
CONSTITUTION OF RNZWCS LIMITED

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Companies Act 1993
CONSTITUTION
of
RNZWCS LIMITED
A Limited Liability Company

1. INTERPRETATION

Definitions

- 1.1 The following words have these meanings in this Constitution unless the contrary intention appears:

Administrator means the Administrator elected in accordance with Article 6.1(b).

Article means an Article of this Constitution.

Annual Meeting has the meaning ascribed to it in Article 4.1.

Board and Board of Directors in relation to the Company means those directors who number not less than the quorum specified in Article 7.2 of this Constitution acting together as a board of directors.

Chairperson means the Chairperson of the Board elected in accordance with Article 6.1(b).

Companies Act means the Companies Act 1993 as it may be amended or re-enacted from time to time.

Company means RNZWCS Limited.

Constitution means this constitution as it is amended from time to time.

Deputy-Chairperson means a Deputy-Chairperson of the Board elected in accordance with Article 6.9.

Director means a director as defined in Articles 6.1(a) or 6.1(b)

District means a District of Rotary International.

District Governor means an officer of Rotary International selected by a Rotary District in accordance with procedure set out in Article 12 of the RI Bylaws.

Financial Year means the period from 1st June in one year to 31st May of the next calendar year inclusive.

Member means a Person appearing in the register of Shareholders maintained by the Company as the owner of one or more shares.

New Zealand includes those countries, regions and territories normally considered to be "New Zealand" for the purposes of Rotary International.

Person includes a body corporate, or a firm, or an unincorporated body or an association or an authority or a trust.

Qualified Rotarian means a Rotarian meeting the qualifications for membership of the Board as determined by the Board from time to time.

Region has the meaning ascribed to it in Article 6.1(a).

Registered Office means the registered office for the time being of the Company.

RI means Rotary International.

Rotarian means a member of a Rotary Club in New Zealand, other than an honorary member.

Rotary means the body of Rotary clubs and Rotarians.

Rotary Club means a club recognised by Rotary International as a Rotary Club.

Rotary International means the association of Rotary Clubs throughout the world.

Rotary Year means the period from 1st July to 30th June of the next calendar year inclusive.

Special Meeting has the meaning ascribed to it in Article 4.2.

The Four-Way Test has the meaning stated in Rotary International's Guiding Principles.

Term has the meaning ascribed to it in Article 6.3.

World Community Service means primarily Rotary clubs from two or more countries working together to serve one of their communities through a particular project or projects mainly focused on:

- the relief of poverty, hunger, sickness or the ravages of war or natural disaster; or
- the economic development of developing countries (recognised as such by the United Nations); or
- raising the educational standards of a developing country (recognised as such by the United Nations)

and/or such other criteria defined from time to time by New Zealand Cabinet for organisations listed within Schedule 32 of the Income Tax Act 2007 ("Schedule 32").

(This updated definition of World Community Service was inserted in the Constitution by Amendment of the Constitution registered on the Companies Office website 6 August 2010)

Interpretation

- 1.2 In this Constitution unless the contrary intention appears:
- (a) words importing any gender include all other genders;
 - (b) the word person includes a body corporate, or a firm, or an unincorporated body or an association or an authority or a trust ;
 - (c) the singular includes the plural and vice versa;
 - (d) a reference to a law includes regulations and instruments made under the law;
 - (e) a reference to a law or a provision of a law includes amendments, re-enactments or replacements of that law or the provision.
- 1.3 Unless the contrary intention appears in this Constitution, an expression in this Constitution has the same meaning as in the Companies Act.
- 1.4 Headings are inserted for convenience and are not to affect the interpretation of this Constitution.

2. OBJECTS OF COMPANY

- 2.1 The Company is established to:
- (a) Encourage Rotary Clubs, Districts and others to participate in meaningful World Community Service projects;
 - (b) Co-ordinate the World Community Service activities of Rotary Clubs and Districts where this is considered necessary;
 - (c) Seek and select suitable World Community Service projects and to seek the active co-operation of Rotary Clubs and Districts in their execution;
 - (d) Encourage proper professional administration and reporting of World Community Service projects undertaken by Rotary Clubs and Districts;
 - (e) Act for Rotary Clubs and Districts in dealing with governments, national insurance underwriters, corporate affairs commissioners and other bodies and/or departments, concerning requests for overseas assistance and all matters consistent with the object of the Company;

- (f) Promote co-operation between Rotary Clubs, Districts, Regions and The Rotary Foundation as appropriate; and
- (g) Promote the use of The Rotary Foundation and government assistance to enhance the effectiveness of World Community Service projects.

2.2 The Company may only exercise the powers in the Companies Act to:

- (a) carry out the objects in this Article 2; and
- (b) do all things incidental or convenient in relation to the exercise of power under Article 2.2(a).

3. **INCOME AND PROPERTY**

Source of Income

3.1 The funds of the Company will be derived from such sources as the Board determines.

Management of Income and Property

3.2 Subject to the further provisions of this Article 3, the income and property of the Company will, subject to any obligations under any statutory requirements, be applied solely towards the promotion of the objects of the Company as set forth in Article 2 and no portion thereof will be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the Members other than a Member which is a body established for charitable purposes within New Zealand, and/or organisations listed within Schedule 32, and/or to overseas organisations whose purposes meet the criteria set by the New Zealand Cabinet for organisations to be listed within Schedule 32.

(Article 3.2 was inserted in the Constitution by Amendment of the Constitution registered on the Companies Office website 6 August 2010)

3.3 Nothing in this Constitution will prevent the payment by the Company:

- (a) of interest at a rate not exceeding interest at the rate for the time being charged by bankers in New Zealand for overdrawn accounts on money lent or the payment of reasonable and proper rent for premises demised or let to the Company;
- (b) of expenses to a Director under Article 15; or
- (c) in good faith of reasonable and proper remuneration to any contractor or employee in return for any services actually rendered to the Company.

3.4 No Director except a Director appointed as Administrator pursuant to Article 6.1(b) will be appointed to:

- (a) any salaried office of the Company; or

(b) any office of the Company paid by fees.

- 3.5 If upon winding-up or dissolution of the Company there remains, after satisfaction of all its debts and liabilities, any property whatsoever, that property shall only be distributed among the Members which are bodies established solely for charitable purposes or given or transferred to some other institution or institutions which are bodies established solely for charitable purposes within New Zealand.

(Article 3.5 was inserted in the Constitution by Amendment of the Constitution registered on the Companies Office website 6 August 2010)

4. **MEETINGS OF SHAREHOLDERS**

Annual Meeting

- 4.1 Annual Meetings of the Company are to be held annually, within seven months of the end of the most recent Financial Year if called for by a Member.

Special Meeting

- 4.2 All meetings of shareholders other than the Annual Meetings shall be called Special Meetings.

Power to convene Special Meeting

- 4.3 The Board may convene a Special Meeting whenever it thinks fit and must convene and arrange to hold a Special Meeting when requisitioned by Members in accordance with the Companies Act.

Notice of Meeting

- 4.4 Subject to the provisions of the Companies Act as to short notice, at least 10 days notice of an Annual Meeting or Special Meeting must be given in writing to each Member, exclusive of the day on which the notice is served or deemed to be served and of the day for which notice is given.

- 4.5 A notice of an Annual Meeting or Special Meeting must set out the place, date and time of the meeting and state:

- (a) the general nature of the business to be dealt with at the meeting;
- (b) that a Member who is entitled to attend and cast a vote at the meeting has a right to appoint a Member as a proxy; and
- (c) if the meeting is to be held in two or more places, the technology that will be used to facilitate the holding of the meeting in that manner.

- 4.6 If a special resolution is to be proposed, the notice of meeting must set out an intention to propose the special resolution and state the resolution.

- 4.7 The accidental omission to give notice of meeting to or the non-receipt of notice of the meeting by any Member shall not invalidate the proceedings at any meeting.

Right of attendance at Meeting

- 4.8 A Director is entitled to attend at any Annual Meeting or Special Meeting, to receive all notices of and other communications relating to any Annual Meeting or Special Meeting which a Member is entitled to receive and to be heard at any Annual Meeting or Special Meeting on any part of the business of the meeting, but those Directors who are not Members shall not be entitled to vote.

Cancellation or postponement of Annual Meeting or Special Meeting

- 4.9 Where an Annual Meeting or a Special Meeting (including an annual general meeting) is convened by the Board, they may, whenever they think fit, cancel the meeting or postpone the holding of the meeting to a date and time determined by them.
- 4.10 Written notice of cancellation or postponement of a Annual Meeting or a Special Meeting must be given to each Member individually and to such other person as is entitled under the Companies Act or this Constitution and must specify the reason for the cancellation or postponement (as the case may be).
- 4.11 A notice postponing the holding of an Annual Meeting or a Special Meeting must specify:
- (a) a date and time for the holding of the meeting;
 - (b) a place for the holding of the meeting, which may be either the same as or different from the place specified in the notice convening the meeting; and
 - (c) if the meeting is to be held in two or more places, the technology that will be used to facilitate this.
- 4.12 The only business that may be transacted at an Annual Meeting or a Special Meeting, the holding of which is postponed, is the business specified in the notice convening the meeting.
- 4.13 The accidental omission to give notice of the cancellation or postponement of an Annual Meeting or a Special Meeting to, or the non-receipt of any such notice by, any person entitled to receive notice does not invalidate that cancellation or postponement or any resolution passed at a postponed meeting.
- (a) Articles 4.9 to 4.12 (both inclusive) do not apply to a general meeting convened by Members under the Companies Act or by the Board pursuant to a requisition of Members under the Companies Act.

5. PROCEEDINGS AT ANNUAL MEETINGS AND SPECIAL MEETINGS

Written resolution

- 5.1 A document containing a statement signed by all the Members stating they are in favour of a resolution (other than a resolution requiring a special notice) in terms set out on the document shall be deemed to have been passed at an Annual

Meeting or a Special Meeting of the Company duly convened and held at the time at which the document was last signed by a Member. Two or more documents in like form, each signed by one or more Members, will be taken as a document signed by all Members for the purpose of this Article.

6. BOARD

Number of Directors

6.1

(a) Subject to the provisions of Article 6.1(b) below, the Board is to consist of up to six Qualified Rotarians as regional directors ("Regional Directors") as follows:

Region One - two Regional Directors selected from the northern part of the North Island of New Zealand north of a line from Port Waikato on the West Coast to Miranda on the West Coast of the Firth of Thames excluding the Coromandel Peninsula and including the Pacific islands which form part of Rotary International Zone 8 excluding Australia, Papua New Guinea, Timor Leste and the rest of New Zealand;

Region Two - two Regional Directors selected from the rest of the North Island of New Zealand including the Coromandel Peninsula;

Region Three - one Regional Director selected from the South Island of New Zealand north of a line from Haast on the West Coast to immediately south of Ashburton near the East Coast;

Region Four - one Regional Director selected from the rest of the South Island.

(b) The Regional Directors may appoint up to two further Directors (being suitably Qualified Rotarians) of the Company, one to act as Chairperson of the Board and one to act as Administrator to the Board. Such appointments will be made by a majority decision of the Regional Directors who may also remove the Chairperson and Administrator Directors.

(c) Directors must consent to act.

(d) Rotarians appointed to act as Directors shall ideally have demonstrated active involvement in World Community Service projects and have a strong interest in the Objects of the Company.

Appointment of Regional Director(s) of Regions to the Board

6.2 Appointment of Regional Directors will be conducted in such a way as to ensure that each Region will be permanently represented on the Board. When the Administrator becomes aware of a likely vacancy in a Region the Administrator shall call for applications from qualified Rotarians to be appointed as a Regional Director. Once the Administrator receives the details of an applicant Regional Director under Article 6.2 the Administrator shall provide those details to the Directors. The Directors will assess the World Community Service activity of the applicant and will consider whether there are other Rotarians in the particular Region who the Directors consider are more suitably qualified. The appointment of the most suitable Rotarian as a Regional Director will be made by the Directors at the next meeting of Directors.

Term of Board Members

- 6.3 Regional Directors shall be appointed for three years ("Term").
- 6.4 A Regional Director is eligible for re-appointment after one Term. A Regional Director shall not be eligible for further re-appointment as a Regional Director after serving two Terms.
- 6.5 A retiring Director may act until the conclusion of the meeting at which the Director retires.
- 6.6 A Regional Director must retire from the Board after two Terms and is not eligible for re-appointment as a Regional Director for at least three years. A person who has been a Regional Director (whether or not for two Terms) may be appointed as a Director to act as Chairperson or Administrator under Article 6.1(b).
- 6.7 A Regional Director may be removed from the Board by the unanimous vote of all other Regional Directors applying the Four Way Test to their proposed decision.
- 6.8 The appointment of Directors as Chairperson and Administrator shall be reviewed annually at the last meeting of the Board each Financial Year. If a Chairperson Director is not appointed then at the first Board meeting each Financial Year the Board will elect a Chairperson from among those appointed to the Board.
- 6.9 At the first Board meeting each Financial Year the Board will elect a Deputy-Chairperson from among those appointed to the Board.

7. PROCEEDINGS OF THE BOARD

Meetings of the Board

- 7.1 The Board will meet as required during each Financial Year at times and places determined by the Chairperson provided that not less than 14 days' notice is given in writing.
- 7.2 Five (or such other number as shall be unanimously agreed on by the Directors) Directors present in person is a quorum at a Board meeting.
- 7.3 If no quorum is present, the Board meeting will be adjourned to another date of which no less than 14 days notice will be given in writing to all Directors.
- 7.4 If at any meeting the Chairperson is not present within 15 minutes after the time appointed for the holding of the same the Directors present may choose the Deputy-Chairperson to be the Chairperson of the meeting or if the Deputy-Chairperson is not present any one of their number may be appointed as Chairperson of the meeting.

Questions decided by majority

- 7.5 Questions arising at a Board meeting are to be decided by a majority of votes and in the event of an equality of votes the Chairperson of the meeting has a casting vote.

Written resolution

- 7.6 A resolution in writing signed by all the Directors who are eligible to vote on the resolution is as valid and as effectual as if it had been passed at a meeting of the Board held at the time when the written resolution was last signed by an eligible Director. Any such resolution may consist of several documents in like form, each signed by one or more Director.

Meetings by use of technology

- 7.7 A Board meeting may be called or held using any technology consented to by each Director. The consent may be a standing one. A Director may only withdraw consent a reasonable time before the meeting.

Validity of acts of the Board

- 7.8 All acts of the Board or a person acting as member of the Board are valid notwithstanding that it is afterwards discovered that there was some defect in the appointment, election or qualification of them or any of them or that they or any of them were disqualified or had vacated office.

Minutes

- 7.9 The Board will cause minutes to be made in books provided for the purpose:
- (a) of all appointments of officers made by the Board;
 - (b) of the names of the Directors present at each Board meeting; and
 - (c) of all resolutions and proceedings at all meetings of the Board and of the Company.
- 7.10 The Chairperson will cause the minutes of all Board meetings to be sent to Members within 14 days after every Board Meeting.

8. VACATION OF OFFICE AND CONFLICT OF INTERESTS

Vacation of office

- 8.1 The office of a Director shall be vacated if:
- (a) the Director becomes bankrupt; or
 - (b) the Director becomes prohibited from being a Director by reason of any order made under the Companies Act; or

- (c) the Director becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health; or
- (d) the Director resigns his office by notice in writing to the Company; or
- (e) the Director ceases to be a Rotarian; or
- (f) the Director absents himself from the meetings of the Board for two consecutive meetings without special leave of absence by the Board; or
- (g) A Regional Director has been removed from the Board by the unanimous vote of all the other Regional Directors in accordance with Article 6.7; or
- (h) A Director becomes a District Governor.

8.2 The office of a Director shall not be vacated by reason only of the Director being concerned or participating in the profits of any contract with the Company by way of being a director or shareholder of a contracting company provided that prior to such contract being entered into the Director shall have declared the nature of the Director's interest in the manner required by the Companies Act.

Effect of Vacancy

- 8.3 A casual vacancy on the Board of Directors appointed in accordance with Articles 6.1 and 6.2 and the Director so appointed shall hold office for the remainder of the Term of the office which was vacant.
- 8.4 A vacancy in the office of Chairperson, Administrator or Deputy-Chairperson will be filled by action of the Directors.
- 8.5 The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the necessary quorum of Directors the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.

Board Member's interests

- 8.6 Subject always to the provisions of Article 3.4, a Director is not disqualified by the Directors office and the fiduciary relationship established by it, from holding any office, other than that of auditor, under the Company or a related body corporate. A Director may, subject to the Companies Act and this Constitution:
 - (a) contract or make any arrangement with the Company or any related body corporate whether as vendor, purchaser, broker, solicitor or accountant or other professional person or otherwise and any contract or arrangement entered or to be entered into by or on behalf of the Company or any related body corporate in which any Director is in any way interested is not avoided for that reason; and

- (b) participate in any association, institution, fund, trust or scheme for past or present employees or Directors of the Company or of any related body corporate, a related body corporate or any of their respective predecessors in business or their dependants or persons connected with them.

8.7 A Director who:

- (a) is involved in a contract or arrangement referred to in Article 8.6(a); or
- (b) participates in an association or otherwise under Article 8.6(b),

is not by reason only of that fact or any interest resulting from it or the fiduciary relationship established by it liable to account to the Company for any remuneration or other benefits accruing from it.

8.8 A Director or a firm of which the Director is a partner or employee may act in a professional capacity, other than as auditor, for the Company or any related body corporate and a Director or a Director's firm is entitled to remuneration for professional services as if the relevant Director was not a Director.

8.9 Each Director must disclose that Director's interests to the Company in accordance with the Companies Act.

8.10

- (a) A Director may only vote in respect of any contract or proposed contract or arrangement in which the Director has a material interest if the Director has first disclosed the interest to the Director in accordance with the Companies Act and if the Director is not permitted to vote under this Article but does so vote then that vote may not be counted.
- (b) The Director may be counted in the quorum present at any Board meeting at which the contract, proposed contract or arrangement or other matter is considered if the Director is permitted by the Companies Act to be present during the consideration.

8.11 For the purposes of Article 8.10, a Director does not have an interest in a matter relating to an existing or proposed contract of insurance merely because the contract insures, or would insure, the Director against a liability incurred by the Director as an officer of the Company or of a related body corporate. This Article does not apply if the Company is the insurer.

8.12 The restrictions contained in Article 8.10 may at any time or times be suspended or relaxed to any extent and either prospectively or retrospectively by resolution of the Company in general meeting, if that is permitted by the Companies Act.

8.13 A Director may, notwithstanding the Directors interest, and whether or not the Director is entitled to vote, or does vote, participate in the execution of any instrument by or on behalf of the Company and whether through signing the same or otherwise.

9. DUTIES AND POWERS OF THE BOARD

Board to Manage Company

9.1 The overall supervision of the affairs of the Company is vested in the Board and it may exercise all such powers and do all such things as the Company is authorised to exercise and do and are not by this Constitution or by statute required to be exercised or done by the Company in general meeting, subject nevertheless to the provisions of the Companies Act and of this Constitution, including the following:

- (a) the power to make such By-Laws as they shall think fit provided that the By-Laws are not inconsistent with this Constitution and such By-Laws will, following adoption by resolution of the Members, be binding on all Members. The Board has the power to amend or rescind from time to time any of such By-Laws;
- (b) the power to appoint such delegates to represent the Company as the Board deems necessary and with such powers as may be thought fit;
- (c) the power to determine who will be entitled to sign bills, endorsements, contracts, receipts and all other necessary documents on behalf of the Company; and
- (d) the power to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company.

9.2 The Board is to satisfy itself that:

- (a) all books and records are properly kept;
- (b) annual accounts are prepared and are audited by a registered company auditor appointed by the Board; and
- (c) all returns required by law are submitted and that all other legal requirements are complied with.

9.3 The Board is to report to the Members on the conduct of the Company once each Financial Year.

10. EXPENSES

10.1 Subject to the provisions of Articles 3.3, 3.4 and 8.8, a Director may not be paid any remuneration for services as a Director but is to be reimbursed out of the funds of the Company for such reasonable travelling, accommodation and other expenses as the Director may incur when travelling to or from meetings of the Board or when otherwise engaged on the affairs of the Board.

11. ACCOUNTS

11.1 The Board must cause the Company to keep accounts of the business of the Company in accordance with the requirements of the Companies Act.

11.2 The Board must cause the accounts of the Company to be audited in accordance with the requirements of the:

- (a) Companies Act;
- (b) any regulations made under the relevant legislation.

11.3 The Board must cause to be delivered to the Members:

- (a) on their completion, financial statements for the first six months of the year; and
- (b) after completion of the Financial Year, the final audited report of the Company.

12. INSPECTION OF RECORDS

12.1 Subject to the requirements in the Companies Act, and except as otherwise provided in this Constitution, the Chairperson will keep in his custody or under his control all records, books and other documents relating to the Company.

12.2 The records, books and other documents of the Company will be open to inspection, free of charge, by a Member at any reasonable hour.

13. AUTHENTICATION OF DOCUMENTS

Negotiable instruments

13.1 Bills of exchange, promissory notes and other negotiable instruments may be signed, accepted, drawn, made or endorsed on behalf of the Company in such a manner and by such persons as the Board determines.

14. NOTICES

14.1 The Company may give notice of a meeting to a Member:

- (a) personally;
- (b) by sending it by post to the address of the Member in the register of Members or the alternative address (if any) nominated by the Member; or
- (c) by sending it to the electronic address nominated by the Member.

14.2 If a notice is sent by post, delivery of the notice is deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and the notice is deemed to have been delivered on the day after the date of its posting.

A notice sent by electronic means, is taken to be given on the business day after it is sent.

15. **INDEMNITY AND INSURANCE**

15.1 Every person who is or has been:

- (a) a Director of the Company; or
- (b) a person making, or participating in making, decisions that affect the whole, or a substantial part, of the business of the Company; or
- (c) a person having the capacity to effect significantly the financial standing of the Company is indemnified where the Company is insured for any liability it has under this Article or may, if the Directors so determine, be indemnified where the Company is not insured for any liability it may have under this Article out of the property of the Company against:
 - (i) every liability incurred by the person in that capacity (except a liability for legal costs); and
 - (ii) all legal costs incurred by the person in defending or resisting (or otherwise in connection with) proceedings, whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved because of that capacity,

unless:

 - (iii) the Company is forbidden by statute to indemnify the person against the liability or legal costs; or
 - (iv) an indemnity by the Company of the person against the liability or legal costs would, if given, be made void by statute.

15.2 The Company may pay or agree to pay, whether directly or through an interposed entity, a premium for a contract insuring a person who has or has had a capacity mentioned in paragraph (a), (b), or (c) of Article 15.1 against liability incurred by the person in that capacity, including a liability for legal costs, unless:

- (a) the Company is forbidden by statute to pay or agree to pay the premium; or
- (b) the contract would, if the Company paid the premium, be made void by statute.

16. If any change is made to:

- (a) the Company's name; or
- (b) Articles 2, 3.2 or 3.5 of this Constitution

notification of such change shall be given to the Inland Revenue Department.

(Article 17 was inserted in the Constitution by Amendment of the Constitution registered on the Companies Office website 6 August 2010)

This version of the Constitution is dated 28 September 2023.