secretary.

### **19. EXPULSION OF MEMBERS**

- (a) A member may be expelled from the co-operative by special resolution to the effect:

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- (i) that the member has failed to discharge his or her obligations to the co-operative, whether prescribed by these rules or arising out of any contract; or
  - (ii) that the member has been guilty of conduct detrimental to the co-operative.
- (b) In either case written notice of the proposed resolution shall be forwarded to the member not less than 14 days before the date of the meeting at which the special resolution is to be moved, and the member shall be given a reasonable opportunity of being heard at the meeting.
- (c) An expelled member shall not be re-admitted as a member unless such re-admission is approved by special resolution.

### **20. SUSPENSION OF MEMBERS**

- (a) The board may suspend a member, for a period not exceeding one year, who does any of the following acts:
- (i) infringes any of these rules or the by-laws of the co-operative;
  - (ii) fails to discharge obligations to the co-operative, whether prescribed by these rules or arising out of contract; or
  - (iii) conducts himself in a manner prejudicial or detrimental to the interests of the co-operative.
- (b) Where the board proposes to suspend a member, the following procedure shall apply:
- (i) At least 7 days written notice stating the date, time and place of the board meeting shall be given to any member whose act is to be considered at the board meeting and the written notice shall also state the nature of the act which, in the board's opinion, has been done by the member.
  - (ii) At the board meeting, the member shall be afforded a full opportunity to be heard and shall be entitled to call witnesses and to cross-examine witnesses called against the member. If the member fails to attend at the time and place mentioned, without reasonable excuse, the act shall be considered and the board may decide on the evidence before it, in spite of the absence of the member. Once the act has been considered, the board may decide to suspend the member who committed the act.

### **21. ANNUAL GENERAL MEETINGS**

- (a) A general meeting of the co-operative to be known as the "annual general meeting" shall, as provided in Section 198 of the Act, be held each year on a date and a time determined by the board as long as it is within five (5) months after the close of the financial year of the co-operative or within such further time as may be prescribed by regulation.

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- (b) All general meetings of the co-operative other than the annual general meeting shall be special general meetings.
- (c) If an annual general meeting is not held in accordance with paragraph (a) of this rule, the members may, in accordance with Section 202 of the Act and Rule 22, requisition such a meeting.

### 22. SPECIAL GENERAL MEETINGS

- (a) The board may, whenever it thinks fit, convene a special general meeting of the co-operative.
- (b) (i) The board must convene a general meeting of the co-operative on the requisition in writing by:
  - (A) any 50 or more active members of the co-operative; or
  - (B) any active members who together are able to cast at least 20% of the total number of votes able to be cast at a meeting of the co-operative.
- (ii) The requisition must:
  - (A)
  - (B) state the objects of the meeting;  
  
be signed by the requisitioning members (and may consist of several documents in like form each signed by one or more of the requisitioning members; and
  - (C) be served on the co-operative by being lodged at the registered office of the co-operative.
- (iii) A meeting requisitioned by members in accordance with these rules must be convened and held as soon as practicable and be held within 2 months after the requisition is served.
- (iv) Where the board does not convene a meeting twenty one (21) days after the requisition is served, the following provisions apply:
  - (A) the requisitioning members (or any of them representing at least half their aggregate voting rights) may convene the meeting in the same manner as nearly as possible as meetings are convened by the board;
  - (B) for that purpose they may request the co-operative to supply a written statement setting out the names and addresses of the persons entitled when the requisition was served to receive notice of general meetings of the co-operative;
  - (C) the board must send the requested statement to the requisitioning members within 7 days after the request for the statement is made;



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- (D) the meeting convened by the requisitioning members must be held not later than 3 months after the requisition is served;
- (E) any reasonable expenses incurred by the requisitioning members because of the board's failure to convene the meeting must be paid by the co-operative; and
- (F) any such amount required to be paid by the co-operative is to be retained by the co-operative out of any money due from the co-operative by way of fees or other remuneration in respect of their services to such of the directors as were in default.

### **23. NOTICE OF GENERAL MEETINGS**

- (a) At least 14 days notice (not including the day on which the notice is served or deemed to be served, but including the day for which notice is given) shall be given of any general meeting in the manner stipulated in Rule 58. Notice must be given to those persons who are, under these rules entitled to receive such notices from the co-operative, but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting. The notice must specify the place, the day, and the hour of the meeting and, in the case of special business, the general nature of that business.
- (b) In the case of a special resolution, notice shall be given at least 21 days before the meeting.
- (c) Any member who has a resolution to submit to a general meeting shall give written notice of it to the co-operative not less than 28 days prior to the date of the meeting.
- (d) The board shall have inserted in any notice convening a general meeting any business which a member has notified his or her intention to move (and that notification has been made in accordance with these rules).

### **24. BUSINESS OF GENERAL MEETINGS**

- (a) The ordinary business of the annual general meeting shall be:
  - (i) to confirm minutes of the last preceding general meeting (whether annual or special);
  - (ii) to receive from the board, auditors, or any officers of the co-operative reports upon the transactions of the co-operative during the financial year, including balance sheet, trading account, profit and loss account, statement of source and application of funds, and the state of affairs at the end of that year; and
  - (iii) to elect directors.
- (b) The annual general meeting may also transact special business of which notice has been given to members in accordance with these rules.

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- (c) All business of a general meeting, other than business of the annual general meeting that is by this rule termed ordinary business, should be deemed special business.

### **25. QUORUM AT GENERAL MEETINGS**

- (a) No item of business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting is considering that item.
- (b) Except where these rules state otherwise, 10 members present in person and entitled to exercise a total of 10 votes constitute a quorum.
- (c) If within half an hour after the appointed time for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall be adjourned to the same day in the next week at the same time and place. If at the adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting the members present shall constitute a quorum.

### **26. CHAIRPERSON AT GENERAL MEETINGS**

- (a) The chairperson, if any, of the board shall preside as chairperson at every general meeting of the co-operative.
- (b) If there is no such chairperson, or if at any meeting the chairperson is either not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as chairperson, then the members present shall choose someone from their number to be chairperson (until such time as the chairperson attends and is willing to act).
- (c) The chairperson may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. However, the only business that can be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more notice of the adjourned meeting shall be given just as in the case of the original meeting. Apart from this it is not necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

### **27. STANDING ORDERS AT GENERAL MEETINGS**

The following standing orders shall be observed at the co-operative's meetings, subject to any suspension of, or amendment of, or addition to, these orders adopted for the purposes of that meeting by the members present at a meeting:

- (a) the mover of a proposition shall not speak for more than 10 minutes. Subsequent speakers shall be allowed 5 minutes, and the mover of the proposition 5 minutes to reply. The meeting may however by simple majority extend in a particular instance the time permitted by this rule;
- (b) whenever an amendment to an original proposition is proposed, no second amendment shall be considered until the first amendment is disposed of;

## **RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

- (c) if an amendment is carried, the proposition as so amended shall displace the original proposition and may itself be amended;
- (d) if an amendment is defeated, then a further amendment may be moved to the original proposition. However, only one amendment shall be submitted to the meeting for discussion at one time;
- (e) the mover of every original proposition, but not of an amendment, shall have the right to reply. Immediately after this the question shall be put from the chair. No other member shall speak more than once on the same question, unless permission is given for an explanation, or where the attention of the chairperson is called to a point of order;
- (f) propositions and amendments shall be submitted in writing, if requested by the chairperson;
- (g) any discussion may be closed by a resolution "that the question be now put" being moved, seconded and carried. Such resolution shall be put to the meeting without debate;
- (h) any member, or visitor invited to attend the meeting by the board, may speak on any issue at a meeting with the permission of the chairman provided that the permission may be conditional; and
- (i) standing orders may be suspended for any period by ordinary resolution.

### **28. ATTENDANCE AT GENERAL MEETINGS**

At any meeting of the co-operative a member who has been given notice that the person's membership is required to be cancelled under the active membership provisions of the Act, is not entitled to attend.

### **29. VOTING AT GENERAL MEETINGS**

- (a) A member of the co-operative is not entitled to vote at a meeting of the co-operative unless that person is an active member of the co-operative.
- (b) An active member of the co-operative shall have one vote only in respect of any question or motion arising at a general meeting of the co-operative.
- (c) At any general meeting a resolution put to the vote of the meeting shall (as provided in Section 201 of the Act) be decided on a show of hands. This is unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least 5 members. If no poll is demanded, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the co-operative shall be evidence of the fact. No proof is needed of the number or proportion of the votes recorded in favour of, or against, that resolution.
- (d) On a show of hands or on a poll every representative of a body corporate, pursuant to Section 68 of the Act, or every member (not under the age of 18), who is present at a meeting in person or represented by proxy or attorney, shall

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have one vote. However, no member shall have a vote, or be entitled or eligible to vote, contrary to the Act.

- (e) In the case of joint membership, the joint members have 1 vote only between them and that vote may be exercised (subject to the grant of any proxy or power of attorney) only by the joint member whose name appears first in the register of members.
- (f) In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.
- (g) All resolutions, except special resolutions, shall be determined by a simple majority.

### 30. PROXY VOTING

- (a) An instrument appointing a proxy shall be in writing under the hand of the appointer or of the appointer's attorney duly authorised in writing.
- (b) An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
- (c) No person shall act as a proxy unless the person is an active member of the co-operative.
- (d) No person shall act as proxy for more than 5 persons.
- (e) An instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- (f) An instrument appointing a proxy may be in the following form, or any other form which the board shall approve:

#### PROXY FORM

I/We \_\_\_\_\_  
Of \_\_\_\_\_  
appoint \_\_\_\_\_  
of \_\_\_\_\_  
or in that person's absence \_\_\_\_\_  
of \_\_\_\_\_

or [in that person's absence] the chairperson of the meeting, or a person nominated by the chairperson,

as my/our proxy to vote for me/us on my/our behalf at the [Annual/Special] General Meeting of the co-operative to be held on [\*] 19[\*] and at any adjournment of that meeting.

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I/We direct my / our proxy to vote in respect of each resolution to be considered as indicated with an "X" below, and to vote or abstain in respect of any procedural resolution as my/our proxy thinks fit.

	FOR	AGAINST
[Ordinary /Special] resolution No. 1	<input type="checkbox"/>	<input type="checkbox"/>
[Ordinary /Special] resolution No. 2	<input type="checkbox"/>	<input type="checkbox"/>

If no direction is given above, I/We authorise my/our proxy to vote or abstain as my/our proxy thinks fit in respect of each resolution (including any procedural resolution) to be considered by the meeting and any adjournment of the meeting.

Dated 19[\*]

Signature \_\_\_\_\_  
Members should execute under seal or by attorney

- (g) An instrument appointing a proxy shall not be treated as valid until the instrument, and the power of attorney or other authority (if any) under which the instrument is signed or a notarially certified copy of that power or authority, is or are deposited, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 Hours before the time appointed for the taking of the poll, at the registered office of the co-operative or at such other place as is specified for that purpose in the notice convening the meeting.
- (h) A vote given in accordance with the terms of an instrument of proxy or of a power of attorney is valid notwithstanding the previous death or unsoundness of mind of the principal, the revocation of the instrument (or of the authority under which the instrument was executed) or the power, if no intimation in writing of the death, unsoundness of mind or revocation has been received by the co-operative at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

### 31. RESTRICTION ON VOTING ENTITLEMENT UNDER POWER OF ATTORNEY

A person is not entitled to exercise a members right to vote under a power of attorney, if that person has a power of attorney to vote in respect of another member.

### 32. POSTAL BALLOT

The co-operative may hold a postal ballot to determine any issue or proposal by the members in the manner set out in Schedule 1.

### 33. POLL AT GENERAL MEETINGS

- (a) If a poll is duly demanded it shall be taken in a manner which the chairperson directs. Unless the meeting is adjourned the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

## **RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

- (b) A poll demanded on the election of a chairperson, or on a question of adjournment, shall be taken immediately.
- (c) A poll demanded in accordance with Rule 29(c) may be withdrawn.

### **34. SPECIAL RESOLUTION**

- (a) A special resolution means a resolution of which notice has been given of the intention to propose the resolution as a special resolution and which is passed either by two-thirds of the members who vote in person or by proxy at a general meeting, or by three quarters of the members who cast formal votes in a postal ballot of members.
- (b) A special resolution shall have no effect until registered by the registrar.

### **35. BOARD OF DIRECTORS**

- (a) There shall be a board of at least three and up to nine directors, each of whom shall be a natural person and at least 18 years old.
- (b) The business and operations of the co-operative are to be managed and controlled by the board of directors, and for that purpose the board has and may exercise the powers of the co-operative as if they had been expressly conferred on the board by a general meeting of the co-operative.
- (c) The powers of the board are subject to any restrictions imposed by the Act or by these rules.
- (d) The acts of a director are valid despite any defect that may afterwards be discovered in the appointment or qualification of the director.

### **36. QUALIFICATIONS OF DIRECTORS**

A person is not eligible to be elected as director of a co-operative unless the person is an active member of the co-operative.

### **37. FIRST AND SUBSEQUENT DIRECTORS**

At the annual general meeting of the co-operative in each year one-third of the directors shall retire in rotation. For the purpose of determining the number of directors to retire by rotation, the number of directors in office shall be rounded up or down to the nearest number divisible by 3.

The directors to retire in any year shall (subject to the provision as to filling casual vacancies) be those who have been longest in office since their last election. As between persons who became directors on the same day to retire shall (unless they otherwise agree among themselves) be determined by lot. In such case, the order for retirement shall be the order in which the names are withdrawn..

A retiring director shall be eligible for re-election without nomination if qualified under Rule 36.

At an annual general meeting at which a director retires or a casual vacancy occurs the vacated office may be filled by electing a person to it. Nominations for candidates to fill

## **RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

the vacant positions shall be sought in such manner as the board determines. The election of directors shall be conducted at the meeting in such usual and proper manner as the board shall direct.

### **38. REMOVAL FROM AND VACATION OF OFFICE OF DIRECTOR**

The co-operative may by resolution remove any director before the expiration of the director's period of office, and may by a simple majority appoint another person in place of the director. The person so appointed shall retire at the same time as the removed director would have done if not removed.

A director vacates office in such circumstances (if any) as are provided in these rules and in any of the following cases:

- (a) if the person is an insolvent under administration (as defined in the Corporations Law);
- (b) if the person is mentally incapacitated or the subject of an order under a law of another State or of a Territory relating to mental health;
- (c) if the person has been convicted of an offence and that conviction disqualifies a person from being a director, as provided by Section 208(2) of the Act;
- (d) if the director absents himself from 3 consecutive ordinary meetings of the board without its leave;
- (e) if the director resigns from office by notice in writing given by the director to the co-operative;
- (f) if the director is removed from office by ordinary resolution of the co-operative;
- (g) if the person ceases to hold the qualification by reason of which the person was qualified to be a director;
- (h) if the director becomes an employee of the co-operative, unless elected under Section 216 of the Act;
- (i) if an administrator of the co-operative's affairs is appointed under Division 6 of Part 12 of the Act;
- (g) as provided by Section 217 of the Act.

### **39. FILLING OF CASUAL VACANCIES**

- (a) Subject to Rule 44, a casual vacancy on the board of a co-operative is to be filled by election by the members held:
  - (i) at a meeting of the co-operative; or
  - (ii) by means of a postal ballot; or
  - (iii) in the manner specified in these rules for the ordinary election of directors; or
  - (iv) in such other manner as the Registrar may approve in a particular case.

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- (b) The person so chosen shall retire at the same time as the director who vacated the office would have done if that director had not vacated it.
- (c) For the purpose of this rule, a casual vacancy shall arise where the office of a director is vacated in accordance with Rule 38.

### **40. DIRECTORS' EXPENSES**

The directors shall not receive remuneration for their services as directors but all necessary expenses incurred by them in the business of the co-operative shall be refunded to them.

### **41. DEPUTY DIRECTORS**

- (a) Any director may from time to time apply, in writing, for any active member (other than an employee of the co-operative, the auditor or a partner or employer or employee of the auditor) to be appointed by the board as an alternate director to sit in the director's place on the board.
- (b) A deputy director appointed by the board shall be entitled to notice of meetings of the directors and in the absence of the nominating director to attend and vote at those meetings and to sign resolutions and to exercise such powers, authorities and discretions as are vested in or would otherwise be exercisable by the nominating director.
- (c) A deputy director shall vacate office if the nominating director ceases to be a director or on a majority of the other directors removing him from office.
- (d) An appointment or removal under this rule must be in writing and notice thereof must be served on the deputy director and the appointment or removal shall take effect forthwith upon the service thereof. Service of any such notice may be effected in accordance with Rule 58.
- (e) A deputy director whilst acting in the absence of the nominating director shall not be an agent of the nominating director and the nominating director shall not be liable for the actions of the deputy director.
- (f) All necessary expenses of a deputy director, incurred whilst acting as a director, shall be refunded to the deputy director. The attendance of the deputy director at any meeting of the board shall be deemed to be attendance by the nominating director .
- (g) For purposes of this rule a meeting of the directors shall include a meeting conducted pursuant to Rule 43.

### **42. PROCEEDINGS OF THE BOARD**

- (a) Meetings of the board (including those conducted in accordance with Rule 43) are to be held as often as may be necessary for properly conducting the business and operations of the co-operative and must in any case be held at least quarterly.
- (b) Questions arising at any meeting shall be decided by a majority of votes.



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- (c) In the case of an equality of votes, the chairperson shall have a second or casting vote.
- (d) The chairperson or any 2 directors may, and the secretary shall, if requested by the chairperson or any 2 directors at any time, summon a meeting of the board.
- (e) Except in special circumstances determined by the chairperson, at least 48 hours notice shall be given to the directors of all meetings of the board.

### **43. TRANSACTION OF BUSINESS OUTSIDE BOARD MEETINGS**

The board may in accordance with Section 210 of the Act transact any of its business:

- (a)
  - (i) by the circulation of papers among all the members of the board, and a resolution in writing by a majority of those members is to be taken to be a decision of the board;
  - (ii) at a meeting at which members (or some members) participate by telephone, closed-circuit television or other means, but only if any member who speaks on a matter before the meeting, can be heard by the other members.
- (b) For the purpose of this rule the chairperson of the board and each member of the board have the same voting rights as they have at an ordinary meeting of the board.
- (c) A resolution approved under paragraph (a) (i) is to be recorded in the minutes of the meetings of the board.
- (d) The secretary may circulate papers among members of the board for the purposes of paragraph (a) (i) by facsimile or other transmission of the information in the papers concerned.

### **44. QUORUM FOR BOARD MEETINGS**

- (a) The quorum for a meeting of the board shall be more than half the number of directors.
- (b) If at any time the number of directors is the same or less than the number of directors required to constitute a quorum of the board:
  - (i) the board may appoint sufficient directors so that the number of directors is one more than a quorum; and
  - (ii) for the purpose only of enabling the board to make such an appointment, the number of directors required to constitute a quorum is' the number of directors at that time.

### **45. CHAIRPERSON OF BOARD**

The chairperson of the board may be elected either by the board or at a general meeting of the co-operative. However, if no such chairperson is elected, or if at any meeting the chairperson is not present within 5 minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present may

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choose one of their number to be chairperson of the meeting until such time as the chairperson attends and is willing to act in that capacity.

### **46. BOARD DELEGATION AND BOARD COMMITTEES**

- (a) The board may (in accordance with Section 213 of the Act) by resolution delegate to a director or committee of 2 or more directors the exercise of such of the board's powers (other than this power of delegation) as are specified in the resolution. The co-operative or the board may by resolution revoke wholly or in part any such delegation.
- (b) A power, the exercise of which has been delegated under this rule may, while the delegation remains unrevoked, be exercised from time to time in accordance with the terms of the delegation.
- (c) A delegation under this rule may be made subject to conditions or limitations as to the exercise of any of the powers delegated, or as to time or circumstances.
- (d) Notwithstanding any delegation under this rule, the board may continue to exercise all or any of the powers delegated.
- (e) Where a power is exercised by a director (either alone or with other directors) and the exercise of the power is evidenced in writing, signed by the director in the name of the board or in his or her own name on behalf of the board, then the power shall be deemed to have been exercised by the board. This is so whether or not a resolution delegating the exercise of the power to the director was in force when the power was exercised, and whether or not any conditions or limitations referred to in paragraph (c) of this rule were observed by the director exercising the powers.
- (f) An instrument purporting to be signed by a director as referred to in Section 214(1) of the Act shall in all courts and before all persons acting judicially be received in evidence as if it were an instrument executed by the co-operative under seal. Furthermore, until the contrary is proved, it shall be deemed to be an instrument signed by a delegate of the board under Section 213 of the Act.
- (g) A committee may elect a chairperson of their meetings. If no such chairperson is elected, or, if at any meeting the chairperson is not present within 5 minutes after the time appointed for holding the meeting, then the members present may choose one of their number to be chairperson of the meeting.
- (h) A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and voting and in case of an equality of votes the chairperson shall have a second or casting vote.

### **47. OTHER COMMITTEES**

- (a) The board may by its resolution appoint committees comprising of members or other persons or both, to act in an advisory role to the board and to any committees of directors.
- (b) The provisions of Rule 46 (g) and (h) apply to committees appointed under this rule, subject to any variations approved of by the board.

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- (c) The quorum for any meeting of the committee shall be one-half (or where one-half is not a whole number the whole number next higher than one-half) of the number of members in the committee.

### **48. MINUTES**

- (a) The board shall have minutes of meetings made in books provided for the purpose and, in particular;
  - (i) of all appointments of officers and employees made by the directors;
  - (ii) of the names of the directors present at each meeting of the board and of any committee of the board; and
  - (iii) of all resolutions and proceedings at all meetings of the co-operative and of directors and of committees of directors.
- (b) Minutes must be recorded in the minute book within 14 days of the date of the meeting to which they relate.
- (c) The confirmation of such minutes shall be taken as the first business at the next succeeding meeting of the co-operative, board or committee to which the minutes relate. If it is impracticable for the minutes to be confirmed at that meeting, then the minutes shall be confirmed at the next succeeding meeting.
- (d) Every director present at any meeting shall sign his or her name in a book to be kept for that purpose.
- (e) The minutes are to be kept in the English language.

### **49. APPOINTMENT OF OFFICERS, SERVANTS ETC**

- (a) Without prejudice to the general powers conferred on the board by the Act or these rules, the board shall have power to appoint and, at its discretion, remove or suspend officers, servants, agents and contractors, and to fix their powers, duties and remuneration.
- (b) The board may delegate any of its powers under paragraph (a) to an officer or employee of the co-operative, subject to any conditions or limitations which the board sees fit to impose.
- (c) The board may, at any time, revoke or vary a delegation made pursuant to paragraph (b).
- (d) Notwithstanding any delegation under this rule, the board may continue to exercise all or any of the powers under paragraph (a).

### **49A. APPOINTMENT OF SECRETARY**

- (a) The board shall appoint a secretary who shall perform all the functions and duties required by the Act, the Regulations, the rules and the general law to be performed or undertaken by the secretary of the co-operative.
- (b) A secretary shall:

## **RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

- (i) be appointed to the office on such terms and conditions as the board may determine; and
- (ii) hold office until death, or removal by the board or resignation from office.

### **50. FIDELITY BONDS AND INSURANCE**

- (a) The board shall effect, and maintain, a policy of insurance for the indemnity of the co-operative against any pecuniary loss to the co-operative resulting from any act of fraud or dishonesty committed:
  - (i) by any officer of, or other person employed by, the co-operative in connection with his or her duties; or
  - (ii) where a person contracts to provide a secretarial or administrative service to the co-operative - by that person or any of his or her employees in connection with the provision of any such service.
- (b) The board shall arrange insurance against loss, damage to or liability of the co-operative by reason of fire, accident or otherwise.

### **51. FINANCIAL YEAR**

The financial year of the co-operative shall end on 31 December.

### **52. ACCOUNTS**

- (a) The board shall have prepared the accounts, statements and directors' report referred to in clause 13(1) of the Co-operation (Accounts and Audit) Regulation 1988.
- (b) The board shall submit those accounts, statements and report, together with the auditors' report on those accounts, to the annual general meeting of the co-operative, in accordance with clause 14 of the Co-operation (Accounts and Audit) Regulation 1988.
- (c) The board shall also have a copy of everything required to be submitted under paragraph (b) displayed at the registered office of the co-operative for a period of not less than 14 days before the date of the annual general meeting of the co-operative.
- (d) The board shall send a copy of everything required to be submitted under paragraph (b) to each member with the notice of the annual general meeting of the co-operative.

### **53. BANKING**

- (a) The board shall have a "banking" account or accounts in the name of the co-operative, into which all moneys received shall be paid as soon as possible after receipt.

## RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED

- (b) All cheques drawn on such accounts and all drafts, bills of exchange, promissory notes, and other negotiable instruments for and on behalf of the co-operative, shall be signed by 2 directors or by any 2 persons authorised by the board.

### 54. AUDIT

- (a) One or more auditors shall be appointed, hold office, be remunerated, be removed and have qualifications, duties and responsibilities as provided in this rule, or as otherwise provided in, or permitted by, the Co-operation (Accounts and Audit) Regulation 1988, or any order made by the Registrar pursuant to that Regulation.
- (b) The co-operative shall, at each annual general meeting, appoint an auditor of the co-operative if there is a vacancy in the office of auditor.
- (c) An auditor appointed under paragraph (b) of this rule shall hold office until death or removal or resignation from office or until ceasing to be capable of acting as auditor in accordance with the Co-operation (Accounts and Audit) Regulation 1988.
- (d) The board shall fill any vacancy in the office of auditor, other than a vacancy caused by the removal of an auditor from office, within one month of such vacancy occurring, unless the co-operative at a general meeting has already appointed an auditor to fill the vacancy. A person or firm appointed as Auditor of a co-operative pursuant to this paragraph holds office, subject to the Co-operation (Accounts and Audit) Regulation 1988 until the next Annual General Meeting of the co-operative.

While a vacancy in the office of auditor continues, the surviving or continuing auditor or auditors (if any) may act.

- (e) The co-operative or the board shall not appoint as auditor a person who has not consented in writing to the appointment or who has withdrawn such consent, or a person of whose nomination notice has not been given in accordance with clause 18 of the Co-operation (Accounts and Audit) Regulation 1988.
- (f) A person is not qualified to be appointed auditor of the co-operative if:
  - (i) the person is not a registered company auditor;
  - (ii) the person or corporation in which the person is a substantial shareholder, is indebted to the co-operative (or to a subsidiary corporation of the co-operative) for an amount exceeding \$ 5,000; or
  - (iii) the person is:
    - (A) an officer or member of the co-operative;
    - (B) is a partner, employer or employee of an officer of the co-operative;
    - (C) is a partner of an employee of an officer of the co-operative; or
    - (D) is an employee of an employee of an officer of the co-operative.

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- (g) All reasonable fees and expenses of the auditor are payable by the co-operative.
- (h) The board shall enable the auditor to have access to all books, accounts, vouchers, securities and documents of the co-operative, and to be furnished with such information and explanation by the board members or any other officers as may be necessary for the performance of the duties of the auditor.
- (i) The auditor is entitled to attend any general meeting of the co-operative and to receive all notices of and other communications relating to any general meeting which any member of the co-operative is entitled to receive. The auditor is also entitled to be heard, at any general meeting which the auditor attends, on any part of the business of the meeting of concerns to the auditor.
- (j)
  - (i) The auditor may be removed from office by resolution at a general meeting.
  - (ii) Notice of intention to move the resolution must be given to the co-operative not less than 28 days before the meeting at which the resolution is moved, but if, after notice has been given, a meeting is convened for a date 28 days or less after notice has been given, notice shall be deemed to have been properly given.
  - (iii) Where special notice of a resolution to remove an auditor is received by the co-operative, it shall forthwith send a copy of the notice to the auditor and lodge a copy of the notice with the registrar.
  - (iv) The co-operative shall give notice of a resolution to remove the auditor to persons entitled to be given notice of a meeting of the co-operative at the same time and in the same manner as it gives notice of the meeting or, if that is not practicable, shall give notice of the resolution to them in any manner allowed by these rules not less than 14 days before the meeting.
  - (v) Within 7 days after receiving a copy of the notice, the auditor may make representations in writing, not exceeding a reasonable length, to the co-operative and request that before the meeting at which the resolution is to be considered, a copy of the representations be sent by the cooperative at its expense to every member of the co-operative to whom notice of the meeting is sent.
  - (vi) Unless the registrar on the application of the co-operative otherwise orders, the co-operative shall send a copy of the representations in accordance with the auditor's request. The auditor may require that the representations be read out at the meeting and may also speak at the meeting.
- (k) The auditor may, by notice in writing given to the co-operative, resign as auditor of the co-operative if:
  - (i) the auditor has, by notice in writing given to the registrar, applied for consent to resign and Stated the reasons and, at or about the same time, notified the co-operative in writing of the application; and

## **RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

- (ii) the auditor has received the consent of the registrar.
- (1) The resignation of the auditor takes effect:
  - (i) on the date (if any) specified for the purpose in the notice of resignation;
  - (ii) on the date on which the registrar consents to the resignation; or
  - (iii) on the date (if any) fixed by the registrar for the purpose,whichever last occurs, unless the Supreme Court makes an Order under clause 19(8) of the Co-operation (Accounts and Audit) Regulation 1988 or clause 19(10) of that Regulation applies.
- (m) Within 14 days after the removal from office of the auditor or after the receipt of a notice of a resignation from an auditor, the co-operative shall lodge with the registrar a notice of the removal or resignation in or to the effect of Form 1 of the Co-operation (Accounts and Audit) Regulation 1988 and, where there is a trustee for the holders of debentures of the co-operative, give to the trustee a copy of the notice lodged with the registrar.

### **55. CO-OPERATIVE FUNDS**

- (a) The income and property of the co-operative however derived shall be applied solely towards the promotion of the primary activity of the co-operative and no portion thereof shall be paid or transferred directly or indirectly by way of discount, rebate or otherwise by way of profit to the members of the cooperative.
- (b) Payment may be made in good faith of:
  - (i) any commensurate remuneration of any member or servant of the co-operative or other person in return for any services actually rendered to the co-operative: or
  - (ii) reasonable interest on money lent or reasonable or proper rent for property or premises demised, or let by any member to the co-operative.
- (c) Any surplus resulting from the co-operative's operations during a financial year, after providing for depreciation in value of the co-operative's property or for contingent liability for loss, shall be applied to carrying out the co-operative's primary activities.
- (d) An amount not exceeding 10 percent of the surplus may be applied to any charitable purpose, or for promoting co-operation or any community advancement object.

### **56. PROVISION FOR LOSS**

The board shall make such provisions for loss which may result from the transactions of the co-operative as the Act requires or allows.

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### **57. DISPUTES**

- (a) A dispute between a member (in the person's capacity as a member) and the co-operative may be settled by arbitration in accordance with the Commercial Arbitration Act 1984.
- (b) Where such a dispute is not referred to arbitration under paragraph (a), or, if so referred, has not within one month been the subject of an award, the dispute may be referred to the registrar under Section 91 of the Act by any party to the dispute.
- (c) Nothing in this rule shall extend to any dispute as to the construction or effect of any mortgage or contract contained in any document other than these rules.

### **58. NOTICES**

- (a) A notice may be given by the co-operative to any member:
  - (i) personally; or
  - (ii) by sending it by post to the member's registered address; or
  - (iii) where the member has notified the co-operative of a facsimile number by facsimile transmission to the number notified; or
  - (iv) where the member has notified the co-operative of an electronic mail address - by electronic mail to the address notified; or
  - (v) where the member has no registered address - to any address supplied by the member to the co-operative for the giving of notices.
- (b) Where a notice is sent by post, service shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice. In the case of a notice of a meeting service is deemed to be effected at the expiration of 24 hours after the letter containing the notice is posted. In every other case service is deemed to be effected at the time at which the letter would be delivered in the ordinary course of post and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.
- (c) If a member has no registered address (and has not supplied to the co-operative an address for the giving of notices) a notice addressed to the member and advertised in the newspaper circulating in the neighbourhood of the registered office of the co-operative shall be deemed to be duly given to the member on the date on which the advertisement appears.
- (d) A notice forwarded by facsimile or electronic transmission shall be deemed to have been served when the transmission is completed and the machine, computer or electrical device from which the facsimile or electronic transmission was sent indicates that the facsimile or electronic mail was sent in its entirety to the facsimile number or electronic mail address given by a member.
- (e) A notice may be given by the co-operative to joint members by giving the notice to the joint member named first in the register of members.



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- (f) Notice of every general meeting shall be given in the same manner as authorised above, to every member of the co-operative except those members who have not supplied to the co-operative an address for the giving of notices to them.
- (g) Except as provided in this rule and in Rule 54(i) no other persons shall be entitled to receive notices of general meetings.
- (h) For the purpose of this rule "registered address" means the address of the member as appearing in the register of members and shares.

### **59. WINDING UP**

- (a) The winding up of the co-operative shall be in accordance with Part 12 of the Act.
- (b) At any postal ballot held in accordance with the Act, not less than four fifths of the formal votes cast must be in favour of winding up if the requirement under the Act is to be regarded as satisfied.
- (c) If upon the winding up or dissolution of the co-operative there remains after the satisfaction of all its debts and liabilities any property, this shall not be paid to or distributed among the members of the co-operatives but shall be given or transferred to an institution:
  - (i) which has primary activities similar to those of the co-operative;
  - (ii) whose constitution prohibits the distribution of its property among its members;
  - (iii) which has been chosen by the members of the co-operative at or before the time of dissolution or in default thereof by the Chief Judge of such Court as may have or acquire jurisdiction in the matter; and
  - (iv) which satisfies the relevant Sub-Section of Section 23 of the Income Tax Assessment Act.
- (d) In paragraph (c), the expression "institution" includes an institution or institutions.

### **60. FINES PAYABLE BY MEMBERS**

- (a) The board may impose on a member a maximum fine of \$1000 for any infringement of these rules.
- (b) A fine shall not be imposed on a member pursuant to paragraph (a) unless:
  - (i) written notice of intention to impose the fine and the reason for it has been given to the member; and
  - (ii) the member has been given a reasonable opportunity to appear before the board in person (with or without witnesses), or to send to the board a written statement, for the purpose of showing cause why the fine should not be imposed.

# RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED

## SCHEDULE1 - POSTAL BALLOTS

The manner in which the co-operative may hold a postal ballot is as follows:

- (a) (i) The board shall cause the details of the proposal upon which the ballot is to be held to be set in a statement and fix the dates for the forwarding of ballots to members and the closing of the ballot.
- (ii) Every ballot shall be conducted by the returning officer who shall be appointed by the board. In default of such appointment being made in sufficient time to allow the procedure set forth in this rule to be followed, the secretary, or in absence of the secretary the person acting in the capacity of secretary, shall be the returning officer.
- (iii) Any person, with the exception of a director, officer, or employee of the co-operative, may be appointed by the board to act as returning officer.
- (iv) The returning officer may be assisted in the performance of any duties or powers under this rule by such persons (who would be eligible to be returning officers) as the returning officer appoints.
- (b) (i) The returning officer shall prepare a roll of the full names and addresses of the members of the co-operative as disclosed by the register of members and shares together with particulars of the number of votes each member would be entitled to exercise upon a poll.
- (ii) A person whose name is on the roll, shall be entitled to vote in a postal ballot, and no person shall otherwise be so eligible or so entitled.
- (c) (i) The returning officer shall cause ballot papers to be prepared in or to the following effect:

Name of Co-operative \_\_\_\_\_

Ballot of members to determine the following proposal

\_\_\_\_\_  
\_\_\_\_\_

The ballot will close at noon on \_\_\_\_\_

### How to Vote

1. Read these directions and the ballot paper carefully.
2. Complete and sign the details on the reverse side of the middle envelope.
3. If you are in favour of the proposal insert the word "YES" in the square in the ballot paper hereunder. If you are not in favour of the proposal insert the word "NO".

## RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED

4. After marking the ballot paper fold it and place it in the small envelope provided and seal the envelope. Then place this envelope in the middle envelope and place the middle envelope in the envelope addressed to the returning officer. Forward this envelope either by post or personal delivery so as to reach the returning officer not later than noon on.

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5. Unless the ballot paper is marked as indicated in 3 above and the details referred to in 2 above are completed in full and signed, your vote may be rejected as informal.

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Initials of Returning Officer

### BALLOT PAPER

Are you in favour of the proposal as referred to above?

- (ii) Each ballot paper shall be initialled by the returning officer. The returning officer shall, at least 21 days prior to the date fixed for the closing of the ballot, transmit by post or otherwise deliver to every member entitled to vote in a ballot, one set of the following material:

- (1) One ballot paper.
- (2) An unsealed envelope (in this rule referred to as the outer envelope) addressed to the returning officer.
- (3) A smaller envelope (in this rule referred to as the middle envelope) into which the voter shall enclose the envelope containing the ballot paper. The reverse side of which shall be printed in or to the following effect:

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(Full Name)

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(Address)

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(Signature)

- a. Please use capital letters
- b. If the vote is being cast on behalf of a co-operative or other corporate body also indicate the name of such co-operative or corporate body.

## RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED

- (4) A small envelope (in this rule referred to as the inner envelope) into which the ballot paper is enclosed.
  - (5) A copy of the statement (prepared by the board) setting out the details of the proposal upon which the decision of the members is to be sought.
- (d) Every member desiring to vote in the ballot should complete the details on the reverse side of the middle envelope and after marking their vote on the ballot paper according to the instructions on the ballot paper, seal the ballot paper in the inner envelope provided. The inner envelope containing the ballot paper should then be placed in the middle envelope and the middle envelope placed in the outer envelope addressed to the returning officer. The outer envelope should then be posted or personally delivered to the returning officer not later than noon on the date fixed for the closing of the ballot.
- (e) (i) The returning officer shall provide a ballot box.
- (ii) The ballot box shall be locked immediately before the ballot papers are delivered in accordance with paragraph (c) (ii) and remain locked until the close of the ballot.
- (f) The returning officer shall place the outer envelopes containing the ballot papers in the ballot box not later than noon on the date fixed for the closing of the ballot.
- (g) Upon a member making and transmitting to the returning officer a declaration that the member has not received the ballot paper, or that the ballot papers received by the member have been lost, spoilt or destroyed, and that the member has not already voted, the returning officer may issue a duplicate set of the material required under paragraph (c) (ii), having endorsed any duplicate outer envelope with the word "duplicate".
- Any member who makes a declaration under this paragraph, which is false, in any particular material, shall be guilty of a breach of these rules.
- (h) Ballot papers received after noon on the date fixed for the closing of the ballot shall not be taken into account at the ballot.
- (i) As soon as practicable after noon on that date, the returning officer in the presence of such scrutineers as may be appointed by the board shall open the ballot box and deal with the contents in accordance with paragraphs (j) and (k).
- (j) The returning officer shall:
- (i) remove the middle envelope from the outer envelope;
  - (ii) where a duplicate outer envelope has been issued and the original outer envelope is received, reject the original envelope and mark it "rejected";
  - (iii) according to the information on the middle envelope, mark for each set of voting papers returned, the voter's name on the roll by drawing a line through the name;
  - (iv) where a member's name has already been crossed out on the roll, reject the postal vote and mark it "rejected";

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- (v) if the middle envelope has not been signed, or if the details shown on the envelope are not sufficient to disclose by whom the vote is being exercised, reject the envelope and mark it "rejected";
  - (vi) extract or cause to be extracted the inner envelopes containing the ballot papers from all unrejected middle envelopes, separating the contents from the middle envelopes in such a way that no inner envelope could subsequently be identified with any particular voter; and
  - (vii) when all the middle envelopes have been dealt with, in the above manner, cause all the inner envelopes not rejected to be opened and the ballot papers to be taken from them.
- (k) The ballot papers shall be scrutinised under the returning officer who should supervise and reject as informal any ballot paper that:
- (i) is not duly initialled by the returning officer;
  - (ii) is so imperfectly marked that the intention of the voter cannot be ascertained by the returning officer;
  - (iii) has any mark or writing not authorised by this rule which, in the opinion of the returning officer will enable any persons to identify the voter; or
  - (iv) has not been marked as prescribed on the ballot paper itself.
- (l) The decision of the returning officer as to the formality of any ballot paper shall be final and there shall be no appeal from the decision.
- (m) The returning officer shall count votes cast and make out and sign a statement of:
- (i) the number of formal votes cast in favour of the proposal;
  - (ii) the number of formal votes cast against the proposal;
  - (iii) the number of informal votes cast;
  - (iv) the number of middle envelopes marked "rejected"; and
  - (v) the proportion of the formal votes polled which were in the affirmative.
- On the declaration of the returning officer of the result of the postal ballot the secretary of the co-operative is to make an entry in the minute book showing the particulars referred to in paragraph (m) (i) to (iii) inclusive.
- (n) The returning officer shall forward the statement to the chairperson of the co-operative who shall announce the result of the ballot at the next general meeting.
- (o) The proposal which received the required majority of votes shall be declared won.
- (p) The returning officer shall retain all ballot papers (whether formal or otherwise) and rejected outer envelopes and rolls used in connection with the conduct of the ballot, locked in the ballot box until the returning officer has been directed by the board, in writing that they may be destroyed.

## **RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

- (q) Notification of the result of the ballot (other than a ballot conducted to alter these rules) shall be displayed on the notice board at the registered office of the co-operative.
  
- (r) In case of a postal ballot altering these rules, the co-operative must cause the alteration to be notified in writing to its members as soon as practicable after the alteration takes effect and, in any event, not later than the date on which notice is given to the members of the next annual general meeting of the co-operative, following the taking effect of the alteration.

# **RULES OF KUNAPIPI SKI CLUB CO-OPERATIVE LIMITED**

## **SCHEDULE 2 - LIST OF FEES & CHARGES**

1.	Conversion fees	Rule 2(a)
2.	Copies of the rules	Rule 3(c)
3.	Copies of entries in registers	Rule 9(c)
4.	Non-refundable entry fees	Rule 13(a)
5.	Annual subscriptions	Rule 14
6.	Periodic fees	Rule 15
7.	Liability of members to co-operative	Rule 16
8.	Transfer fees	Rule 17
9.	Fines	Rule 60