

**TRANSPARENCY
INTERNATIONAL
(NEW ZEALAND)
INCORPORATED**

**The Rules of
Transparency International (New Zealand) Incorporated**

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Pursuant to the Incorporated Societies Act 1908

**THE RULES OF
TRANSPARENCY INTERNATIONAL (NEW ZEALAND)
INCORPORATED**

1. **Name**

The name of the Society is **Transparency International (New Zealand) Incorporated** (for ease of reference called the **Society** in these rules).

2. **Principal office**

The registered office of the Society will be at such place as may from time to time be determined by the Board.

3. **Definitions and interpretation**

In these Rules, unless the context otherwise requires:

Act means the Incorporated Societies Act 1908;

Board means the Board of Directors appointed in accordance with clause 13.1 and includes the Inaugural Board referred to in clause 12;

Chairperson means the chairperson of the Society appointed in accordance with clause 13.2;

Director means a member of the Board referred to in clause 13.2

Executive member means a person appointed in accordance with clauses 12.3 or 13.3;

Financial year means the year from 1 July to 30 June;

Inaugural Board means the Board appointed in accordance with clause 12.1 ;

member means a member of the Society appointed in accordance with clause 5 including temporary members, a member's representative, the Chairperson, Directors and Executive members;

member's representative means, in the case of a corporate member, the person who has the authority to vote on that member's behalf;

Rules means these rules of the Society;

temporary member means a potential member who has had his, her or its membership approved by the Board in accordance with clause 5, but has not had his, her or its membership confirmed by the Membership at the first annual general meeting to occur after temporary membership status is granted;

Membership means all members, including temporary members, present or by proxy.

4. **Objectives**

4.1. The general objectives of the Society are:

- (4.1.1. to promote transparency, good governance and ethical practices in the private and public sectors in New Zealand;
- (4.1.2. to promote ethical business practices by New Zealand business offshore, and transparency and good governance in our region;
- (4.1.3. to contribute to the international effort to reduce corruption and promote good governance and ethical business practices;

4.2. The specific objectives of the Society are:

- (4.2.1. to raise public awareness and advance the general education of the public in matters relating to the nature and consequences of corruption in international business transactions, including overseas development initiatives and existing legislation and other guidelines which exist to combat corruption;
- (4.2.2. to promote, undertake or commission research for the public benefit in matters relating to the nature and consequences of corruption in international business transactions and the cost-effectiveness of overseas development initiatives and to disseminate the useful results of any such research;
- (4.2.3. to support and promote the charitable educational aims and objectives of Transparency International, a not-for-profit organisation under German law, and in particular to assist in securing the support within New Zealand for Standards of Conduct designed to promote transparency and accountability in international business transactions, and to co-operate with other charitable organisations throughout the world with similar objectives;

- (4.2.4. to provide assistance and expertise to parties to international trade, investment and economic and social development to assist them in ensuring compliance with existing anti-corruption legislation and Standards of Conduct established in conjunction with Transparency International in Germany and other bodies;
- (4.2.5. to give the legislative and public bodies and others facilities for conferring with and ascertaining the views of persons and institutions engaged in combating corruption as regards matters directly or indirectly affecting that activity;
- (4.2.6. to arrange, provide, organise or promote alone or with others the provision of conferences, lectures, seminars, meetings, courses, exhibitions, training, information and advisory services and other events and services in furtherance of the objects of the company; and
- (4.2.7. to write, make, prepare, edit and print, publish, issue and circulate gratuitously or otherwise, reports, periodicals, books, pamphlets, leaflets, articles, films, video tapes, computer software, electronic devices, materials for study or other documents in furtherance of or necessary for the promotion of the objects of the company, or procure any of the above acts.
- 4.3. The over-arching principles that the Society must comply with are:
- (4.3.1. the Society is politically non-partisan; and
- (4.3.2. the Society will not be involved in investigating or exposing individual cases.

5. Appointment of members

- 5.1. The Board may invite any organisation or individual to apply to become a member of the Society.
- 5.2. Any organisation or individual may apply to the Board to become a member of the Society.
- 5.3. All applicants shall become temporary members after receiving the approval of the Board.
- 5.4. Temporary members will become ordinary members when membership is confirmed by a simple majority of the Membership at the next annual general meeting.

6. Termination of membership

- 6.1. Any member may resign his, her or its membership by giving to the Society written notice to that effect. Every such notice, unless otherwise expressed, will take effect from the end of the then current financial year. A member which resigns is not released from any liability to the Society for any matters arising prior to the end of the financial year in which notice of resignation is given nor will that member be entitled to any refund of any membership fees paid or payable by that member prior to its resignation.

- 6.2. A member may be invited by the Board to resign its membership if in the Boards' view and after due consultation with the member concerned, the Board considers, having regard to the objectives set out in clause 4, in its sole discretion that this is warranted. If the member does not voluntarily resign, the membership is terminated.

7. **Membership fees**

- 7.1. The Society is a non profit organisation and will be financed by annual membership fees. The Society may also be financed by income other than membership fees, such as donations or gifts and by contributions to expenses.
- 7.2. Every member will each year pay to the Society, by a date to be specified by the Board, an annual membership fee of such amount as shall from time to time be recommended by the Board and confirmed by a majority of the Membership at the annual general meeting.
- 7.3. Notwithstanding clause 7.2, any member whose membership fee, or any other money due to the Society, remains unpaid for 3 months after the due date may be removed from membership by the Board but will still be liable to pay all arrears of such fees or other moneys.
- 7.4. Except as the Act or these Rules otherwise provide, the liability of each member is limited to payment of its membership fee.

8. **Annual general meetings**

An annual general meeting shall be held not later than the 30 November in each year at such time and place as may be determined by the Board. The business of such annual general meeting shall be to receive and consider the Annual Report and Accounts, to elect officers and committee and to deal with any other business of which notice shall have been given to the Secretary not later than fourteen clear days prior to the date fixed for such meeting.

9. **Special general meeting**

A special general meeting shall be convened by the Secretary at the request of the Board or within fourteen days of the receipt by the Secretary of a requisition signed by or on behalf of at least 20% of the Membership stating the reason for requisitioning such meeting

10. **Notice of general meetings**

Notice of every annual and special general meeting shall be given in writing to every member at least fourteen clear days before the date of such meeting. Such notice shall state the time and place of the meeting and the business which will be brought before it.

11. **Conduct of general meetings**

- 11.1. At all general meetings the quorum shall be 20% of the Membership . At all such meetings the Chairperson or, in the absence of the Chairperson a Director chosen by the Board, shall preside.

- 11.2. Every member shall be entitled to one vote on every proposal before the meeting provided that in the event of an equality of votes the person presiding shall have a casting vote.
- 11.3. In the case of an organisation that is a member, the organisation must nominate, in writing, one person (the member's representative) to be the representative of the organisation at the Society's meetings and that person will have the right to exercise the organisation's vote at those meetings.
- 11.4. Voting shall be by show of hands unless a poll is demanded by three or more members. If a poll is so demanded it shall be taken in such manner as the person presiding directs.

12. **Inaugural Board of Directors**

- 12.1. The inaugural Board of Directors (the **Inaugural Board**) has been appointed and will continue as the Board until the first annual general meeting after 30 June 2000.
- 12.2. The Inaugural Board is made up of the following members:
- Michael Morris (Chairperson)
Lindo Ferguson (Director)
Jenni McManus (Director)
Rodger Spiller (Director)
Hugh Templeton (Director)

- 12.3. The Inaugural Board has appointed two Executive members:

Murray Petrie
Shane Cave

The Executive members will share the position of Secretary and carry out such other duties as the Board may require.

13. **Board of Directors**

- 13.1. The Membership will appoint the Board at an annual general meeting or a special general meeting to take the place of the Inaugural Board from the first annual general meeting after 30 June 2000.
- 13.2. The members of the Board will consist of the Chairperson, a Vice Chairperson if one is appointed, and up to **12**¹ members or members' representatives (the Directors).
- 13.3. The Board may appoint one or more members to be Executive members and to assume the role of Secretary. The Secretary is not a Director.
- 13.4. The members of the Board will conduct and manage the affairs of the Society subject to any majority decision of the Membership. The Board will keep the usual and proper books of

¹ The inaugural constitution provided for 6 Directors, the amendment to allow an increase in the board of, "up to 12 Directors", was approved by the TINZ AGM held on 20 November 2006

account and other records and prepare and submit to the annual general meeting a statement of the affairs of the Society as at 30 June in each year.

- 13.5. Directors will be appointed for a term of two calendar years commencing on the first day of month following their appointment. Directors will be eligible for re-appointment after the expiry of that two-year term.
- 13.6. Any vacancy in the Board, caused by resignation of a Director, may be filled by an appointment made by the Board, confirmed by a majority of the Membership at the next annual general meeting, but it shall not be compulsory to fill such vacancy until the annual general meeting next succeeding such vacancy.
- 13.7. Any Director except the Chairperson, absent without satisfactory explanation from three consecutive meetings of the Board shall be deemed to have vacated office.
- 13.8. Board meetings will be convened by the Chairperson or failing him or her, by a Vice Chairperson or another Director by giving no less than 14 days notice by facsimile or electronic mail to all Directors specifying the date and place and the business to be conducted at the meeting. The Board may waive the notice period when necessary.
- 13.9. All Board meetings shall be chaired by the Chairperson. In the absence of the Chairperson, the meeting will be chaired by a Vice Chairperson and failing that the Directors may elect a person to act as Chairperson and that person shall have all the powers of the Chairperson.
- 13.10. Subject to the other provisions of these Rules, the Board has the power to:
- (13.10.1. make such rules and regulations not inconsistent with these Rules as it thinks expedient;
 - (13.10.2. approve any work programme;
 - (13.10.3. agree an annual budget;
 - (13.10.4. approve reports and executive briefs released in the name of the Society;
 - (13.10.5. handle membership issues in accordance with these Rules;
 - (13.10.6. appoint signatories for the Society;
 - (13.10.7. appoint the auditors of the Society;
 - (13.10.8. authorise as required representatives who may bind the Society and dispense its funds; and
 - (13.10.9. to delegate any of its powers to any member at any time and from time to time
- 13.11. Board meetings may be held by the contemporaneous linking together by telecommunication of a number of the Directors being not less than the quorum provided that:

- (13.11.1. all Directors entitled to receive notice of a meeting shall be given notice. Notice may be given by telecommunication;
- (13.11.2. each Director taking part in the meeting must be able to communicate with each of the other members taking part in the meeting and must acknowledge their presence to the other members;
- (13.11.3. Directors may not leave the meeting by disconnecting their telecommunication devices unless they have obtained the express consent of the Chairperson; and
- (13.11.4. a minute of the proceedings at such meeting by telecommunication shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if the minute is certified correct by the Chairperson.
- 13.12. The quorum for a meeting of the Board is a majority of its members being present in person or by telecommunication.

14. **Voting at Board meetings**

- 14.1. At all Board meetings each Director member shall be entitled to one vote.
- 14.2. At all Board meetings every resolution must be approved by a majority of votes.

15. **Liability**

Subject to the obligations under clause 7, the liability of the Directors, Executive members and other members shall be at all times limited to the net assets of the Society from time to time held by the Society and no liability shall attach to the Directors, Executive members or other members personally.

16. **Bank account**

All cheques and withdrawal slips will be signed on behalf of the Society by not less than two persons appointed by the Board to undertake that function.

17. **Seal**

The Secretary, or if no Secretary has been appointed, the Board will provide and will be responsible for the safe custody of a common seal which will only be used by the authority of the Board. Any two Directors or any one Director and the Secretary must witness the affixing of the seal to any instrument.

18. **Funds of the Society**

The funds of the Society will be under the control of the Board and any surplus funds may be invested in the name of the Society from time to time in any trustee investment under the Trustee Act 1956.

19. **Pecuniary profit and benefits and advantages**

19.1. No private pecuniary profit shall be made by any member of the Society, except that:

- (19.1.1. each Director or Executive member may receive full reimbursement for all costs, charges and expenses properly incurred by that person in connection with the affairs of the Society;
- (19.1.2. the Board may pay reasonable and proper remuneration to any person, firm or company (including a member) in return for services actually rendered to the Society;
- (19.1.3. each Director or Executive member may be paid all usual professional, business or trade charges for services rendered, time spent and acts done by that person or by any firm or entity of which that person is a member, employee or associate in connection with the affairs of the Society;
- (19.1.4. each Director or Executive member may retain any remuneration properly payable to that person by any company or other body or firm undertaking with which the Society may be in any way concerned or involved for which that person has acted in any capacity whatever, notwithstanding that that person's connection with that company or body or firm or undertaking is in any way attributable to that person's connection with the Society;
- (19.1.5. the Board may pay interest on any loan by a member to the Society, provided that the interest is at no more than current commercial rates.

20. **Power to borrow**

The Society will have the power to receive money on deposit or loan, to borrow money, to mortgage, charge or grant a lien over all or any of its undertaking and property both present and future or to issue any securities whether outright or as security for any debt, liability or obligation of the Society or of any third party and to give or receive guarantees or indemnities for the payment of moneys or the performance of obligations, all of which powers shall be exercised by the Board in such manner as the Board think fit.

21. **General powers**

Subject to the provisions of the Act, the Society will have power to do all acts and things necessary for the furtherance of its mission and objectives or any of them and in particular may exercise the following powers and ancillary objectives:

- (21.1.1. The Society may have headquarters, rooms and other facilities at such places as will from time to time be determined.
- (21.1.2. The Society may cultivate reciprocal relations with kindred associations in this and other countries.

- (21.1.3. The Society may purchase, take on, lease or otherwise acquire on such terms as it may think fit, any real and personal property, and any rights and privileges, either necessary or convenient, for the purposes of the Society, and may erect, maintain, improve or alter any building, premises or works it may require.
- (21.1.4. The Society may sell, lease, exchange, mortgage or otherwise deal with all or any of the real and personal property of the Society. The Society may accept any gifts of property, whether subject to any special trust or not, for any one or more of the objects of the Society.
- (21.1.5. The Society may print, publish and sell any newspapers, journals, periodicals, books, bulletins, leaflets or other literature that may from time to time be deemed desirable for the promotion of any one or more of the objects of the Society.
- (21.1.6. The Society may employ staff and nominate contractors for such purposes and for such periods and subject to such conditions as the Board thinks fit.

22. **Auditor**

- 22.1. No person will be elected or hold office as auditor who is an officer of the Society.
- 22.2. The Directors shall appoint a person or organisation that is a member of the New Zealand Institute of Chartered Accountants as auditor to examine the financial statements of the Society. The auditor's report shall be presented to the annual general meeting.

23. **Regulations**

The Membership may from time to time make, amend or rescind regulations not inconsistent with these Rules governing procedure at its meetings and publication (if any) of reports and of the business of the Society in the press.

24. **Other matters**

If any matter is not provided for in these Rules or if any doubt arises as to the interpretation, effect or construction of any Rule or of any other matter, every such matter or doubt will be determined by the Membership whose decision shall be final and binding on all members.

25. **Notices**

Any notice required to be given shall be in writing and may be served on a member either personally or by posting it in a pre-paid envelope to the member at the address last notified by that member to the Society.

26. **Winding up**

- 26.1. The members may at any time wind up the Society pursuant to a resolution passed at a special general meeting provided that at least 75 percent of the members present at such meeting shall have voted in favour of the resolution.

- 26.2. On the winding up the Directors will distribute the funds and property of the Society, remaining after payment of liabilities, if any, provided that such distribution shall be limited as to charitable organisations operating within New Zealand having similar objects to the Society and shall not involve distribution of any funds or property to any member of the Society.

27. **Amendments to Rules**

These Rules may be amended in any manner and at any time pursuant to a resolution passed at a special general meeting convened for the purpose provided that at least 75 percent of the members present at such meeting shall have voted in favour of the resolution. No amendment shall be made to the objectives or to any other provisions of this deed if the consequences would be to enable any part of the funds and property to be applied for objects or purposes other than objects or purposes within New Zealand that are charitable according to the law of New Zealand.

The above rules have been approved by a majority of the members of the Society.

Date: 2001

D Oughton
Treasurer