



PO Box 25-414, Wellington 6146
L12, Davis Langdon House
49 Boulcott St, Wellington
Ph. (04) 472 9220
Email: p.gilbert@ganz.org.nz
web: www.ganz.org.nz

GAS ASSOCIATION OF NEW ZEALAND (INC)

RULES

Amended March 2014

INDEX

Rule	Page
1. Name	1
2. Definitions	1
3. Interpretation	2
4. Objects	3
5. Registered Office	4
6. Membership	4
7. Register of Members	5
8. Cessation of Membership	5
9. Subscription and Levies	6
10. Voting Rights of Members at Meetings of the Association	7
11. Meetings of the Association	7
12. Voting	8
13. Board	9
14. Committees of Membership Classes	10
15. Officers	11
16. Travelling and Other Expenses	11
17. Individual Action	12
18. Reports	12
19. Accounts	11
20. Common Seal	12
21. Alteration of Rules	12
22. Liquidation	13
23. Liability of Members	13
24. Regulations or Bylaws	13
25. Indemnity	13

RULES
OF
THE GAS ASSOCIATION OF NEW ZEALAND (INCORPORATED)

1. NAME

The name of the Society shall be **“THE GAS ASSOCIATION OF NEW ZEALAND (INCORPORATED)”**.

2. DEFINITIONS

In these Rules, unless the context otherwise requires:

“the Act” means the Incorporated Societies Act 1908, its amendments and any regulations made thereunder.

“Annual General Meeting” means the annual general meeting of the Association, convened and conducted in accordance with these Rules.

“Annual retail sales” shall include sales to CNG filling stations.

“Association” shall mean The Gas Association of New Zealand (Incorporated).

“Auditor” means the person appointed in accordance with Rule 15.

“Board” shall mean the Governing Board of the Association appointed in accordance with Rule 14.

“Gas Distributor” shall have the meaning as defined by the Gas Act 1992.

“Gas retailer” shall have the meaning as defined in the Gas Act 1992 except that the term shall also include a person who supplies gas to a gas refueller as defined by the Gas Act 1992.

“Gas Transmission” shall have the meaning as defined in the Gas Act 1992.

“Gas Wholesaler” shall have the meaning as defined by the Gas Act 1992 except that the term shall not include a person who supplies gas to a gas refueller as defined by the Gas Act 1992.

“Gas” shall have the meaning as defined in the Gas Act 1992.

“Line function services” shall have the same meaning as defined in the Gas Act 1992.

“Member” shall mean and include any Member as defined in Rule 6 except where used in the context of referring to a Member of the Board as defined in rule 13.

“Registered Office” means the registered office of the Association for the time being, as determined in accordance with these Rules.

“Related Company” shall have the same meaning given to that term in the Companies Act 1993.

“Representative” shall mean any person nominated in writing by a Member to the Secretary prior to any meeting of the Association at which it is intended that such person be present to represent the Member.

“Rules” shall mean these Rules as framed or as from time to time altered by resolution of the Association in terms of Rule 21.

“Seal” shall mean the common seal of the Association.

“Secretary” shall mean the secretary of the Association appointed in accordance with these Rules.

3. INTERPRETATION

Unless the context otherwise requires, in these Rules:

- (a) headings are inserted for convenience only and shall be ignored in construing any matter;
- (b) words denoting the singular number only shall include the plural and vice versa and words denoting any gender shall include all genders;
- (c) words denoting individuals shall include corporations and vice versa;
- (d) references to a “party”, “person” or “entity” includes a natural person, individual, firm, company, corporation, association or other entity, whether incorporated or not having a separate legal personality, and includes their respective successors, assigns, executors and administrators;
- (e) “written” and “in writing” includes all means of reproducing words in a tangible and permanently visible form.
- (f) references to any Statute shall include any Statute passed in substitution for that Statute.

4. OBJECTS

The objects of the Association shall be:

- (a) Generally to promote the interests and well-being of the gas industry in New Zealand;
- (b) To monitor proposed legislation which may affect the general interests of Members or the interests of any individual Member or class of Member and to take all steps considered necessary by the Board in relation to any subject or any proposed or existing legislation affecting or likely to affect them; to appear by its Board, its Officers or its Counsel before Committees of the Legislature or before any Courts of Law or Arbitration, or before Government officials; to obtain and tender evidence both generally on behalf of the gas industry as a whole and specifically in support of the interest of any individual Member or group of Members whose interests may be affected by any proposed legislation or other proceedings;
- (c) To support and assist individual Members when engaged in litigation the subject matter of which is, in the opinion of the Board, of general interest to Members and the outcome of which could affect the wider interests of the Membership;
- (d) To seek and obtain legal opinion on matters affecting the interests of Members;
- (e) To collect and collate from Members and others, information and statistical material for dissemination as the Board considers appropriate;
- (f) To arrange for advertising, public and governmental relations, and other promotional activity, and the preparation of material to assist those objectives in the best interests of the Association, as determined by the Board;
- (g) To establish or cause to be established codes of practice, rules and standards for gas related activities and appliances;
- (h) To employ scientific and engineering officers and other persons and to generally carry out research and testing to determine better and more efficient uses of gas and to advance the interests of gas generally;
- (i) To engage consultants and advisors to assist in the pursuit of the objects of the Association;
- (j) To establish sub-committees of the Association as set out in the Rules to pursue the objects of the Association and to assist groups of Members who may have interests in common but which may not be common to the whole Association;

- (k) To identify the educational and training needs of the gas industry and to develop and establish training schemes and programmes where appropriate;
- (l) To acquire or dispose of (whether absolutely or otherwise) any real or personal property in New Zealand for the objectives and use of the Association;
- (m) To invest and deal with monies of the Association in such a manner as may from time to time be determined by the Board.
- (n) To do all such other things as the Board may from time to time deem appropriate to attain the foregoing Objects or in the interests of the Members generally.

5. REGISTERED OFFICE

The registered office of the Association shall be at such place within New Zealand as the Board shall from time to time determine.

6. MEMBERSHIP

6.1 CLASSES OF MEMBERSHIP

Full Membership shall be open to any of the following category of companies, individuals or entities:

- (a) Gas Wholesaler
- (b) Gas Retailer
- (c) Owner or Operator of Transmission Pipelines
- (d) Owner or Operator of Distribution Networks and/or related assets
- (e) Major Gas User
- (f) Gas Equipment Suppliers
- (g) Gas Network Contractor
- (h) Any Other Interested Party



Affiliate Membership shall be open to Associations, Institutes and/or Societies engaged in activities associated with the gas industry, either directly or indirectly, with the intention of formalising that membership within a Memorandum of Understanding.

Associate Membership shall be open to any person and/or entity engaged in any activity associated with the gas industry, either directly or indirectly.

Life Membership is a status granted a person who has retired from active participation in the affairs of the gas industry and has given outstanding service to the

industry and, who on the nomination of the Board, is appointed Life Member at an Annual General Meeting of the Association.

6.2 APPLICATION FOR MEMBERSHIP

- (a) All applications for any class of Membership (apart from Life Membership) shall be made to the Board in writing as prescribed by the Board from time to time, and such applications shall be accompanied by the application fee (if any);
- (b) If an application is accepted, the applicant shall be advised as soon as practicable by the Secretary and shall thereupon, be enrolled as a Member and become liable for such subscriptions and levies as may be appropriate;
- (c) If an application is declined, the applicant shall be advised as soon as practicable by the Secretary and the application fee (if any) shall be refunded to the applicant;
- (d) Paid up members of the Gas Appliance Suppliers Association Incorporated as at 30 September 2004 shall automatically, and without application and payment of any application fee, become Full Members of the Association under category (f) ("Gas Equipment Suppliers") on and from 1 October 2004.

7. REGISTER OF MEMBERS

A Register of Members shall be kept by the Secretary and shall contain such details as may be required from time to time by the Board. The register shall be maintained by the Secretary and any change of detail, such as the name of the Member or address, shall be communicated to the Secretary as soon as practicable.

8. CESSATION OF MEMBERSHIP

- (a) Retirement

Any Member may retire from the Association upon giving at least one (1) calendar month's notice of intention to do so, prior to the end of the financial year of the Association and on payment of any subscription or levy due or in arrears. If such notice is not given, the Member shall be liable for subscriptions and any levies made on Members for the following financial year in addition to any subscription or levy in arrears.

- (b) Expulsion

Any Member who fails to observe the Rules of the Association and/or whose conduct is in the opinion of the Board, prejudicial to the interests and Objects

of the Association, may be expelled from Membership of the Association by a resolution to that effect by a majority of not less than three fourths (3/4) of such Full Members as shall be present by their Representative(s) or proxy and vote at a special or ordinary meeting of the Association of which not less than fourteen (14) days' previous notice has been given and which notice specifies the intent to propose such a resolution.

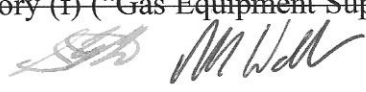
- (c) Any Member whose subscription or levy remains unpaid for three (3) calendar months after the due date, may be expelled from Membership by resolution of the Board by simple majority.

9. SUBSCRIPTIONS AND LEVIES

a) Full Members

Total Subscriptions for Members in any year, shall be set with the intention of meeting the total budgeted operating expenditure for that year less income from other sources, and may include provision for the recovery of any accumulated funding shortfall from the previous year.

~~Each Full Member enrolled in categories (a) to (e) or (g) shall be allocated one vote. All Full Members enrolled in category (f) ("Gas Equipment Suppliers") shall together be allocated one collective vote.~~



The Board may set a baseline subscription for each Full Member.

Less any baseline subscription, the annual Full Member subscription shall be allocated between those members at the recommendation of the Board and approved by a Meeting.

Allocation of subscriptions may be split between the categories of membership at the discretion of the Board.

Subscriptions for Full Members referred to in Rule 6.2(d) and enrolled in the category (f) ("Gas Equipment Suppliers") shall be set for the financial year beginning 1 October 2004 at the annual subscription rate that each Full Member paid to the Gas Appliance Suppliers Association Incorporated for that period. The subscriptions for Gas Equipment Suppliers in future financial years shall only increase by inflation (as based on consumer price index movement) unless Full Members enrolled in the category of Gas Equipment Suppliers:

- (i) receive a higher level of general membership services and administrative support than the Gas Appliance Suppliers Association Incorporated provided to its members immediately prior to 1 October 2004; or
- (ii) initiate cost-incurring projects,

in which case the Board may increase the general subscription or charge a one time levy.

Allocation of subscriptions between Asset Owners' may be allocated on the basis of a Company's declared ODV in accordance with the Gas (Information Disclosure) Regulations 1997 - for the previous year, or as declared and accepted by the Board for a member not required to make a statutory ODV declaration.

Non Asset Owners' subscriptions will be shared equally or as otherwise agreed at the discretion of the Board.

In respect of any change of Full Membership, which may take place during the course of a financial year, the Board shall be empowered to vary the subscriptions of Membership. In doing so, the Board shall have regard to matters of equity and natural justice.

In the event of the establishment of a sub-committee pursuant to Rule 14, the Board may authorise a separate fund to be set up, not being part of the general funds of the Association, and may establish such further special or other levies on Members with an interest in such a sub-committee in such amounts and in such proportions as those Members may agree upon.

b) Affiliate Members

A subscription, if any, for an Affiliate Member shall be fixed from time to time by the Board, or as determined on an individual basis by the Board at its discretion.

c) Associate Members

The subscription for Associate Members shall be fixed from time to time by the Board.

d) Life Members

No subscriptions shall be payable

e) Subscriptions to be paid in advance

Subscriptions shall be payable in advance on the first day of October in each year or by such other date or dates as the Board may from time to time determine for the yearly period ending on the following 30 September. No Member shall be entitled to participate in any benefits of the Association nor shall be entitled to attend or vote at any meeting or hold office on the Board unless the annual subscription payable by that Member or any levy made against that Member has been paid.

10. VOTING RIGHTS OF MEMBERS AT MEETINGS OF THE ASSOCIATION

Each Full Member enrolled in categories (a) to (e) ~~or (g)~~ and (g) to (h) shall have one vote. All Full Members enrolled in category (f) ("Gas Equipment Suppliers") shall together be allocated one collective vote. Prior to any General Meeting, the Secretary shall notify all Members in writing, the numbers of votes which each Member is entitled to exercise at such meeting.

11. MEETINGS OF THE ASSOCIATION

- a) The Association shall in each calendar year hold a Meeting as its Annual General Meeting and not more than 15 months shall elapse between the date of one Annual General Meeting and the next. Such meetings shall be summoned by the Secretary, or some Member of the Board who shall give fourteen (14) clear days' notice in writing to each Member specifying the date, place and hour of such meeting and the business to be conducted. Meetings of the Association shall be chaired by the Chairman of the Board or some other person appointed by the meeting. An annual meeting shall be held at intervals not exceeding 15 months. The Association may meet at other times and places as shall be decided by the Board and, in the case of such other meetings, the business to be transacted shall be specified in the notice convening such meetings. The business of any meeting of the Association shall be dealt with and any resolutions shall be passed by the votes of the representatives of the Members present or recorded by absent representatives in accordance with the following provisions:
- (i) A quorum for an Annual Meeting or Special Meeting of the Association shall be not less than fifty per cent (50%) of Members present in person or by proxy;
 - (ii) The Secretary shall, on written request of thirty per cent (30%) of Members, convene a Special Meeting of the Association;
 - (iii) Such a request for a Special Meeting shall state the purpose and business of such a meeting, and the Notice of Meeting shall fully set out such matters;
 - (iv) The Secretary shall convene the requested meeting and shall give Members seven (7) clear days' notice in writing of the time and place of such meeting;
 - (v) At any meeting so convened, no other business than that set out in the Notice of Meeting shall be dealt with;
 - (vi) For the purposes of Rules 11(a)(i) and (ii), all Full Members enrolled in category (f) ("Gas Equipment Suppliers") shall together collectively count as one Member.

- b) Anything that may be done by the Association by resolution passed at a meeting of the Association may be done in the same manner by resolution passed without a meeting or any previous notice being required by means of an entry in the Minute Book signed by Members entitled to vote on that resolution and who cast more than fifty (50%) of the Votes as determined by Rule 10. For the purposes of this Rule, any such entry in the Minute Book may consist of several documents in like form, each signed by one or more members and purporting to have been signed for the purpose of becoming an entry in the Minute Book in accordance with this Rule and any copy, facsimile transmission, or other electronic representation of such a document shall be a document capable of entry in the Minute Book.

12. VOTING

At any meeting of the Association, only financial Members shall be entitled to vote, in accordance with the provisions of Rule 10.

Prior to any meeting of the Association, each Member (other than a Full Member enrolled in category (f)) shall submit to the Secretary in writing, the name of its Representative who shall have the right to exercise the voting entitlement of that Member.


A Member unable to be represented at any meeting may delegate his entitlement of votes to any other person. Such delegation or proxy shall be in writing, and shall be handed to the Chairman of the meeting prior to the commencement of the meeting.

Prior to any meeting of the Association, the Full Members enrolled in category (f) ("Gas Equipment Suppliers") shall submit to the Secretary in writing, the name of their Representative who shall have the right to exercise the one collective vote of those Members. Unless there is sufficient evidence that another Representative has been appointed, the Board Member nominated by all Full Members enrolled in category (f) ("Gas Equipment Suppliers") according to Rule 13(b) will have the right to exercise the one collective vote of category (f) Members.

The Chairman of the meeting shall have, in addition to any deliberative vote, one (1) casting vote. Voting shall be on the voices unless any representative demands a poll.

13. BOARD

- a) The Board shall comprise of the representatives nominated annually by the Full Members. Alternate Board Members may also be appointed on the nomination of the relevant Member.

- 
- b) Each Full Member enrolled in categories (a) to (e) or ~~(g)~~ (h) is entitled to nominate one Board Member. All Full Members enrolled in category (f) ("Gas Equipment Suppliers") are together entitled to nominate one Board Member to represent their collective interests.
- c) The composition of the Board shall not include more than one Member being a representative of any individual company. However, this provision shall not apply when an Alternate Board Member is present in lieu of a Board Member.
- d) Nominations for positions on the Board, and Alternates, shall be determined in advance of each Annual General Meeting and advised to the Secretary prior to such meetings.
- e) The Annual General Meeting shall elect a person nominated to be a Member of the Board to the position of Chairman who shall hold office for the ensuing year.
- f) When a person nominated to the Board in accordance with Rule 13 is subsequently elected to the office of Chairman, the Members of that Class of Membership who have nominated him may choose to nominate a further person to the Board. In such a situation, the substantive voting rights shall transfer to the new nominee but the Chairman shall retain a casting vote.
- g) Any class of Membership entitled to nominate persons to the Board, or Alternates, may, from time to time, change their representatives on the Board. However, in the event that the representative removed from the Board holds the position of Chairman, the selection of a new Chairman shall be determined by a meeting of the Association in terms of Rule 11.
- h) The new Board shall take office immediately after the conclusion of the Annual General Meeting in each year. The Board meetings shall be chaired by the Chairman or, in his absence, the Board may elect another Member to chair the meeting. At meetings of the Board, each Member shall have one vote only, except as provided for in Rule 13(d). In the event of an equality of votes cast, the Chairman shall have a casting vote. The quorum of the Board necessary for the conduct of Board business shall be four. The Chairman, or in his absence, a Member of the Board elected so to act, shall have power to act on behalf of the Board in cases of emergency.
- i) A member of the Board shall be eligible to be a salaried officer of, or contractor to, the Association.
- j) The Board shall be empowered to set up sub-committees to undertake specific activities on behalf of the Board and/or to represent interests of groups of Members within the Association. The Chairman of any sub-committee shall be appointed by the Board but need not be a Member of the Board. Any sub-committee shall, at all times, be responsible to the Board and shall report its activities to the Board from time to time. The Board may delegate to any sub-

committee such responsibilities as it deems appropriate and the sub-committee shall be empowered to act only within the terms of the rules and procedures so delegated. Any Member of the Board who is not an appointed Member of a particular sub-committee, may attend meetings of that sub-committee but shall not have voting rights at such meetings.

- k) The Chairman shall be an ex officio Member of all sub-committees but, unless appointed to the sub-committees by the Board, shall have no voting rights. The rules of procedure of any sub-committee may be approved by the Board.
- l) In the event of any dispute of interpretation or procedure in respect of Rule 13, the matter shall be resolved by a majority vote of the Board.
- m) Meetings of the Board shall be held whenever in the opinion of the Chairman, or any three (3) Members of the Board, such meetings are required. The Board shall have power to make regulations from time to time to govern the conduct of its meetings.
- n) When it is not expedient to arrange a meeting of the Board to deal with a particular matter, the Secretary shall have the power to obtain the opinion of each member of the Board, and shall, after consultation with the Chairman or in his absence, those Members of the Board who may be available, take action on the opinions expressed by the majority of Members of the Board in the same manner as if a meeting had been held.
- o) Affiliate Members may make submissions, and raise matters for attention at meetings.

14. COMMITTEES OF MEMBERSHIP CLASSES

- a) It shall be competent within the structure of the Association for sub-committees to be established comprising Members with common interests, to enable such Members to meet for the purpose of discussing matters falling within the defined Objects of the Association.
- b) Such sub-committees may be established at the request of any Member or Associate Member of the Association, subject to the consent of the Board.
- c) Secretarial support for the administration of such sub-committees may be provided at the discretion of the Board.

15. OFFICERS

The Officers of the Association shall be:

- a) The Chairman elected in accordance with Rule 13. The Chairman of the Board shall be the Chairman of the Association.
- b) The Board shall from time to time appoint a Secretary whose responsibilities shall include those specified in the Act.
- c) An auditor shall be elected at the Annual General Meeting and, in the event of a vacancy occurring at any other time, the Board shall have the power to make an appointment.
- d) The Board may from time to time appoint other officers as may be deemed necessary.

16. TRAVELLING AND OTHER EXPENSES

Travelling and other expenses of Members attending meetings of the Association, shall not be a charge on the funds of the Association, but travelling and other related expenses shall be paid or reimbursed by the Association to Members of the Board, and their Alternates, who may incur expenses in attending meetings of the Board or in connection with travelling on the business of the Association.

17. INDIVIDUAL ACTION

Nothing in these Rules, contained or implied, shall in any manner fetter or be deemed to control or limit the rights in respect of the conduct of the individual businesses of any Member, provided always that nothing in this Rule shall be interpreted as limiting the power of expulsion from Membership as set out in Rule 8(b).

18. REPORTS

Reports of the proceedings of all meetings of the Association shall be forwarded to all Members. Reports of meetings of the Board shall be forwarded to all Members of the Association.

19. ACCOUNTS

The Board shall cause to be kept proper accounts with respect to:

- a) All sums of money received and expended by the Association and the matters in respect of which the receipts and expenditure take place.
- b) Any sales and purchases of goods by the Association.
- c) The assets and liabilities of the Association.
- d) The Association's Accounts shall be kept by the Secretary (or such other person as may from time to time be designated by the Board) who shall produce them to the Board or any Member of the Board on demand.
- e) The Secretary shall from time to time cause to be prepared and laid before the Association in general meeting, such income and expenditure accounts, balance sheets and reports as are from time to time required by the Association, and shall in any event cause to be prepared and laid before the Association in general meeting, an audited annual income and expenditure account and balance sheet together with a report in respect thereof.
- f) A copy of all balance sheets, accounts and reports which are to be laid before the Association in general meeting, together with a copy of the Auditor's report (if any), shall be sent to every Member not less than seven (7) working days before the date of the relevant general meeting.
- g) All monies received as payable to the Association shall be paid into a bank to be designated by the Board. All monies so received shall be under the control of the Board which may invest such portions as it may think fit.
- h) All cheques, bills of exchange and promissory notes shall be signed, drawn, made, accepted or endorsed (as the case may be), for and on behalf of the Association by two persons who may include the Chairman, the Secretary and/or other persons authorised by the Board, or in some other such manner as the Board determines from time to time.

20. COMMON SEAL

The Association shall have a Common Seal, which shall be kept at the registered office of the Association, and every instrument to which the Seal is affixed shall be signed by at least two (2) Members of the Board. The Common Seal shall only be affixed in accordance with a resolution of the Board. The Secretary shall keep a register of all documents and other written instruments to which the Common Seal is affixed.

21. ALTERATION OF RULES

Subject to the requirements of the Act, the Rules of the Association may be amended, added to, or rescinded by resolution of a simple majority of Members entitled to vote

at an Annual General Meeting or a general meeting convened for that purpose of which not less than one (1) month's previous notice has been given and which specifies the intent to propose such a resolution.

22. LIQUIDATION

The Association may be put into liquidation in accordance with the provisions of the Act. If, upon such liquidation, there remains, after satisfaction of all debts and liabilities of the Association, any property and/or assets, such property and/or assets shall be disposed of in the manner directed by the resolution to liquidate the Association and, failing any such direction, shall be distributed amongst the Members pro rata in accordance with the subscriptions paid by Members in the previous financial year **PROVIDED** that if at the time of liquidation there existed any special fund or funds set up pursuant to Clause 11(b) of the Rules, then the monies in such fund or funds shall first be distributed pro rata among the Members who contributed to such fund or funds.

23. LIABILITY OF MEMBERS

No Member shall be under any liability in respect of any contract or other obligation made or incurred by the Association.

24. REGULATIONS OR BY-LAWS

The Board may from time to time, make, amend or rescind by-laws as it thinks necessary for the efficient management of the Association, provided these are not inconsistent with the Rules of the Association.

25. INDEMNITY

The Members of the Board shall at all times be held indemnified by the Association from and against all claims, acts, proceedings and damages made, suffered or sustained by a Member of the Board as a result of his carrying out in good faith the requirements of the Board or the Association.

End