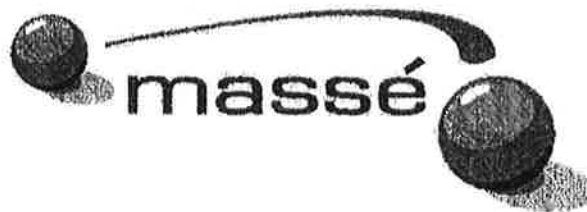


RULES OF MASSÉ INCORPORATED



The Common Seal of Massé Incorporated
was affixed in the presence of:

Alex M'Cool
Member

Jason Robottom
Member

BEATRICE ENDEE
Member

CRAMC BARRETT
Member



Simpson Grierson

Barristers & Solicitors
Auckland & Wellington, New Zealand
www.simpsongrierson.com

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RULES OF MASSÉ INCORPORATED

1. NAME

The name of the Society is Massé Incorporated (**Massé Inc**).

2. DEFINITIONS

In these Rules, unless the context indicates otherwise:

Accountants means the firm of accountants and/or financial advisors appointed by Massé Inc by Majority Vote from time to time, and being Staples Rodway in Hamilton at the time of adoption of these Rules;

Act means the Incorporated Societies Act 1908 and includes any act which amends or replaces the Act;

AGM means the annual general meeting of the Members of Massé Inc;

Board means the governing body of Massé Inc as described in Rule 5;

Board Member means a member of the Board (and includes for the avoidance of doubt, any person appointed in accordance with Rule 5.2(a), Rule 5.2(b) and Rule 5.2(d));

Branch means a branch of Massé Inc established pursuant to Rule 16.2 to represent the interests of Massé Inc within a specific geographical area;

Branch Committee means the governing body of a Branch established pursuant to Rule 16.2(b);

Branch Committee President means the person appointed as the president of each Branch Committee in accordance with Rule 16.2(b);

Branch Committee Member means a member of a Branch Committee appointed pursuant to Rule 16.2(b);

Branch Representative means the person appointed to the Board in accordance with Rule 5.2(e) to represent the collective interest of the Branches;

Chair means any person appointed to chair a General Meeting pursuant to Rule 10.5;

Chairperson means that person appointed as the chairperson of Massé Inc pursuant to Rule 8 from time to time;

Existing Life Member means those persons who have been appointed as a life member of Massé Inc, being at the time of adoption of these Rules [*insert names*];

General Manager means the person appointed and holding the position of General Manager of Massé Inc from time to time;

General Meeting means any AGM or any special general meeting of the Members of Massé Inc as defined in Rule 18.1 (but not a Board meeting);

Life Member means the Existing Life Members and any other person who may be appointed as a Life Member from time to time;

Life Members' Majority Vote means, unless the context requires otherwise, a vote approved by more than one half of those Life Members who are actively involved in Massé Inc in respect of any resolution requiring approval by the Life Members;

Majority Vote means, unless the context requires otherwise, a vote made by more than half of the Members (in number) who are present at a General Meeting (in person or by proxy) and who are entitled to vote and voting at that meeting upon a resolution put to that meeting;

Member means a member of Massé Inc, being either a Life Member or any other class or category of member as determined by the Board in accordance with Rule 12.1(b), whose name is entered in the Register in accordance with Rule 13.3;

Membership Fee has the meaning set out in Rule 13.4. For the avoidance of doubt, the Membership Fee does not include any donations, joining fees or other fees for the use of services provided by Massé Inc;

Net Proceeds Committee means the net proceeds committee required to be established in accordance with the Gambling (Class 4 Net Proceeds) Regulations 2004 (and any amendment to, or substitution for, those regulations);

Objects means the objects of Massé Inc described in Rule 4.1 (and subject to Rule 4.2(b));

Register means the Register of Members described in Rule 14.1;

Registered Office means the Registered Office of Massé Inc described in Rule 3;

Rules means these rules of Massé Inc;

Special Majority means a vote made by more than 75% of the Members (in number) who are present at a General Meeting (in person or by proxy) and who are entitled to vote and voting at that meeting upon the relevant resolution put to that meeting;

Term means the term of the office of a Board Member as described in Rule 6.3; and

Treasurer means the person appointed as the treasurer of Massé Inc in accordance with clause 5.2(b).

3. REGISTERED OFFICE

The Registered Office of Massé Inc is c/- Staples Rodway, BNZ, Level 4, 354 Victoria Street, Hamilton, or will be at such other place as the Board may determine from time to time. The Board will cause the Registrar of Incorporated Societies to be notified promptly of any change to the Registered Office.

4. OBJECTS AND POWERS OF MASSÉ INC

4.1 Objects: The Objects of Massé Inc are to:

- (a) **Promote:** promote amateur sports, in particular amateur cue sports;

- (b) **Administer:** conduct, administer and maintain Massé Inc for its Members and for such persons as are authorised from time to time in accordance with the terms of any licence granted to Massé Inc;
- (c) **Provide:** provide amenities and cultural/social activities, such as coaching and demonstrations of amateur sports, particularly amateur cue sports;
- (d) **Atmosphere:** provide a safe and friendly atmosphere where the Members may meet and enjoy fellowship with one another;
- (e) **Support:** support any charitable, cultural, or educational purpose that is beneficial to the community or a section of it; and
- (f) **Attain Objects:** do all such other acts, matters and things as, in the opinion of the Board, may be incidental or conducive to attaining any of the above Objects.

4.2 Objects and Pecuniary Gain: For the avoidance of doubt:

- (a) **Not Limited:** the Objects are not limited to Members;
- (b) **Pecuniary Gain:** pecuniary gain is not an Object of Massé Inc;
- (c) **Application:** the income and property of Massé Inc however derived or obtained will be applied solely towards the promotion of Massé Inc and its objectives as set out in these Rules. Subject to Rule 4.2(d), no portion thereof will be paid, or transferred directly or indirectly to Members of Massé Inc; and
- (d) **Remuneration:** nothing herein will prevent due payment in good faith of wages, fees, honorarium, or remuneration to any officer, servant, secretary or Members of Massé Inc in return for services actually rendered to Massé Inc as approved by the Board from time to time, provided that any wages, fees or remuneration approved by the Board from time to time may not exceed fair and reasonable market rates for the type of services being provided to Massé by the relevant officer, servant or Member of Massé (as determined by the Board, in its reasonable discretion).

4.3 Powers: Subject to the Rules and the Act, Massé Inc (through its Board) has all the powers of a natural person to give effect to the Objects. Without limiting or affecting the foregoing (and in addition to any general powers Massé Inc may have at law), Massé Inc has the full capacity, right and power to carry on or undertake any business activity, do any act, or enter into any transaction (including, for the avoidance of doubt, the power to invest and to borrow money) in relation to the Objects and the furtherance of the Objects.

5. BOARD

5.1 Governance: The business and affairs of Massé Inc will, subject to the Rules and all applicable laws, be managed under the direction, supervision and delegation of a managing committee, elected as the Board, who will also act as the Net Proceeds Committee.

- 5.2 Board Composition:** Board Members will hold office in accordance with these Rules. The Board will comprise a minimum of 5 Board Members and a maximum of 8 Board Members. The Board Members will consist of:
- (a) **General Manager:** the General Manager (who will also act as the secretary to the Board), being at the time of adoption of these Rules, Bernard Francis Endres;
 - (b) **Treasurer:** a representative of Massé Inc's Accountants, who must be a chartered accountant and who will act as the Treasurer, being at the time of adoption of these Rules, Craig Matthew Barrett;
 - (c) **Members' Representatives:** up to four (4) Board Members elected by the Members in accordance with Rule 6.2;
 - (d) **Additional Board Member:** one (1) person who will be appointed by the Board in accordance with Rule 5.4; and
 - (e) **Branch Representative:** one (1) person who will be appointed as the Branch Representative, and who will be appointed in accordance with any process or rules issued by the Board from time to time.
- 5.3 Eligibility:** To be eligible to be appointed as a Board Member in accordance with Rule 5.2(c) the nominated person must:
- (a) **Age:** be over 18 years of age at the time of nomination;
 - (b) **Member:** have been a Member for a minimum period of 3 years;
 - (c) **Branch Committee Member:** have been an active Branch Committee Member of any Branch Committee for a minimum period of 2 years;
 - (d) **Life Members' Majority Vote:** be approved by a Life Members' Majority Vote; and
 - (e) **DIA Approval:** be approved by New Zealand Department of Internal Affairs as a key person to act as a Board Member of Massé Inc.
- 5.4 Board May Appoint Additional Board Members:** The Board will have the power at any time to:
- (a) **Rule 5.2(d):** appoint any person to be a Board Member in accordance with Rule 5.2(d); or
 - (b) **Casual Vacancy:** appoint any person to be a Board Member to fill a casual vacancy or as an additional Board Member,
- provided that:
- (c) **Maximum:** the total number of Board Members will not at any time exceed the maximum number of Board Members fixed in accordance with Rule 5.2;
 - (d) **Resolve:** the Board will not conduct any other Business or pass any resolution other than a resolution appointing an additional Board Member

at any time when the number of Board Members is less than the minimum number of Board Members specified in Rule 5.2;

- (e) **Voting:** each Board Member appointed by the Board under this Rule will hold office as determined by the Board and is entitled to one vote on each question or decision of the Board at a Board meeting; and
- (f) **Resign:** any Board Member appointed by the Board in accordance with this Rule will resign at the next AGM held following the appointment of that Board Member, and if eligible for re-election, may offer themselves for re-election as a Board Member at that AGM in accordance with Rule 5.2(d) (provided that nothing in this clause will prevent the Board from subsequently re-appointing any person in accordance with clause 5.2(d) even though that person may have unsuccessfully offered themselves for re-re-election under Rule 5.2(c)).

6. NOMINATION AND APPOINTMENT OF BOARD MEMBERS

- 6.1 **Nominations:** The Chairperson or, if the Chairperson is unable to do so, the General Manager will call for nominations for Board Members under clause 5.2(c) at least 30 days before each AGM. All nominations must be in writing and signed by the person seeking election as a Board Member. Each nomination must be proposed by a current Member and seconded by another current Member (in each case in writing). Nominations must be received at the place nominated by the Chairperson or the Chairperson's nominee (as applicable) by 5pm on the specified date, or if no date is specified, no later than 5pm on the 20th day before the relevant AGM. All retiring Board Members previously appointed under clause 5.2(c) will be eligible for re-election at the AGM but must be nominated pursuant to this Rule 6.1.
- 6.2 **Appointment of Members' Representatives:** The Board Members to be elected in accordance with Rule 5.2(c) will be elected by Majority Vote at the AGM in accordance with Rule 18.6, provided that no more than four (4) Board Members will be elected in accordance with this Rule and if more than four (4) Board Members are nominated for election in accordance with Rule 5.2(c), the four (4) Members who received the most votes of the Members will be elected as the Board Members under Rule 5.2(c).
- 6.3 **Term and Rotation of Board Members:** Each Board Member elected in accordance with Rule 5.2(c) will hold office for the period of 2 years, provided that one half of their number must resign at each subsequent AGM and, if eligible, may offer themselves for re-election as a Board Member in accordance with Rule 5.2(c). The Board Members required to resign will be those Board Members who have held office as a Board Member for the longest period of time since they were last appointed or elected at an AGM.
- 6.4 **Members' Voting:** Every Member entitled to vote will be entitled to vote on the election of Board Members. Members seeking election as a Board Member may vote for themselves.

7. CESSATION OF BOARD MEMBERSHIP

7.1 Cease Board Membership: Subject to Rule 6, a Member will cease to be a Board Member when;

- (a) **Resign:** the Board Member resigns from office as a Board Member by giving written notice to the Chairperson or to the General Manager;
- (b) **Death/Active Service:** the Board Member dies or otherwise becomes medically unable to continue as an actively serving Board Member;
- (c) **Removed by Board:** the Board resolves that the Board Member will be removed from office as a Board Member due to any one or more of the following, and provided that, except in the case where subparagraphs (iii) or (iv) apply, a Board Member whose removal is proposed will be notified in writing of the proposal and will have the right to speak on his or her own behalf prior to the Board resolution being considered:
 - (i) the Board Member is absent, without explanation for two sequential meetings of the Board or attends less than half of the meetings of the Board in any 12 month period;
 - (ii) the Board Member is declared bankrupt or convicted of a criminal offence;
 - (iii) the Board Member has breached any of the Rules;
 - (iv) the Board Member commits any act or conducts himself/herself in a manner which is prejudicial to the interests of Massé Inc or which will or may bring Massé Inc into disrepute; or
 - (v) in the sole discretion of the Board, it is in the best interests of Massé Inc to remove the Board Member from the Board; or
- (d) **Objection:** the New Zealand Department of Internal Affairs (or any other replacement agency regulating gaming in New Zealand) raises any objection (whether formally or informally) to the continued involvement of the Board Member in Massé Inc's affairs and such objection is not able to be resolved to the satisfaction of the New Zealand Department of Internal Affairs within 10 days.

7.2 Return Documents and Property: If a person ceases to be a Board Member, that person must, within one month, give to the Board all documents and property in their possession or control of, or relating to, Massé Inc.

8. APPOINTMENT OF CHAIRPERSON

8.1 Appointment of Chairperson: Promptly following each AGM, the Board will elect the Chairperson from the Board Members (provided that in order to be eligible for election to the role of Chairperson, the Board Member must have previously been a Board Member for a minimum period of 2 years) in accordance with the following terms:

- (a) **Voting:** each Board Member eligible to vote is entitled to vote for the role of Chairperson and any Board Member standing for the role of Chairperson is entitled to vote for himself or herself;
- (b) **General Manager Counts Votes:** the General Manager will count the votes and record the successful candidate for the position of Chairperson, provided that in the event of a tie, the current Chairperson (if that person is still a Board Member, or else the General Manager) will be required to call a special general meeting in accordance with Rule 18.2(b) for the purposes of appointing a Chairperson and the appointment of the Chairperson will be determined by a Majority Vote of all Members; and
- (c) **Term:** the term of office for the role of Chairperson will run until the appointment of a replacement Chairperson. There is no limit on the number of times a Chairperson may stand for re-election (if that person remains eligible in accordance with these Rules).

9. POWERS AND ROLE OF THE BOARD

- 9.1 **Board:** Subject to the Rule 9.3, the Board will, in pursuit of the Objects, have the power (in addition to any other powers conferred on it by law) to:
- (a) **Govern:** govern and manage Massé Inc;
 - (b) **Oversee:** oversee the conduct of the business and affairs of Massé Inc;
 - (c) **Carry Out Objects:** carry out the Objects;
 - (d) **Carry on Business:** carry on any form of legal business or undertaking whatsoever which may be carried on profitably and which may directly or indirectly assist the Objects;
 - (e) **Policy:** make and issue policies;
 - (f) **Manage Financial Affairs:** manage the financial affairs of Massé Inc (and its Branches (if any)) including approving the annual financial statements for presentation to the Members at each AGM;
 - (g) **Auditor:** appoint a suitably qualified auditor to audit the financial statements of Massé Inc annually pursuant to Rule 17.5;
 - (h) **Issue and Enforce Rules:** make, issue and enforce any rules necessary for the day to day operation of Massé Inc and its Members;
 - (i) **Appoint Board Members:** appoint Board Members in accordance with Rule 5.4 and appoint Members to working groups for specific Board projects;
 - (j) **Branches:** set up and dissolve Branches in accordance with Rule 16;
 - (k) **Membership:** determine categories and classes of Members;
 - (l) **Set Fees:** set any membership fees, subscriptions and levies;

- (m) **Raise Money:** raise money by all lawful means, including the receipt of bequests, subscriptions and donations, fundraising campaigns, solicitation of financial assistance from individuals and the general public, organisations of all kinds, business and commercial enterprises, local authorities, government and government agencies provided that:
 - (i) all funds, Income and property from whatever source will be vested in Massé Inc (or any wholly owned subsidiary or entity) and all funds and property received or held by any Branch will be the property of Massé Inc;
 - (ii) any Income, benefit or advantage will be applied to purposes consistent with, or to further, the Objects; and
 - (iii) surplus funds may be invested from time to time by the Chairperson in accordance with the delegated authority given to the Chairperson by the Board;
 - (n) **Borrow:** borrow money for Massé Inc's purposes from any company, corporation, institution, or person(s) (including a Member or Members of Massé Inc) with or without granting security over any property of Massé Inc;
 - (o) **Agreements:** enter into such negotiations, contracts, deeds and agreements in the name, or on behalf of, Massé Inc, as the Board considers appropriate to carry out the Objects;
 - (p) **Invest:** invest the funds of Massé Inc as the Board thinks fit;
 - (q) **Property:** purchase, lease, hire, mortgage, charge or otherwise acquire or dispose of land, buildings, premises, vehicles or other real or personal property which Massé Inc may, from time to time, deem necessary or expedient or useful, whether on its own accord or jointly with any other person, firm, company or Incorporated society and on such terms as the Board thinks fit, and to build, erect, alter or improve, or contribute towards the cost of building, erecting, altering or improving any such buildings or property;
 - (r) **Insure:** improve, maintain, keep in repair, and insure against loss or damage by any event such as (including but not limited to) fire, earthquake, storm, or war any properties, buildings, or premises owned or held by Massé Inc; and
 - (s) **General:** do all such other acts, matters and things as the Board thinks fit in pursuing the Objects and in managing the affairs of Massé Inc.
- 9.2 **Not for Personal Benefit:** The Board may not use any real or personal property (including, without limitation any funds) of Massé Inc (or in which Massé Inc has an interest), for the personal or individual benefit of any Member except as expressly permitted under Rule 4.2(d).
- 9.3 **Life Members' Majority Vote:** The following transactions may only occur if approved by (or contingent upon approval by) a Life Members' Majority Vote:
- (a) **Material Transaction:** any transaction involving the disposal or the acquisition of assets, rights, interests, obligations or liabilities the value

of which is more than half the then current value of Massé Inc's assets at the time of the proposed transaction;

- (b) **Business:** any significant change in the nature of Massé Inc's business and operations (whether by acquisition or otherwise); or
- (c) **Related Party Transactions:** any transaction between Massé Inc and any Member, Board Member, or any associate of any of them.

10. BOARD PROCEEDINGS

- 10.1 **Frequency:** The Board will meet together at least monthly and otherwise as it thinks fit. The Chairperson (at their own direction or at the direction of any Board Members at any time) will summon a meeting of the Board by any means of communication deemed appropriate.
- 10.2 **Method of Meeting:** A meeting of the Board may be held either:
 - (a) **Physical Meeting:** by a number of the Board Members who constitute a quorum being assembled together at the place, date and time appointed for the meeting; or
 - (b) **Conferencing:** by means of video or telephone conference by which all Board Members participating and constituting a quorum can simultaneously hear each other throughout the meeting.
- 10.3 **Regulate Meeting Practices:** Subject to the Rules, the Board may regulate its own practices as it thinks fit and may invite any person to attend a meeting of the Board.
- 10.4 **Quorum:** The quorum necessary for the transaction of business by the Board is at least a majority of Board Members, provided that the General Manager and the Treasurer must be in attendance for a quorum to be present or must have specifically stated in writing that they do not want to attend the Board meeting prior to the Board meeting. No business will be transacted unless a quorum is present.
- 10.5 **Chair:** The Chairperson will chair the Board meetings, or if the Chairperson is not present within fifteen minutes after the time appointed for the meeting, the Board Members present will choose one of their number to be the chair at that meeting.
- 10.6 **Voting Rights:** At a Board meeting, each Board Member is entitled to one (1) vote on each question or decision of the Board arising at that meeting. Only Board Members present at a Board meeting may vote at that Board meeting.
- 10.7 **Majority Vote:** Except as expressly provided otherwise in the Rules, all of the decisions of the Board will be decided by majority vote of the Board Members entitled to vote and present at the meeting.
- 10.8 **Casting Vote:** If there is an equality of votes, the Chairperson will have a second or casting vote, provided the Chairperson must use, or cast, the second or casting vote against any resolution that has the effect of altering the status quo.
- 10.9 **Adjournment:** The Chairperson may adjourn any Board meeting if necessary. If, within half an hour after the time appointed for a meeting of the Board a quorum is

not present at the meeting, the Chairperson must adjourn that meeting to a day, time and place determined by the Chairperson .

- 10.10 Minutes:** The General Manager acting as the secretary to the Board will ensure that minutes are kept of all proceedings at meetings of the Board. The minutes will record the names of the Board Members present and all resolutions and proceedings of each meeting. The minutes, if signed by the Chairperson at the next Board meeting will be conclusive evidence of the matters recorded. The minutes of all meetings will be open to inspection by Members.
- 10.11 Resolution in Writing:** A resolution in writing signed by a majority of the Board Members (including either one of the General Manager or the Treasurer) for the time being entitled to vote will be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Board Members. A facsimile or email copy of any such signed resolution will be as valid and effectual as the original signed document, with effect from completion of its transmission/receipt. A copy of such resolution will be sent to any Board Member who has not signed the resolution within 7 days.

11. INDEMNITY

Subject to the prior approval by Members at any AGM by a Majority Vote, Massé Inc is expressly authorised to indemnify and/or insure any Board Member or employee against liability for acts or omissions and/or costs incurred in respect of any liability for any act or omission in his or her capacity as a Board Member or employee of Massé Inc in any proceeding where judgement is given in his or her favour, or in which he or she is acquitted or which is discontinued, provided that nothing in this Rule 11 will apply in respect of any criminal liability, liability for gross negligence or for fraud or dishonesty or in the case of any employee, any breach of a fiduciary duty owed by that employee to Massé Inc.

12. TYPES OF MEMBERS

- 12.1 Membership Classes:** Unless the Board (in its sole discretion) decides otherwise, membership of Massé Inc will comprise the following categories:
- (a) **Life Members:** Life Members; and
 - (b) **Other Members:** any other class or category of membership as decided by the Board from time to time.
- 12.2 Members' Rights and Responsibilities:** Members have the rights and responsibilities set out in these Rules or as otherwise specified by the Board for each category of membership from time to time.

13. ADMISSION OF MEMBERS AND MEMBERSHIP FEES

- 13.1 Applying for Membership:** To become a Member, a person (**Applicant**) must apply to their nearest Branch Committee in writing to become a Member by:
- (a) **Application Form:** completing an application in the prescribed form; and
 - (b) **Provide Information:** supplying any other information the Chairperson or the Board requires.

- 13.2 Board's Discretion to Accept Applicant as Member:** The Board has complete discretion to decide whether or not to allow the Applicant to become a Member. The Board will advise the Applicant of its decision, and that decision will be final.
- 13.3 Register:** An Applicant who is accepted by the Board pursuant to Rule 13.2 will become a Member upon entry of the Member's details in the Register.
- 13.4 Membership Fee:** Subject to Rule 13.5, the annual Membership Fee payable by Members will be such amount (if any) as the Board may determine from time to time. The Membership Fee will be payable in such manner as the Board determines. The Board may determine (in its sole discretion) that the Membership Fee for any year will be nil.
- 13.5 Exemption to Membership Fee:** Any Member is entitled to apply to the Chairperson for an exemption from payment of the Membership Fee in any year, which exemption may be granted by the Board, at the Board's sole discretion.
- 13.6 Non Payment of Membership Fees:** Without limiting or affecting Rule 15.2, but subject to Rule 13.5, if any Member does not pay any Membership Fee or other amount due by the Member to Massé Inc by the due date for payment of that amount, the Chairperson may give that Member written notice that, unless the arrears are paid by a specified date, that Member's membership with Massé Inc will be terminated. After that date, if the Member has not paid all amounts owing to Massé Inc the Member will (without being released from the obligation to pay the sum owing to Massé Inc) cease to be a Member of Massé Inc.

14. THE REGISTER OF MEMBERS

- 14.1 Register:** The Chairperson will keep a national register of Members (**Register**), which will contain the full name, postal and email addresses and telephone number of each Member, and the date at which each Member became a Member. The Register will be kept at the Registered Office.
- 14.2 Member's Contact Details:** If a Member's contact details change, that Member must give his/her new details to Massé Inc.
- 14.3 Access by Members:** Members will have reasonable access to the Register.
- 14.4 Branch Register:** Each Branch will keep a register of its Members, containing the same details as are required on the Register in respect of that particular Branch.

15. CESSATION OF MEMBERSHIP

- 15.1 Resignation Notice:** Any Member may resign from being a Member of Massé Inc at any time by giving written notice to the Chairperson .
- 15.2 Breach of Rules or Objects:** If the Board is of the view that a Member is:
- (a) **Breach:** in breach of the Rules or any rules issued by the Board from time to time; or
 - (b) **Acts Inconsistent:** acting in a manner inconsistent with the Objects,

the Board may give written notice of this to the Member (**Board's Notice**). The Board's Notice must explain the breach or conduct in question and state that if, within 14 days of the Board's Notice, the breach or conduct has not been remedied or the Board is not otherwise satisfied, the Board may in its absolute discretion, terminate the Member's membership with Massé Inc by giving the Member written notice with immediate effect.

- 15.3 Immediate Termination:** If the Board is of the view that a Member is acting in a manner which is prejudicial to the Objects or Interests of Massé Inc or which could bring Massé Inc into disrepute (whether or not that conduct is also a breach of the Rules), then the Board may, in its absolute discretion terminate the Member's membership with Massé Inc by giving the Member written notice with immediate effect.
- 15.4 Decision Final:** The decision of the Board to terminate a Member's membership pursuant to Rules 15.2 or 15.3 will be final and binding.
- 15.5 Consequences of Termination:** If any Member's membership with Massé Inc is terminated pursuant to these Rules, then from the date the Member's membership is terminated, that person will cease to have any rights as a Member of Massé Inc.

16. AREA REPRESENTATION

- 16.1 Representation at Areas:** The Board will, from time to time and in its sole discretion, determine how Massé Inc will be represented in any specific geographical area, and any rules that will apply in respect of such representation (including, without limitation, whether Massé Inc will be represented at a local level through the establishment of a Branch, or by some alternative method).
- 16.2 Branch Structure:** Subject to the Board's discretion in Rule 16.1, if the Board decides that Massé Inc will be represented at a local level by a Branch (for the avoidance of doubt, a branch need not be an incorporated body or registered entity), the following rules in relation to Branches will apply:
- (a) **Formation:** To form a Branch an applicant must apply to the Chairperson in writing and supply any other information the Chairperson (or the Board) requires. The Board may (in its discretion) by majority vote approve the application to form a new Branch, having given consideration to the following:
- (i) the number of Members in the relevant area where the new Branch would operate;
 - (ii) the proximity of the new Branch to an existing Branch or Branches; and
 - (iii) the desirability and need for a new branch in the relevant area.
- (b) **Branch Committee:** Each Branch will have a "Branch Committee", responsible for pursuing the Objects within the geographic area in which the Branch operates. Branch Committee Members will be appointed by Majority Vote of those Members of Massé Inc located within the defined area of the relevant Branch. The appointment process will be the same as that identified in Rule 6 for the appointment of Board Members to Massé Inc. Each Branch Committee will elect a Branch Committee

President from among the elected Branch Committee Members, by majority vote of the Branch Committee Members of that Branch in accordance with the process set out in Rule 8 (provided that any references in Rule 8 to the Chairperson, Board or Board Members will be read as being references to the Branch Committee President, the Branch Committee and the Branch Committee Members as applicable, and any Majority Vote required under Rule 8.1(b) will be read as if it was a Majority Vote of the Members of the relevant Branch only).

(c) Operation of the Branches: Each Branch:

- (i) must at all times act in a manner consistent with, and comply with, the guidelines, policies and directions set by the Board;
- (ii) must at all times conduct its operations in accordance with any strategic plan determined by the Board and through each Branch's own business plans and budgets which are approved by the Chairperson prior to the commencement of each financial year;
- (iii) is responsible for supporting the activities of the relevant Branch in accordance with approved business plan and budget for that Branch;
- (iv) promote, and at all times act consistently with, the Objects; and
- (v) promptly report its activities and financial position to the Board as and when required by the Board.

(d) Dissolution of Branches: A Branch may be dissolved:

- (i) on the written request by the Branch or any Branch Committee Member acting on behalf of the Branch;
- (ii) if the Board determines that any Branch is to be dissolved, having considered the following:
 - (A) the number of Members in the geographic area of operation of the relevant Branch;
 - (B) levels of activity within the geographical area; and/or
 - (C) the Branch's compliance with Massé Inc's Objectives, national guidelines, directions and these Rules,

provided that before the Board makes any decision pursuant to this Rule 16.2(d), it will first give notice to the Branch allowing the Branch an opportunity to make submissions to the Board and provided that any decision of the Board pursuant to this Rule 16.2(d) will be final;

- (iii) if the Board is of the view that any Branch or any person representing the Branch is breaching the Rules, or acting in a manner inconsistent with the Objects, the Board may give written notice of this to the Branch. If, within 14 days of the date of the notice the breach or conduct is not remedied or the

Board is not otherwise satisfied, the Board may, in its absolute discretion, dissolve the Branch with immediate effect on written notice to the Branch; or

- (iv) If the Board is of the view that any Branch, or any person representing the Branch is acting in a manner prejudicial to the interests or Objects of Massé Inc or which could bring Massé Inc into disrepute (whether or not that conduct is also a breach of the Rules), then the Board may, in its absolute discretion, dissolve the Branch immediately on written notice to the Branch.
- (e) **Consequences of Dissolution:** With effect from the date of the Board's notice of dissolution pursuant to Rule 16.2(d), the Branch and all persons representing the Branch (including, without limitation, all Branch Committee Members) must:
 - (i) Immediately cease acting or purporting to act as a Branch of (or otherwise in any way associated with) Massé Inc; and
 - (ii) return all documents and property in the Branch's possession or control of, or relating to, Massé Inc.

17. FINANCIAL YEAR/INCOME/AUDITOR/BANK ACCOUNTS

- 17.1 Financial Year:** The financial year of Massé Inc begins on 1 April of every year and ends on 31 March of the next year, unless otherwise determined by the Board (with the approval of the Inland Revenue Department).
- 17.2 Bank Accounts:** Massé Inc may operate such bank accounts as may be required provided that the Board must approve the establishment (and closure) of all bank accounts operated by Massé Inc. All money received by Massé Inc is to be deposited into an Massé Inc bank account. The bank accounts will be operated by, (and cheques drawn on any Massé Inc bank account must be signed by), two signatories authorised by the Board from time to time (or in such other manner as directed by the Board from time to time).
- 17.3 Legacies, Endowments, Contributions and Gifts:** Legacies, endowments, contributions and gifts of money or other real or personal property may be made to Massé Inc generally or for any one or more of the Objects. Any receipt given by Massé Inc will constitute confirmation that ownership of the relevant money or property has been transferred to Massé Inc.
- 17.4 Ownership:** Without limiting or affecting Rule 9.1 all funds and real or personal property received by Massé Inc, whether through the Massé Inc national head office or through any Branch (or Branch activities) will:
 - (a) **Remain Property:** remain the property of Massé Inc; and
 - (b) **Control:** be subject to the control of the Board and the Rules and will be used, dealt with or applied by the Board at the Board's discretion.
- 17.5 Appoint Auditor:** The Board will appoint an auditor (**Auditor**) to audit the annual financial statements of Massé Inc. The Auditor will report on whether the financial statements are prepared in all material respects in accordance with Massé Inc's accounting policies. The Auditor must be a suitably qualified person and

preferably be a member of the New Zealand Institute of Chartered Accountants, and must not be a member of the Board, or an employee of Massé Inc. If the Board appoints an Auditor who is unable to act for some reason, the Board will appoint another Auditor as a replacement.

18. GENERAL MEMBERS' MEETINGS

18.1 Format of Meetings: A General Meeting is either an AGM or a special general meeting.

18.2 Frequency of Meetings:

- (a) **AGM:** The AGM will be held once every year no later than three (3) months after the end of each financial year of Massé Inc at a time and place determined by the Board.
- (b) **Special General Meetings:** Special general meetings may be called at any time by the Chairperson or the Board and will be called by the Board within twenty-one (21) days after receipt of a written request signed by no less than twenty (20) Members. The request must state the purpose of the meeting requested and must be delivered to the Registered Office.

18.3 AGM Business: At each AGM the following business will be conducted:

- (a) **Minutes:** receiving any minutes of the previous General Meeting(s);
- (b) **Annual Report:** the presentation and consideration of the annual report of Massé Inc;
- (c) **Financial Statements:** the presentation and consideration of the annual financial statements of Massé Inc for the preceding financial year and the Auditor's report;
- (d) **Elections:** election of Board Members pursuant to the Rules;
- (e) **Resolutions:** consideration of any resolution proposed by the Board or the Members;
- (f) **Recommendations by Board:** consideration of any recommendations of the Board;
- (g) **Matters Arising from Branches and Members:** consideration of any matters arising from Branches and/or Members; and
- (h) **General:** any other general business.

18.4 Notice at General Meetings: General Meetings will be held at the place and time decided by the Board and at least 21 days' written notice of any General Meeting will be given to all Members advising the date and place of the meeting and the business to be conducted at the meeting. Any omission to give a notice of meeting to, or the non-receipt of a notice of meeting by, any Member entitled to receive such notice, will not invalidate the proceedings at the meeting.

18.5 Quorum Required: No General Meeting may be held unless at least twenty (20) Members (including a majority of the Board and the General Manager

and the Treasurer, unless the General Manager and the Treasurer have expressly waived their right to attend in writing prior to the General Meeting) are present. Proxies will not count towards making up a quorum.

- 18.6 Attendance and Voting:** All Members may attend General Meetings. Each Member eligible to vote will be entitled to one vote on each matter to be decided at a General Meeting. In the case of an equality of votes, the Chair will not have a second or casting vote. Unless these Rules require otherwise, every matter to be decided at a General Meeting will be decided by a Majority Vote. Voting at General Meetings will be by voice or by show of hands, as determined by the Chair, unless a poll is required by the Chair or requested by not less than five Members present at the meeting and entitled to vote. A poll may be required or requested before or after a vote has been taken on any resolution. A declaration by the Chair that a resolution is carried by the requisite majority is conclusive evidence of the fact.
- 18.7 Chair:** The Chairperson (or, if the Chairperson is unable, the General Manager) will chair all General Meetings. If the Chair is not present within fifteen (15) minutes of the time appointed for the commencement of the meeting, the meeting will be adjourned in accordance with Rule 18.8.
- 18.8 Adjournment:** The Chair may, and if so directed by the General Meeting will, adjourn the meeting from time to time and from place to place, but no business will be transacted at any adjourned meeting other than the business left unfinished at the meeting adjourned.
- 18.9 Adjournment Where Quorum Not Present:** If, within one hour after the time appointed for a General Meeting a quorum is not present at the General Meeting, the General Meeting if convened on the requisition of Members, will be dissolved, and in any other case it will be adjourned to a day, time and place determined by the Chair. If at such adjourned meeting a quorum is not present within one hour after the time appointed for the adjourned meeting, the meeting will be dissolved without further adjournments.
- 18.10 Proxy:** Any Member eligible to vote at a General Meeting has the right to appoint a proxy delegate to attend at any General Meeting. Appointment of a proxy must be in writing, signed by the appointer, and presented to the Chairperson prior to the start of the relevant General Meeting.

19. COMMON SEAL

- 19.1 Common Seal:** Massé Inc will have a common seal (which may be replaced from time to time by the Board).
- 19.2 Use of Common Seal:** The common seal may only be used with the authority of the Board or the Chairperson acting under delegations of the Board. Every document to which the common seal is affixed must be signed by any two (2) of the following:
- (a) **Chairperson :** the Chairperson ; or
 - (b) **Other Authorised Person:** any other person authorised by the Board.
- 19.3 Register of Use:** A register of every document to which the common seal is fixed will be maintained by the Chairperson (or the Chairperson 's nominee) and tabled at each meeting of the Board.

20. ALTERING THE RULES

20.1 Alter or Replace Rules: These Rules may be amended or replaced at any time at a General Meeting by a resolution passed by a Special Majority of those Members entitled to vote and present in person or by proxy provided that:

- (a) **Notice:** at least twenty-one (21) days' written notice of the General Meeting and the proposed resolution to be passed at the meeting has been given to all Members (together with appropriate explanations and any recommendations of the Board); and
- (b) **Restrictions:** no amendment may be made to the Rules which is contrary to the Objects of Massé Inc and no amendment may be made to Rule 24.

20.2 Rule Changes: When any change to, or replacement of, the Rules is approved by a General Meeting pursuant to this Rule 20, the change(s) or replacement Rules will not take effect until they are filed with the Registrar of Incorporated Societies.

21. PUBLIC STATEMENTS

No public statements may be made by, or on behalf of, or in the name of, Massé Inc, by anyone other than the Chairperson, except with the prior written authority of the Board.

22. RESTRICTIONS ON PROFIT

Massé Inc will not conduct its affairs in any way for the personal pecuniary profit of any individual or Member.

23. NOTICES

Any notice required to be given to Members under the Rules may be given by hand, mail, facsimile or email and will be deemed to have been sufficiently given and served if delivered to a Member or sent by ordinary post, facsimile or email (as the case may be) to the last known postal, facsimile or email address, of each Member.

24. WINDING UP

In the event of a winding up of Massé Inc any surplus funds available after the realisation of all assets and payment of all debts will be applied exclusively to charitable purposes as determined by the Board in its sole discretion, provided that such purposes are consistent with one or more of the Objects. Any such application of surplus funds may be made on such terms and conditions as the Board thinks fit. For the avoidance of doubt, no Member is entitled to any surplus funds of Massé Inc.