



RULES
of
ENERGY RESOURCES AOTEAROA INCORPORATED

As submitted to the Registrar of Incorporated Societies on 21 December 2021

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1. NAME

The name of the Association shall be ENERGY RESOURCES AOTEAROA INCORPORATED and it is referred to as "the Association".

2. INTERPRETATION

In these rules:

“Additional Board Representative” means a Board Representative that is appointed in accordance with Rule 7.10.

“Annual General Meeting” means an annual meeting of Members held in accordance with Rule 10.1.

“Annual Subscription Fee” means the annual subscription fee payable by each Member in accordance with its membership category as determined by the Board in accordance with Rule 4.2 and notified to each Member.

“Associate Member” means a Member that has been admitted as a Member in accordance with Rule 4.8 and that meets the criteria of associate membership determined by the Board from time to time in accordance with Rule 4.2.

“Board” means the Association’s governing board established in accordance with Rule 7.

“Board Representative” means a member of the Board (including an Additional Board Representative) elected in accordance with Rule 7.

“Bylaws” means those bylaws made by the Board from time to time in accordance with Rule 19.

“Category 1 Member” means a Member that has been admitted as a Member in accordance with Rule 4.8 and that meets the criteria of category 1 membership determined by the Board in accordance with Rule 4.2.

“Chair” means the chairperson of the Board appointed under clause 7.11 or 9.5.

"Chief Executive Officer" means the officer responsible for the day-to-day affairs of the Association as set out in Rule 16 below.

“Codes of Practice” means any code of practice issued or approved by the Association from time to time (including any amendments) setting out the operational, business and ethical practices that shall be adhered to by Members as a condition of their membership of the Association.

"Energy Industry" means the industry engaged in the discovery, development, production, generation, transmission, storage and sale of energy, including (without limitation) hydrocarbon fuels, electrical power, renewable energy and alternative fuels in New Zealand, and other associated businesses.

“Employees” means any executives, officers, employees and/or representatives of the Association.

“Extraordinary General Meeting” means a meeting of Members (other than an Annual General Meeting) called in accordance with Rule 10.3.

“Full Member” means a Member that has been admitted as a Member in accordance with Rule 4.8 and that meets the criteria of one full membership determined by the Board from time to time in accordance with Rule 4.2, and for the avoidance of doubt, includes a Category 1 Member.

"Member" means a member of the Association, whether a Full Member or an Associate Member.

"Person" includes an individual, firm, company, corporation, association, or any body of persons, whether incorporated or unincorporated.

"Qualifying Criteria" means the criteria specified in Rule 7.5(a).

"Rules" refers to these rules of the Association and any Bylaws or Codes of Practice created hereunder and rule has a corresponding meaning.

“Working Day” means any day other than a Saturday, Sunday or a statutory public holiday in Wellington.

3. OBJECTS

3.1 **Objects:** The objects for which the Association is established are:

- (a) to enable the safe, environmentally responsible and profitable advancement of the Energy Industry, including exploration, development, production, transmission and use of New Zealand’s full energy potential for the benefit of stakeholder investors, Government and the people of New Zealand;
- (b) to maintain, develop, preserve, protect, promote, and publicise the Energy Industry in New Zealand;
- (c) to promote the interests of persons from time to time engaged in the Energy Industry;
- (d) to assist in the further development of the Energy Industry;
- (e) to make representation to and co-operate with, governments and public authorities and other persons or bodies on matters concerning the Energy Industry;
- (f) to encourage education in all aspects of the Energy Industry, to support skills development and training, and to grant bursaries and scholarships considered to be appropriate by the Board;

- (g) to prepare, acquire and disseminate information relating to the development of the Energy Industry;
- (h) to promote and aid scientific and industrial research, investigation and invention in relation to the Energy Industry;
- (i) to raise money with a view to providing funds for all or any of the purposes of the Association;
- (j) to enter into agreements with any other person for the purpose of carrying into effect all or any of the objects of the Association;
- (k) to assist in bringing together those associated with the Energy Industry and to promote friendly relations and the discussion of matters of mutual interest;
- (l) to establish Codes of Practice for its Members and to discipline any Members who breach such Codes of Practice;

3.2 **General powers:** For the purpose of effecting the above objects, the Association may:

- (a) acquire any interest in any real or personal property and to deal with such interests in such a way and in such a manner as the Board considers necessary or desirable;
- (b) invest any moneys of the Association not immediately required for any of its objects in such a manner as it may from time to time be determined;
- (c) borrow or raise money in such a manner as the Association may think fit including but not limited to by mortgaging or charging any real or personal property belonging to the Association (whether present or future); and
- (d) do all such other things as may be incidental or conducive to achieving the above objects.

3.3 **No pecuniary gain:** Notwithstanding Rule 3.1, the Association shall not have as an object the pecuniary gain or profit for the benefit of Members. No Member shall be entitled to receive any dividend out of any Annual Subscription Fee, donation, fees or other income or funds of the Association. For the avoidance of doubt, this Rule shall not apply to any Member who enters into any agreement or arrangement with the Association for the supply of goods or services, for such consideration and on such terms as would be reasonable were that Member not a Member.

4. MEMBERSHIP

4.1 **Membership:** Membership of the Association is divided into:

- (a) Full membership; and
- (b) Associate membership.

- 4.2 **Membership:** The Board may from time to time:
- (a) create different categories of membership, provided that there shall always be a category for Category 1 Members;
 - (b) determine whether membership of a category entitles a Member to full or associate membership, provided that a Category 1 Member shall always be a Full Member;
 - (c) create, modify or disband any category of membership;
 - (d) impose special criteria and conditions of membership on any category of Members; and
 - (e) grant special privileges to any Member or any category of Members, including any rights to appoint and remove Board Representatives.
- 4.3 **Notification of changes to Membership:** Upon doing any of the actions set out in Rules 4.2 (a)–(e), above, the Board shall within ten (10) Working Days inform all Members in writing who are affected by any such action.
- 4.4 **Single Membership:** Each Member shall only be entitled to be either a Full Member or an Associate Member at any given time.
- 4.5 **Membership applications:** Applications for membership shall be in writing and shall contain the applicant's agreement to abide by these Rules and any regulations, Bylaws and Codes of Practice made under Rule 19 below and shall be accompanied by such information as is reasonably requested to satisfy the Board of the applicant's eligibility and suitability for membership.
- 4.6 **Consideration of application:** Subject to Rule 4.7 below, the Chief Executive Officer shall place any application for admission to membership before the Board at the next meeting of the Board after receipt of the same.
- 4.7 **Notice of application:** Every Board Representative shall receive not less than ten (10) Working Days' notice of the meeting at which an application is to be placed before the Board for admission to membership.
- 4.8 **Confirmation of application:** A person shall only be admitted as a Member on the decision of the Board in favour of the application for membership and the decision of the Board in respect of that application shall be final and binding.
- 4.9 **Board discretion for decision-making:** The Board shall have an absolute discretion to determine, and shall not be bound to give any reason for determining, the membership category for which any Member or applicant for membership of the Association qualifies. In making any such decision, the Board may take into account the applicant's or Member's (as applicable) ability to pay the applicable Annual Subscription Fee.

- 4.10 **Change of category:** Any Member may apply to change to its membership category for the next financial year by giving written notice to the Board at least one calendar month before the end of the current financial year, specifying the membership category to which that Member wishes to belong during the next financial year. The Board may give effect to such application, or decline to do so, in accordance with the discretions conferred on it pursuant to the above Rule 4.9.
- 4.11 **No restriction:** Subject to a Member's adherence at all times to these Rules and any Bylaws and Codes of Practice of the Association (if any), membership of the Association shall in no other way impair, limit, restrict or detract from the rights or freedom of any Member to pursue on its own account any of the Association's objectives.
- 4.12 **Nomination of representative:** Without limiting the rights of a Member to be represented at meetings by more than one individual, a Member may nominate only one person to act as its representative for the purpose of voting. Subject always to these Rules, that representative shall have the right on behalf of the Member (and to the extent only to which the Member would, if an individual, be entitled to do so) to attend and vote at meetings of the Association and to generally exercise all rights of membership on behalf of the Member.
- 4.13 **Register of Members:** The Board shall keep a register of Members ("the Register"), which shall contain the names, postal and email addresses and telephone numbers of all Members, dates at which they become Members, whether each Member is a Full Member or Associate Member and to which membership category each Member belongs. If a Member's contact details change, that Member shall give the new postal or email address, or telephone number to the Board. Each Member shall provide such other information as the Board reasonably requests and is entitled to have reasonable access to the Register for the purpose of ensuring the information relating to that Member is correct.

5. ANNUAL SUBSCRIPTION

- 5.1 **Obligation to pay:** The Members shall pay an Annual Subscription Fee as the Board shall from time to time determine for each category of membership of the Association.
- 5.2 **Determination of Annual Subscription Fee:** The Annual Subscription Fee shall be fixed by the Board from time to time and paid as provided in Rule 5.4.
- 5.3 **Financial year:** The financial year of the Association shall end on the 31st day of December in each year and all subscriptions shall become due and payable on the 1st day of January in each year.
- 5.4 **Due date for Annual Subscription Fees:** All Annual Subscription Fees shall be payable in advance and any Annual Subscription Fees not received by the 20th day of February in each year may incur a late fee of ten percent (10%) of the Annual Subscription Fee ("Late Fee") and the Member's rights of membership in the Association, including the right to vote, shall be suspended until such time as the Annual Subscription Fee and Late Fee has been paid in full.

- 5.5 **Notice of non-renewal of membership:** Where a Member does not wish to renew its membership of the Association for the next financial year, that Member must provide to the Association written notice of its intention not to renew its membership no later than twenty (20) Working Days prior to the end of the then current financial year (“Termination Notice”). Any Member who does not provide a Termination Notice in accordance with this Rule shall be deemed to be a Member as at the commencement of the next financial year and shall be liable to pay the Annual Subscription Fee (and any applicable Late Fee) for that next financial year in full unless otherwise agreed in writing by the Board.

6. CESSATION OF MEMBERSHIP

- 6.1 **Change of category:** As a consequence of any change in circumstances, a Member which, in the opinion of the Board no longer meets the criteria of a membership category will, with effect from the start of the next financial year, become a Member of that membership category that the Board considers appropriate in its absolute discretion.
- 6.2 **Resignation of membership:** Any Member may withdraw from the Association by giving one (1) months’ notice in writing to the Chief Executive Officer, and upon the expiration of such notice, that Member shall cease to be a Member.
- 6.3 **Cessation of Membership:** Any Member shall cease to be a Member upon the happening of any of the following events:
- (a) that Member fails to pay its Annual Subscription Fee on or before the date specified by the Board for payment; or
 - (b) that Member is declared insolvent or bankrupt; or
 - (c) that Member goes into liquidation either voluntarily or compulsorily, if a receiver is appointed, or if that Member makes a composition with its creditors; or
 - (d) if a Member ceases to retain its qualification for membership (as may be determined by the Board in accordance with Rule 4.2 from time to time), and the Board resolves that such Member shall cease to be a Member; or
 - (e) if in the opinion of the Board such Member has been engaged in activities detrimental to the objects of the Association or likely to bring the Association into disrepute, or has been guilty of a breach of these Rules or any of the Bylaws or Codes of Practice of the Association, and the Board resolves that such Member shall cease to be a Member.
- 6.4 **Information from Members:** The Board shall have the power at any time to require a Member to furnish to it a statement setting forth such information as the Board may reasonably require to enable it to decide whether that Member continues to meet the requirements to remain a Member.

- 6.5 **No refund:** Unless the Board determines otherwise, neither a change of a Member's membership category pursuant to Rule 6.1 (or otherwise) nor the cancellation of a Member's membership of the Association in accordance with Rules 6.2 or 6.3 shall:
- (a) entitle the Member concerned to a refund of any Annual Subscription Fees paid to the Association; or
 - (b) relieve the Member from liability to pay any Annual Subscription Fees that are due and payable at the time of such change or cancellation of membership.

7. BOARD

- 7.1 **Board size:** The Board of the Association shall consist of not fewer than five (5) persons nor greater than such number of persons as determined by the Board from time to time, the majority of which in all cases shall be Full Members, and who shall be appointed or elected in accordance with Rule 7.5 or 7.7, and shall include the Chair and the Deputy-Chair appointed pursuant to Rule 9.5 and the independent Chair appointed pursuant to Rule 7.11 (if any).
- 7.2 **Alternates for Board Representatives:** Board Representatives may not appoint any other person to act as an alternate Board Representative in his or her place in the event that he or she is unable to attend to his or her duties as a Board Representative unless an appointment is required as a result of exceptional unforeseen circumstances directly affecting that Board Representative's ability to attend to his or her duties at that meeting of the Board and is:
- (a) limited to a duration no longer than is required for that person to attend that meeting of the Board; and
 - (b) ratified by a majority of the other Board Representatives at the outset of that meeting of the Board.
- 7.3 **Appointment of alternates:** The following provisions shall apply to any alternate Board Representative appointed in accordance with this Rule 7:
- (a) He or she may be appointed or removed from office by written notice, email, letter or facsimile to the Association from the Board Representative by whom he or she is to represent or was appointed; and
 - (b) He or she shall be entitled to exercise all the powers (except the power to appoint an alternate Board Representative) and perform all the duties of a Board Representative at the next meeting of the Board, including attending, speaking, and voting, insofar as that Board Representative by whom he or she was appointed has not exercised or performed them.
- 7.4 **No remuneration:** No Board Representative representing a Member shall be entitled to any remuneration for their services. Additional Board Representatives shall, at the discretion of

the Board, be entitled to receive remuneration for their services, which shall be set from time to time by the Board.

7.5 **Composition of the Board:** Subject to Rule 7.6, Board Representatives (other than Additional Board Representatives) shall be appointed in accordance with the following procedure:

- (a) Only the senior person (i.e., Chief Executive Officer, Partner, Director, etc.) most responsible for activities within the Energy Industry in New Zealand of a Member shall be entitled to be appointed as a Board Representative.
- (b) Each Category 1 Member shall be entitled to appoint one (1) Board Representative.
- (c) The Board shall determine whether in addition to the rights of appointment granted to Category 1 Members pursuant to Rule 7.5(b), any other category of Members determined by the Board in accordance with Rule 4.2 are entitled to appoint one or more Board Representatives and the process for the appointment of such Board Representatives.

7.6 **Multiple Board Representatives not permitted:** Notwithstanding Rule 7.5 and subject to Rule 7.10, no more than one Board Representative may be employed by (or be a director of) the same Member.

7.7 **Appointment of Board Representatives:** Subject to any specific appointment process that applies to a category of Members as determined by the Board in accordance with Rule 7.5(c) (in which case this Rule 7.7 shall not apply), the method of appointment (and removal, where appropriate) of Board Representatives (other than Additional Board Representatives) is as follows:

- (a) If there are no more Members in a category of membership than the maximum number of appointments allocated to that category pursuant to Rule 7.5(c), or in the case of Category 1 Members, the following shall apply:
 - (i) Each Member of the category in question shall have the right to appoint one (1) Board Representative by giving written notice of such appointment to the Chief Executive Officer at least one (1) month prior to an Annual General Meeting of the Association (together with that nominee's consent to become a Board Representative and written confirmation from that Member that its nominee satisfies the Qualifying Criteria).
 - (ii) The appointment shall be effective from the conclusion of that Annual General Meeting and the term of the appointment shall be until the conclusion of the next following Annual General Meeting.
 - (iii) The Members of the Association shall have no right to remove any Board Representative so appointed during the course of his or her term.

- (iv) If any Board Representative so appointed leaves the employment of the Member that employed that person at the time of their appointment, that person ceases to be a director of that Member, or that person ceases to meet the Qualifying Criteria or otherwise vacates their office prior to completion of his or her term of appointment, the Member that employed that person at the time of their appointment or of whom they were a director at that time may, by written notice to the Chief Executive Officer, appoint a replacement person to be a Board Representative until the conclusion of the next Annual General Meeting, provided such replacement person meets the Qualifying Criteria.

- (b) If there are more Members in a category of membership than the maximum number of appointments entitled to be appointed by that category as determined by the Board pursuant to Rule 7.5(c), the following shall apply:
 - (i) Each Member of the category shall have the right to nominate one (1) person in that category for appointment as a Board Representative by giving written notice to the Chief Executive Officer at least one (1) month prior to an Annual General Meeting (together with that nominee's consent to become a Board Representative and written confirmation from that Member that its nominee satisfies the Qualifying Criteria).
 - (ii) In the notice of the Annual General Meeting the Chief Executive Officer shall advise all Members of the Association of the valid nominations received.
 - (iii) If fewer people are nominated in a membership category than the maximum number of appointments as determined by the Board pursuant to Rule 7.5(c) in respect of that category, then those people nominated shall be appointed as Board Representatives with effect from the conclusion of the Annual General Meeting.
 - (iv) If more people are nominated in a membership category than the maximum number of appointments applicable to that category as determined by the Board pursuant to Rule 7.5(c) then the Members of that category present at the Annual General Meeting shall vote on the nominations in respect of that category to determine which of the nominated persons for that category shall be appointed. Each Member of a category of membership may cast one (1) vote but only in respect of a nominated person in that Member's membership category. The persons receiving the most votes in each category up to the maximum number of appointments entitled by a category, shall be appointed as Board Representatives with effect from the conclusion of the Annual General Meeting.
 - (v) In the event of a tied vote in a membership category with respect to any one or more of the available Board appointment spaces, the following process

shall apply in respect of the nominations that are the subject of the tied vote:

- a. The Members of that category present at the Annual General Meeting shall rank each of the nominations that are the subject of the tied vote (each, a “Tied Nominee”) in order of preference, with the first-ranked Tied Nominee being that Member’s preferred nomination, and so on, to determine which of the Tied Nominees for that category shall be appointed.
 - b. If a Member fails to rank a Tied Nominee in accordance with Rule 7.7(b)(v)a, then that Member’s vote shall be invalid.
 - c. The Tied Nominee(s) with the lowest aggregate score(s) following the preference voting in Rule 7.7(b)(v)a by reference to the number of available Board Representative spaces shall be appointed as a Board Representative with effect from the conclusion of the Annual General Meeting.
 - d. In the event that the result of the preference voting in Rule 7.7(b)(v)a is another tied aggregate score with respect to available Board Representative spaces (each a “Remaining Tied Nominee”), then the names of each Remaining Tied Nominee shall be drawn from a lot and the Remaining Tied Nominee(s) who draws the lowest lot(s) by reference to the number of available Board Representative spaces shall be appointed as a Board Representative with effect from the conclusion of the Annual General Meeting.
- (vi) The term of a Board Representative appointed under this Rule shall be until conclusion of the next following Annual General Meeting.
- (vii) If a Board Representative leaves the employment of the Member that employed that person at the time of their appointment, that person ceases to be a director of that Member, or that person ceases to meet the Qualifying Criteria or otherwise vacates their office prior to completion of his or her term, the Member that employed that person at the time of their appointment or of whom they were a director at that time may, by written notice to the Chief Executive Officer, appoint a replacement person to be a Board Representative until the conclusion of the next Annual General Meeting, provided such replacement person meets the Qualifying Criteria.

7.8 Vacation of office: The office of a Board Representative shall be vacated:

- (a) If, in the case of all Board Representatives but excluding any Additional Board Representatives, he or she leaves the employment of the Member that employed that person at time of their appointment as a Board Representative (or that person

ceases to be a director of that Member, as the case may be) or that Board Representative otherwise ceases to meet the Qualifying Criteria;

- (b) if he or she becomes bankrupt or makes any arrangement or composition with his or her creditors; or
- (c) if he or she dies or becomes mentally incapable; or
- (d) if, being the representative of a Member, that Member ceases to be a Member; or
- (e) if by notice in writing he or she resigns his or her office.

7.9 **Casual vacancies:** Subject to Rule 7.6 and any rights attaching to a membership category pursuant to Rule 7.5(c), the Board may appoint a person ("Appointee") to fill any casual vacancy on the Board. A casual vacancy exists at any time if there is fewer than five (5) Board Representatives or at least fifty percent (50%) of the people appointed are not Full Members or there is not at least one person appointed by an Associate Member. The following conditions apply to such an appointment:

- (a) Subject to Rule 7.9(c), in respect of a Full Member casual vacancy, an Appointee must meet the Qualifying Criteria of the relevant Full Member.
- (b) An Appointee may only fill an Associate Member casual vacancy if that Appointee is associated with an Associate Member.
- (c) An Associate Member Appointee may only fill a Full Member casual vacancy if:
 - (i) there are no available Full Member Appointees; and
 - (ii) subsequent to their appointment, Full Members will retain a majority on the Board.
- (d) An Appointee must be appointed by written resolution of the Board.
- (e) An Appointee's term of appointment runs from the date of their acceptance of the appointment or the date of the Board's resolution to appoint them, whichever is the later date, to the conclusion of the next Annual General Meeting.

For the purposes of this Rule a person is "associated with an Associate Member" if he/she is an Associate Member (in the case of an individual member), or is an employee, contractor or service provider of an Associate Member or has some other form of close association with an Associate Member (approved by the Board).

7.10 **Additional Board Representatives:** Subject to Rule 7.1, in addition to the appointment of Board Representatives in accordance with Rules 7.5(b), 7.5(c), and 7.7 the Board shall have the discretion to appoint up to a maximum of two (2) additional Board Representatives upon

such terms as it sees fit. Each such additional Board Representative shall be appointed, and may be removed, by a majority vote of the Board.

7.11 **Independent Chair:** The Board may appoint a person who the Board considers to be appropriately independent from the Members of the Association to act as independent Chair of the Board. The Board will be responsible for determining the terms, including length of tenure and compensation, of any such appointment. As the context requires the independent Chair shall be considered a Board Representative for the purposes of these Rules. The independent Chair shall hold office until:

- (a) the expiry of any period determined by the Board;
- (b) he or she resigns, dies or becomes mentally incapacitated, or becomes bankrupt or makes any arrangement or composition with his or her creditors; or
- (c) the Board Representatives elect a Chair in his or her place.

8. POWERS OF BOARD

8.1 **Board to manage affairs of Association:** The affairs of the Association shall be managed by the Board, who may exercise all powers of the Association conferred on it by these Rules, or any law or regulation. The Board may, on behalf of the Association, do all such acts as the Association may do and as are not by these Rules required to be exercised or done by the Association by way of an Annual General Meeting, or an Extraordinary General Meeting.

8.2 **Borrowing of funds:** Without limiting the generality of any of the other powers or rights contained in these Rules, the Board may from time to time in its absolute discretion borrow from any persons any sums of money either without security or by providing security over the real or personal property of the Association (both present and future) either under legal mortgages or charges, and upon such terms and conditions as the Board thinks fit.

8.3 **Delegation to Employees:** The Board may:

- (a) appoint, remunerate and dismiss Employees as it shall from time to time deem necessary; and
- (b) delegate to any one or more Employees such of its powers as it shall think fit, other than the power to borrow money as set out in Rule 8.2.

9. PROCEEDINGS OF THE BOARD

9.1 **Meetings of the Board:** The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings and procedure as it thinks fit but shall at a minimum meet at least three (3) times annually, provided that at least one (1) meeting of which shall be to approve the annual budget and set the Annual Subscription Fee for the forthcoming

year, and to set the remuneration of the Employees. A meeting of the Board may be held either by:

- (a) a number of the Board Representatives who constitute a quorum being assembled together in person at the place, date and time appointed for the meeting; or
- (b) means of audio, or visual and audio, communication by which all Board Representatives participating and constituting a quorum can simultaneously hear each other throughout the meeting.

9.2 **Quorum:** No business may be transacted at a meeting of the Board unless a quorum is present. The number of Board Representatives required to constitute a quorum is as follows:

- (a) If there are seven (7) or fewer Board Representatives the quorum requirement shall be four (4) Board Representatives, of which three (3) or more must be appointed by Full Members, or if there are less than three Board Representatives appointed by Full Members, then all of those Board Members so appointed.
- (b) If there are eight (8) or more Board Representatives the quorum requirement shall be a majority of Board Representatives, a majority of that number whom must be appointed by Full Members.

If at any given time there are an insufficient number of Board Representatives appointed by Full Members to constitute a valid quorum under this Rule:

- (c) the Board may meet for the sole purpose of appointing further Board Representatives under Rule 7.9 in order to satisfy the Full Member quorum requirements; and
- (d) notwithstanding the quorum requirements specified in this Rule, the Board Representatives present at that meeting shall constitute a valid quorum under this Rule 9.2 in respect of that purpose only.

9.3 **Convening meetings:** A meeting of the Board shall be convened by the Chief Executive Officer upon the request of the Chair of the Board or of any two (2) Board Representatives. At least five (5) Working Days prior written notice must be given to each Board Representative of a meeting of the Board.

9.4 **Meeting for appointment of urgent vacancies:** In the event that, and for as long as the number of Board Representatives is reduced below the minimum of five (5) Board Representatives, the Board may act for the purpose of summoning a meeting of the Board, an Annual General Meeting or an Extraordinary General Meeting for the sole purpose of filling vacancies in the Board.

9.5 **Appointment of Chair/Deputy Chair:** If no independent Chair has been appointed under clause 7.11, the Board shall at its first meeting after the Annual General Meeting of the

Association in each year, appoint from among the Board Representatives a Chair and a Deputy-Chair. If an independent Chair has been appointed under clause 7.11, the Board shall appoint a Board Representative as Deputy-Chair.

- 9.6 **Chair of a Board meeting:** The Chair, or in their absence the Deputy-Chair, shall be entitled to be chair of meetings of the Board but if neither of those officers shall be present those Board Representatives who are present shall choose one of their number to be chair of such meeting.
- 9.7 **Powers of a meeting:** A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions vested under it by or the Rules for the time being.
- 9.8 **Special committees:** The Board may appoint and dissolve special committees to examine any matters relating to the objects of the Association (“Special Committee”) and may require such a Special Committee to report to it on those matters. The members of a Special Committee need not be Board Representatives, or Members. The meetings and proceedings of a Special Committee shall be governed by the provisions of these Rules for regulating the meetings and proceedings of the Board (so far as applicable).
- 9.9 **Validity of actions:** All acts properly done by any meeting of the Board, or by any person acting as a Board Representative shall, be as valid as if that person had been duly appointed or had duly continued in office and was qualified to be a Board Representative notwithstanding it is subsequently discovered that:
- (a) there was a defect in the appointment or continuance in office of that person; or
 - (b) person (or any other Board Representative) was disqualified from acting as a Board Representative for any reason.
- 9.10 **Minutes:** The Board shall ensure that proper minutes are kept of all appointments of Employees made by it, and all proceedings and business transacted at all meetings of the Association and of the Board (“Board and Association Meetings”) and all business transacted at such meetings. Any minutes of Board and Association Meetings signed by the Chair of that meeting or by the Chair of the next succeeding meeting, shall be prima facie evidence without any further proof of the matters set out in those minutes.
- 9.11 **Voting at meetings:** Resolutions at meetings of the Board shall be passed by majority vote of the Board Representatives present. The Chair shall not be entitled to a second or casting vote in the event of a tie, and in the event of a tie the motion shall be considered lost.
- 9.12 **Voting by resolution:** A resolution in writing signed by a sufficient number of Board Representatives required to constitute a quorum in New Zealand shall be as valid and effective as if it had been passed at a meeting of the Board. If any Board Representative nominates an email address from which any message sent will be deemed to be sent by that Board Representative, the receipt by the Chair of an electronically-transmitted message from

that address signifying approval of a resolution will be deemed to be written signature of that resolution by the relevant Board Representative for the purposes of passing a resolution in writing.

9.13 **Voting and appointments by electronic means:** The Board may permit, in relation to a particular meeting, or generally:

- (a) the appointment of Board Representatives to be made by electronic means;
- (b) postal votes and/or ballots to be cast by electronic means; and
- (c) to the extent permitted by law, votes cast on resolutions at Annual General Meetings, Extraordinary General Meetings or other meetings of Members by electronic means.

The procedures in relation to such electronic appointment or electronic voting shall be those required by law (if any) together with any other procedures determined by the Board. If the Board permits electronic appointment in accordance with this Rule, such electronic appointments may be made or electronic votes cast notwithstanding any other provision in these Rules.

10. GENERAL MEETINGS

10.1 **Annual General Meeting:** The Association shall in each year hold an Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it. Not more than fifteen (15) months shall elapse between the date of one Annual General Meeting of the Association and that of the next. The Annual General Meeting shall be held at such time and place as the Board appoints.

10.2 **Business of Annual General Meeting:** The business of the Annual General Meeting shall be:

- (a) receiving any minutes of the previous Annual General Meeting;
- (b) the Chair of the Board's report on the activities of the Association;
- (c) a report on the finances of the Association, and the annual financial statements;
- (d) the election of Board Representatives;
- (e) any motions to be considered; and
- (f) general business.

10.3 **Convening an Extraordinary General Meeting:** An Extraordinary General Meeting (at which only the business for which such meeting was convened may be dealt with) may be convened at any time by:

- (a) an order of the Board; or
 - (b) receipt by the Chief Executive Officer of a written request for the same signed by at least one third (1/3rd) of all Members which specifies the form of a motion or motions to be called at that Extraordinary General Meeting (“Written Request”).
- 10.4 **Member convened Extraordinary General Meeting:** If the Board does not convene an Extraordinary General Meeting within twenty (20) Working Days (“Notice Period”) of having received the Written Request, the Members who made the Written Request (or any one of them) may (subject to the provisions of these Rules as to notice) convene the Extraordinary General Meeting on a date which is not less than twenty (20) Working Days from the expiry of the Notice Period.
- 10.5 **Notice of meeting:** In the case of any Annual General Meeting, or an Extraordinary General Meeting convened in accordance with Rule 10.3(a), a minimum of fifteen (15) Working Days’ notice in writing (exclusive of the day on which the notice is given or deemed to be given and the day of the meeting) specifying:
- (a) the date, time and place of meeting; and
 - (b) the general nature of the business to be addressed at the meeting.
- The notice shall be given in accordance with Rule 15 to persons entitled to receive notices from the Association. An Annual General Meeting, or an Extraordinary General Meeting convened in accordance with Rule 10.3(a) may be convened by shorter notice with the consent in writing of all the Members entitled to attend the Annual General Meeting or Extraordinary General Meeting and vote.
- 10.6 **Accidental omission:** The accidental omission to give notice to, or the non-receipt of notice by, any Member or any other person entitled to receive notice, shall not invalidate the proceedings of any Annual General Meeting or Extraordinary General Meeting.
- 10.7 **Quorum:** No business shall be transacted at any Annual General Meeting or Extraordinary General Meeting unless a quorum is present. The quorum for any Annual General Meeting or Extraordinary General Meeting shall be sixty percent (60%) of the total number of Full Members of the Association present in person or by representative, proxy or attorney and who are entitled to vote.
- 10.8 **Adjournment if no quorum:** If within half an hour from the time appointed for the holding of an Extraordinary General Meeting convened at the request of Members under Rule 10.3(b) a quorum is not present, the meeting shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board shall appoint. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Members present shall be a quorum

- 10.9 **Chair:** The Chair of the Board (or in their absence the Deputy Chair) shall preside as chair at an Annual General Meeting or Extraordinary General Meeting, but if neither of those Board Representatives is present then the Board Representatives present shall select a Chair from among themselves.
- 10.10 **Agreed adjournment:** The Chair may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, provided that no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for twenty (20) Working Days or more, notice of the adjourned meeting shall be given in the same manner as for an original meeting.
- 10.11 **Voting:** At an Annual General Meeting or Extraordinary General Meeting (unless a poll is taken) a resolution put to the vote of Members shall be decided on a show of hands and a declaration by the Chair that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority. An entry to that effect in the minute book shall be conclusive evidence of the fact without further proof of the number or proportion of votes recorded in favour of, or against such resolution. A poll may be directed by the Chair or demanded by any Member present at the meeting and entitled to vote. A poll may be demanded either before the declaration of the result of a vote by show of hands or immediately thereafter before the meeting moves to the next business or adjourns.
- 10.12 **Resolutions:** Except as otherwise provided for in these Rules, resolutions at an Annual General Meeting or Extraordinary General Meeting shall be passed by a majority vote of the Members present and entitled to vote on the matter, which must include a majority of not less than sixty percent (60%) of the Full Members present. In the case of an equality of votes, the Chair of the meeting shall be entitled to a second or casting vote.

11. VOTES OF MEMBERS

- 11.1 **One vote per Member:** Each Member present at an Annual General Meeting or Extraordinary General Meeting shall be entitled to one (1) vote in respect of each item to be voted upon by Members at an Annual General Meeting or an Extraordinary General Meeting. For the purposes of these Rules, a Member shall be considered present at a meeting if that Member is represented by a representative appointed under Rule 4.12 or by a proxy appointed under Rule 12.
- 11.2 **Loss of voting rights:** Unless all Annual Subscriptions Fees (and any other monies) payable by any Member of the Association have been paid no Member shall be entitled to:
- (a) vote on any postal ballot or vote at any Annual General Meeting or Extraordinary General Meeting whether personally, by representative appointed under Rule 4.12, proxy, or attorney; or

(b) to exercise any privilege as a Member.

11.3 **Postal ballots:** Each Member voting on a postal ballot shall be entitled to one (1) vote and for the purposes of these Rules, that vote may also be exercised by a person nominated as a representative under Rule 4.12 or under a valid power of attorney.

12. PROXIES

12.1 **Appointment of proxies:** The instrument appointing a proxy shall be:

- (a) in writing in the usual form or in such other form as the Board may determine ; and
- (b) signed by the appointer or of his or her attorney duly authorised in writing, (or if appointed by a firm or corporation, either under its common seal or by its duly appointed representative).

12.2 **Timing:** The instrument appointing a proxy, and the power of attorney or other authority (if any) must be received at the registered office of the Association not less than forty-eight (48) hours before the time fixed for holding the meeting (or adjourned meeting) at which the person named in such instrument is authorised to vote. If the instrument of proxy is not received by the Association in accordance with this Rule, that proxy shall not be treated as valid.

12.3 **Vote valid unless revocation received:** A vote exercised in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy, unless the Association has received prior written notice of the death or revocation.

13. ACCOUNTS

13.1 **Accounts to be kept:** The Board shall cause proper books of account to be kept 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) all sales and purchases of goods by the Association; and
- (c) the assets and liabilities of the Association.

13.2 **Location of accounts:** The books of account shall be kept at the registered office of the Association and at such other place or places as the Board thinks fit, and shall always be open to the inspection of the Board.

- 13.3 **Presentation of accounts to Members:** The Board Representatives shall prepare and deliver to the Members at each Annual General Meeting the income and expenditure accounts, balance sheets and reports as are required by these Rules and any law or regulation.
- 13.4 **Prior provision to Members:** A copy of every balance sheet (including every document required by law to be annexed to the balance sheet) and a copy of the auditor's report which is to be presented to the Members at an Annual General Meeting, shall be sent to every Member not less than five (5) Working Days prior to the date of that Annual General Meeting.

14. AUDIT

- 14.1 **Appointment of auditor:** An auditor shall be appointed and shall hold office until such auditor resigns or is replaced at an Annual General Meeting.
- 14.2 **Auditor's report:** The auditor shall report on whether the financial statements are prepared in all material respects in accordance with the Association's accounting policies.
- 14.3 **Qualifications of auditor:** The auditor must be a suitably qualified person, and preferably a member of Chartered Accountants Australia and New Zealand, and must not be a Board Representative, or an employee of the Association. If the Association appoints an auditor who is unable to act for some reason, the Board shall appoint another auditor as a replacement.
- 14.4 **Board to cooperate and provide information:** The Board shall provide the auditor with:
- (a) access to all information which the Board is aware that is relevant to the preparation of the financial statements such as records, documentation, and other matters;
 - (b) additional information that the auditor may request from the Board for the purposes of the audit; and
 - (c) reasonable access to persons within the Association from whom the auditor determines is necessary to obtain evidence.

15. NOTICES

- 15.1 **Method of delivery of notices:** A notice required by these Rules to be given by the Association to any Member may be given as follows:
- (a) delivered personally; or
 - (b) sent by post, facsimile or electronic transmission (e-mail), to the address on the Register supplied by the Member to the Association for the purpose of giving of notices. If no address has been supplied, the Association may send the notice to the registered office

of the Member (or the Member's place of business in New Zealand) if it has no registered office in New Zealand.

15.2 Deemed delivery of notices: A notice sent by:

- (a) personal delivery shall be deemed to have been delivered at the time of delivery;
- (b) post shall be deemed to have been delivered at the expiration of forty-eight (48) hours after the letter is posted;
- (c) facsimile or e-mail shall be deemed to have been given at the time of transmission if sent on a working day between the hours of 9am and 5pm (“Working Hours”), or if sent outside of Working Hours, at 9am (local time) on the local working day most immediately after the time of sending.

15.3 Provision of notices: Notice of every Annual General Meeting and Extraordinary General Meeting shall be given in any manner authorised to:

- (a) every Member except those who (having no registered address within New Zealand) have not supplied to the Association an address within New Zealand for the giving of notices to them; and
- (b) the auditor, for the time being, of the Association.

No other person shall be entitled to receive notices of an Annual General Meeting or Extraordinary General Meeting.

16. CHIEF EXECUTIVE OFFICER

16.1 Appointment of CEO: There shall be a Chief Executive Officer of the Association who shall be appointed by the Board. The Chief Executive Officer will not by reason of holding such office be a Board Representative.

16.2 General duties of CEO: The duties of the Chief Executive Officer shall include representing the interests of the Members and providing management services to the Association. The Chief Executive Officer shall report to the Board and routinely to the Chair. The Chief Executive Officer shall be responsible for:

- (a) fostering an environment in New Zealand in which the Energy Industry flourishes;
- (b) representing the interests of the Energy Industry with central, regional and district government, government agencies, the private sector, non-governmental organisations, media and the general public;
- (c) promoting the Energy Industry and its members as responsible citizens in New Zealand; and

- (d) developing a positive public awareness of the Energy Industry and its members, in particular its contribution to economic development, and sensitivity to environmental issues; and
- (e) acting in accordance with the Association's Strategic Plan and Strategy, and co-opting and encouraging Members to do likewise, for the purposes of achieving the objects of the Association.

16.3 **Specific duties of CEO:** The specific duties of the Chief Executive Officer shall be those duties as determined by the Board and set out in an employment contract between the Association and the Chief Executive Officer, including ensuring compliance with the provisions of the Incorporated Societies Act 1908 as it relates to the filing of returns and giving of notice of any change in the registered office of the Association.

17. DISPOSING OF THE PROPERTY OF THE ASSOCIATION

In the event of the winding up of the Association, the assets of the Association shall be realised and the funds of the Association used to discharge its liabilities. In the event of any surplus funds then being held by the Association, those funds shall be disposed of to another New Zealand organisation or individual selected by the Board that has the same or similar objects as the Association.

18. REGISTERED OFFICE

The registered office of the Association shall be Level 6, EMC House, 5 Willeston Street, Wellington (or such place as the Board may determine from time to time). Notice of the first registered office and any change thereafter shall be notified to the Registrar of Incorporated Societies.

19. BY-LAWS

The Board may make, repeal and amend such regulations, by-laws and Codes of Practice as it may from time to time consider necessary for the wellbeing of the Association that are consistent with these Rules. Any such regulations, Bylaws or Codes of Practice may be set aside by Members voting in an Annual General Meeting or an Extraordinary General Meeting called for that purpose in accordance with Rule 10.12. A copy of any such regulations, Bylaws, Codes of Practice or of any alterations of the same shall be sent to each Member as soon as convenient after those regulations, Bylaws, Codes of Practice are passed.

20. ALTERATIONS OF RULES

20.1 **Amendment of Rules:** These Rules may only be amended, added to, rescinded or substituted by a resolution by vote at a meeting pursuant to Rule 20.2, or a resolution by postal ballot pursuant to Rule 20.3.

20.2 **Vote to amend Rules:** A resolution to amend, add to, rescind or substitute these Rules may be passed by vote at a meeting provided that:

- (a) a resolution is passed by a majority of not less than sixty percent (60%) of the Members present and entitled to vote at an Annual General Meeting or an Extraordinary General Meeting convened for the purpose, which must include a majority of not less than sixty percent (60%) of the Full Members;
- (b) written notice of the proposed amendment, addition or rescission or substitution shall have been given by the Chief Executive Officer to all Members not less than fifteen (15) Working Days before the meeting; and
- (c) the amendment, addition or rescission is accepted by the Registrar of Incorporated Societies.

20.3 **Postal ballot to amend Rules:** A resolution to amend, add to, rescind or substitute these Rules may be passed by postal ballot provided that:

- (a) written notice of the proposed amendment, addition, rescission or substitution must be given (“Ballot Notice”):
 - (i) to all Members that have supplied the Association with a New Zealand address for the giving of notices to them; and
 - (ii) at least fifteen (15) Working Days prior to the closing date of the postal ballot (and the closing date must be specified in the Ballot Notice together with the wording of the proposed changes and instructions on how to vote using the postal ballot);
- (b) the resolution is passed by a majority of not less than sixty percent (60%) of all Members who are entitled to vote and who do vote, which must include a majority of not less than sixty percent (60%) of the Full Members; and
- (c) the amendment, addition, rescission or substitution is accepted by the Registrar of Incorporated Societies.

21. MATTERS NOT PROVIDED FOR

If any matter shall arise which is not, or which in the opinion of the Board is not provided for by these Rules, the same shall be determined by the Board in such manner as it shall deem fit. Every such determination made by the Board under this Rule shall be binding on the Association and its Members unless and until set aside by a resolution of Members in accordance with Rule 10.12.

22. COMMON SEAL

22.1 **Common Seal:** The Board shall provide a common seal for the Association and may from time to time replace it with a new one. The Chief Executive Officer shall have custody of the common seal, which shall only be used by the authority of the Association. Every document

to which the common seal is affixed shall be signed by the Chief Executive Officer and countersigned by a member of the Board.