

**Youthtown Incorporated (an Incorporated Society pursuant to the  
Incorporated Societies Act 1908)  
("Youthtown")**

**NOTICE AND RESOLUTION OF ALTERATION OF RULES IN  
YOUTHTOWN'S CONSTITUTION**

**BACKGROUND:**

- A** The Members and the Board of Youthtown are in agreement that amendments to the Rules are necessary to update and modernise the Rules and to facilitate the efficient management and operation of Youthtown.
- B** The members therefore wish to alter the Rules to give effect to Recital A and acknowledge that the Rules must be altered in adherence with clause 19.1 of the Constitution (which requires agreement by a majority of at least two thirds of the members voting on the proposed terms to alter the Rules).
- C** The members therefore wish to pass the following resolutions to record the alterations to the Rules contained in the Constitution.

**RESOLVED** at Youthtown's **Extraordinary General Meeting, duly held on the 31<sup>st</sup> day of May 2017** by the requisite majority of members pursuant to clause 19.1 of the Constitution:

1. **THAT** the Rules of Youthtown are deleted and replaced by all of the Rules set out in the Constitution which is annexed to this Resolution.
2. **THAT** all previous Rules of Youthtown are hereby rescinded.

Dated the 31<sup>st</sup> day of May 2017.

**SIGNED** by (to be executed by at least two-thirds of the total number of members who were present at the **Extraordinary General Meeting** and who are entitled to vote at the **Extraordinary General Meeting**):

**Full Name**

**Signature**

BOB LEVELL

[Signature]

ALAN ROWLAND

[Signature]

Veil Prentice

[Signature]

Kenneth John NEWLANDS

R. J. Newlands

BEN LOWES

[Signature]

Full Name

Signature

Ross Pearce

RW Pearce

David Martin

DM Martin

Henrietta McNeill

H McNeill

Anya Sahyanand

AS

A.J. (BOUCH) BIECHELORIAN

A. Bieche

Andree Atkinson

AA

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# **YOUTHTOWN INCORPORATED**

## **RULES**

**The Rules were adopted by an Extraordinary General Meeting on 31 May 2017.  
All previous Rules were rescinded.**

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1. INTERPRETATION

1.1 Definitions: The words and phrases used in these Rules shall mean as follows:-

“AGM” means Annual General Meeting of Youthtown;

“Appointed Board Member” means a Board Member appointed under Rule 6;

“Board” means the Board of Youthtown appointed and elected under Rule 6;

“Board Member” means a member of the Board including an Elected Board Member an Appointed Board Member and a co-opted Board Member;

“Chairperson” means the Chairperson of the Board determined under Rule 6.5;

“Chief Executive Officer” means the Chief Executive Officer of Youthtown;

“Deputy Chairperson” means the Deputy-Chairperson of the Board determined under Rule 5.5;

“Elected Board Member” means a Board Member elected under Rule 6;

“General Meeting” means an Annual General Meeting or an Extraordinary General Meeting;

“Life Member” means a person who has been granted life membership of Youthtown under Rule 4;

“Member” means the individuals as specified in Rule 4;

“Ordinary Resolution” means a resolution passed by a majority of votes properly cast;

“Patron” means the person or persons appointed by Youthtown under Rule 5;

“Rules” means these Rules and “Rule” has a corresponding meaning;

“Youthtown Incorporated” means the incorporated society referred to in these rules as “Youthtown”

1.2 Construction: In these Rules:-

- (a) a gender includes all other genders;
- (b) the singular includes the plural and vice-versa;
- (c) any reference to legislation includes a modification or re-enactment of, legislation enacted in substitution of, or a regulation, order-in-council or other instrument from time to time issued or made under, that legislation;

- (d) any agreement includes that agreement as modified, supplemented, innovated or substituted from time to time;
- (e) a reference to person includes bodies corporate;
- (f) a reference to a "day" means any day of the week and is not limited to working days, unless specified otherwise;
- (g) a reference to a person includes the legal personal representatives, successors and permitted assigns of the person;
- (h) headings and the contents are for reference only and are to be ignored in construing these Rules.

## 2. **NAME AND REGISTERED OFFICE**

- 2.1 The name of the association shall be the Youthtown Incorporated ("Youthtown").
- 2.2 The registered office of Youthtown shall be at such place as determined by the Board.

## 3. **PURPOSE**

- 3.1 The purpose of Youthtown is to:
  - (a) Empower young New Zealanders to be the best they can be.
  - (b) Do anything necessary or helpful to the above purpose.

## 4. **MEMBERSHIP**

- 4.1 The membership of Youthtown shall consist of:

Ordinary Members: Any person aged 16 years and over on application and approval by the Board under Rule 4.2 and payment of the annual subscription.

Life Members: Any Ordinary Member, whom on recommendation and notice of resolution from the Board to a general meeting is elected to life membership for meritorious services to Youthtown.

- 4.2 A person wishing to become an Ordinary Member must apply in writing to the Chief Executive Officer (or such other nominated person (from time to time)) on the prescribed new membership form. The application will be considered by the Board who will determine by unanimous agreement whether the applicant is suitable to be elected for membership. The Board retains the right, at its sole discretion, to withhold its approval of membership.

Such instances where approval may be withheld, include, by way of example and without limitation, where the Board determines that the person is not of good repute and/or is not satisfied that the person's membership application is genuine spirited and may be motivated by self-interest only and/or for purposes that are not in the overall interest of Youthtown as an organisation.

- 4.3 Membership is for the period of one year i.e. it must be renewed annually.

- 4.4 For clarity, any person who holds a “gym membership” or similar concession for the use Youthtown’s facilities does not automatically confer membership in terms of this Rule 4. Any person who wishes to become a member of Youthtown must apply and be approved as an Ordinary Member as set out in Rule 4.2.
- 4.5 All members are bound by these Rules, the regulations, by-laws, policies and procedures (from time to time) of Youthtown.
- 4.6 Membership may be withdrawn, suspended or terminated by the Board if a member fails to comply with these Rules including any codes of conduct or requirements set out in the regulations, by-laws, policies or procedures (from time to time) of Youthtown or if a member acts in a manner which is considered by the Board to be harmful to Youthtown or inconsistent with the standards of behaviour expected of a member.
- 4.7 The annual subscription of ordinary members for the ensuing year shall be fixed at the Annual General Meeting.
- 4.8 All subscriptions shall be payable first on application for membership and approval by the Board under Rule 4.2.
- 4.9 No member whose subscription is in arrears shall be entitled to any of the privileges of membership to speak or vote at any meeting of Youthtown or the Board.
- 4.10 Every member of Youthtown shall communicate to the Chief Executive Officer any change in their address and all notices posted to the last notified address shall be valid and deemed to have been given on the day following the date of posting.
- 4.11 Any member may resign their membership at any time by notifying their resignation in writing to the office of Youthtown. Thereupon they shall cease to be a member, however membership fees will not be apportioned and no refund made.
- 4.12 No member of Youthtown shall because they are a member acquire any right, title or interest, either legal or otherwise in the property of Youthtown.

## 5. **PATRON**

- 5.1 Youthtown may appoint a patron or patrons who need not be a member of Youthtown.

## 6. **THE BOARD**

- 6.1 The affairs of Youthtown shall be governed by a Board formed in accordance with this Rule. The Board shall, through clearly defined delegations of authority, delegate to the Chief Executive Officer the day-to-day management of the business of Youthtown.
- 6.2 The composition of the Board shall comprise a maximum of 10 members as follows:
- No more than eight (8) shall be elected at the Annual General Meeting; and

- The remaining two (2) positions may be filled by appointment by the elected members of the Board.
  - Vacancies may arise between AGM's due to resignation, death, ineligibility or removal of elected Board Members. A vacancy may be filled by co-option of a Board Member for the remainder of the term of the board member they are replacing.
- 6.3 Any members of Youthtown can nominate a member to serve on the Board. Each nomination must be signed by the Proposer and Seconder and the Nominee and sent to Youthtown's Chief Executive Officer four (4) days before the Annual General Meeting.
- 6.4 The term of office for both elected and appointed Board Members shall be three (3) years commencing at the AGM at which the member was elected or in the case of an appointment at the last AGM.
- 6.5 The Chairperson and Vice Chairperson shall be elected by the Board after each Annual General Meeting. The Vice Chairperson will act in the role as Chairperson where this is agreed with the Chairperson in their absence or when the Chairperson is ineligible to continue by virtue of Rules 6.6 and 6.7;
- 6.6 A person will not be eligible to be appointed as a Board Member or to continue to hold office as a Board Member, if the person is:
- a person who is under the age of 16 years.
  - a person who is an undischarged bankrupt or who is a discharged bankrupt but is prohibited by court order from engaging in any form of business activity;
  - a person who has been:
  - convicted of any crime involving dishonesty, within the meaning of section 2(1) of the Crimes Act 1961, and sentenced for that crime within the last seven years; or
  - convicted of any offence punishable by a term of imprisonment of two or more years, or sentenced to imprisonment for any offence, unless that person has obtained a pardon;
  - a person who is prohibited from being a director or promoter of, or from being concerned or taking part in the management of, a company under any of the Companies Act 1993, the Securities Act 1978, the Securities Market Act 1988, the Takeovers Act 1993 or convicted under the Financial Markets Conduct Act 2013;
- 6.7 In any event a Board Member may be removed by the majority resolution of the other Board Members without providing any reasons.

## 7. **POWERS AND DUTIES OF THE BOARD**

- 7.1 To convene a board meeting immediately following the Annual General Meeting to elect:
- The Chairperson
  - The Vice Chairperson
  - Two Board Members as representatives on the Youthtown Foundation



- 7.2 To act in good faith and the best interests of Youthtown at all times and in accordance with the principles of good governance;
- 7.3 To see that the requirements of these Rules and any other statutory requirements are met;
- 7.4 To adopt and regularly review a strategic plan for Youthtown which will include a vision, goals and values for long term success;
- 7.5 To ensure that the Board decisions are aligned to Youthtown's values, and support the achievement of Youthtown's vision and goals;
- 7.6 To adopt clearly defined delegations of authority from the Board to the Chief Executive Officer;
- 7.7 To adopt and regularly review an annual plan and budgets and to monitor results against the annual plan and budget;
- 7.8 To ensure that Youthtown has in place all the necessary systems, controls, processes and procedures including those for monitoring and reporting performance and results;
- 7.9 To appoint one or more sub-committees of the Board as is required from time to time to consider specific matters or areas and to bring reports or recommendations to the Board. Each sub-committee shall have a Terms of Reference approved by the Board.
- 7.10 To ensure Board Meetings are held as follows:
  - To meet as a Board at least six (6) times a year to consider the business of Youthtown;
  - To ensure that a record is kept of all board meetings;
  - To observe the requirement that a quorum for any board meetings, save insofar as expressly stated in the Rules hereto shall be five (5);
  - Each Board Member shall have one vote at board meetings;
  - Board Members may participate in any board meeting by any means of electronic communication and vote as if they are present.
- 7.11 To serve, if elected as Chairperson by the Board, not more than six (6) consecutive years in that office, providing the Board Member concerned is re-elected at subsequent Annual General Meetings or appointed by the Board and then re-elected by the elected Board in accordance with Rule 6.5.
- 7.12 A resolution in writing signed or consented to by email or other electronic communication by a majority of the Board shall be valid as if it had been passed at a meeting of the Board. Such resolutions shall be ratified at the following board meeting.

## 8. YOUTHTOWN FOUNDATION

- 8.1 Youthtown Foundation is a charitable trust settled to support Youthtown to achieve its purpose of empowering young New Zealanders to be the best they can be.
- 8.2 The Chairperson and two other Board Members of Youthtown are appointed Trustees of the Youthtown Foundation.
- 8.3 To enable the relationship and communication between Youthtown Foundation and Youthtown the Trustees of the Youthtown Foundation and the Board Members of Youthtown will meet at least annually to discuss Youthtown's capital and income requirements in the coming year(s) and the Youthtown Foundation's investment strategy.

## 9. GENERAL MEETINGS

- 9.1 The Chairperson of the Board will chair the General Meeting unless unavailable or unwilling at which time the Board will elect a person to Chair;
- 9.2 An Annual General Meeting of Youthtown shall be held not later than five (5) months after balance date in each year at such time and place as shall be fixed by the Board.
- 9.3 If for any reason the Annual General Meeting is later than the above mentioned date, the business attended to and decisions made at the meeting shall have the force as if they were made at a meeting prior to the date mentioned in Rule 9.2.
- 9.4 At least fourteen (14) days notice of such an Annual General Meeting and twenty-one (21) days notice of an Extraordinary General Meeting stating the nature of the business to be brought before the Meeting shall be given to the members, by posting such notice on Youthtown's website (if any).
- 9.5 The business of an AGM shall include:
- Election of Board Members;
  - The receipt from the Board of an annual audited financial report for the preceding financial year;
  - Any resolution(s) proposing to alter these Rules;
  - Any other resolutions or matters, including general business, that have been properly submitted for consideration at the AGM.
- 9.6 The Board may, whenever it thinks fit and shall upon a requisition in writing by ten (10) ordinary members, convene an Extraordinary General Meeting. Any such requisition shall specify the objects of the meeting requisitioned and shall be signed by the members of Youthtown making the same and shall be deposited with the Chief Executive Officer of Youthtown. The meeting must be convened for the purpose specified in the requisition if convened other than by the Board for their purposes only. In case the Board, after fourteen (14) days after such deposit fail to convene an Extraordinary General Meeting to be held within twenty one (21) days from the time of such deposit the requisitionists, or a majority of them, may themselves convene a

meeting to be held no later than three (3) calendar months after the date of such deposit. Ten (10) clear days notice specifying the place, the day and the hour of any Extraordinary General Meeting and purpose for which it is to be held, shall be given either by an advertisement in a public newspaper circulating in the District of Auckland or by notice on Youthtown's website.

9.7 No business shall be transacted by a General meeting unless a quorum of members is present at the time when the meeting proceeds to business.

9.8 The quorum for a General meeting shall be five (5).

- Each member shall have one vote at a General Meeting;
- Each member may participate in any General Meeting by any means of electronic communication and vote as if they are present.

9.9 The Chairperson shall, when the discussion has finished on a resolution put the same to vote, giving the words of the resolution clearly so that no member may misunderstand the question on which he is about to vote. A resolution will be passed by a majority vote by whatever voting method the Chairperson determines is appropriate in the circumstances i.e. voice, show of hands, ballot, proxy.

9.10 An agenda containing the business of the General Meeting will be circulated to members prior to the meeting. Minutes shall be kept of all General Meetings and be available to all members on request. Any errors or omissions in notices, agendas, minutes, resolutions or other papers of General Meetings or the time frames that these were required will not invalidate the meeting nor prevent it from considering the business of the meeting.

## 10. FINANCES

10.1 The financial year ends 30 June in each year.

10.2 An annual financial report that complies with relevant New Zealand accounting standards shall be prepared by the Board, and audited by a chartered accountant. The annual financial report for the preceding financial year shall be presented to each AGM.

10.3 The Board is responsible for the receipt and payment of all monies of Youthtown and all bank account(s) must be operated in accordance with the policy determined by the Board.

10.4 The Board must ensure correct accounting records are kept. The accounting records of Youthtown must be kept at the office of Youthtown or at such place as the Board may determine.

## 11. STATUTORY REQUIREMENTS

11.1 Youthtown shall make the returns required by the Incorporated Societies Act 1908 (or its amendments) or other statutory provision for the time being in force and shall comply with all the requirements of Statutes and Regulations.

**12. COMMON SEAL**

- 12.1 Youthtown shall have a Common Seal which shall be in the custody of the Chairperson (from time to time) of the Board and which shall be fixed to any deed or document only in pursuance of a resolution of the Board and the fixing shall be witness by two members at least of the Board.

**13. ALTERATION OF RULES**

- 13.1 These Rules shall be added to, repealed or amended by resolution at any General Meeting by resolution by a majority of members voting thereon and provided that notice of such meeting and the business to be transacted thereat shall have been given as provided by Rule 9.

**14. WINDING UP**

- 14.1 Youthtown may be wound up voluntarily if Youthtown by resolution by a majority of members voting thereon at a General Meeting and provided that notice of such meeting and the business to be transacted thereat shall have been given as provided by Rule 9 or by decision of a Judge of the High Court of New Zealand. Upon Youthtown being dissolved all costs, debts, and liabilities shall be paid and the balance subject to any trust affecting the same, be disposed of, not by distribution among the members of Youthtown, but Youthtown's assets should be disposed of by transferring to some other organisation(s) having a purpose similar to the purpose of Youthtown and which shall prohibit the distribution among its or their members to the extent at least as great as is imposed on the members of Youthtown.

**15. INDEMINITY**

- 15.1 Youthtown shall indemnify its Board Members, Chief Executive Officer and other staff of Youthtown against all damages, costs (including legal costs) for which any such Board Member, Chief Executive Officer and other staff may be or becomes liable as a result of their acts and omissions in performing their functions connected with Youthtown, except occurring as a result of their negligence or wilful misconduct.

**16. PROHIBITION ON PERSONAL BENEFITS**

- 16.1 No member or person associated with Youthtown or a member may participate in or materially influence any decisions of Youthtown in respect of the payment to or behalf of that person or member of any income, benefit or advantage.
- 16.2 Any such income paid or benefit or advantage conferred must be reasonable and relative to that which would be received in an arm's length transaction (being the open market value). This Rule and its effect must not be removed from these Rules and must be included in any alteration, addition to or revision to these Rules.

17. **REMUNERATION AND REIMBURSEMENT OF BOARD MEMBERS**

- 17.1 **General Remuneration:** Subject to Rule 16, a Board Member may be remunerated for services provided by the Board Member in connection with Youthtown (including services provided as a Board Member), provided that any such remuneration is reasonable having regard to that Board Member's duties and responsibilities, the services provided, and any remuneration paid to that Board Member for services in accordance with Rule 16.2.
- 17.2 **Professional Remuneration:** Subject to Rule 16, any Board Member engaged in any profession, business or trade may be paid all usual professional, business and trade charges for services requested by Youthtown that are provided by that person or by that person's employee or partner, including acts which the Board Member, not being in any profession, business or trade, could have done personally.
- 17.3 **Remuneration Restrictions:** In relation to any remuneration to be paid under Rules 17.1 to 17.2:
- 17.3.1 **Fair Market Value:** the amount of the remuneration to be paid under Rules 17.1 to 17.2:
- 17.3.2 **Business Income Restriction:** if the remuneration is a benefit or advantage in respect of which Rule 16 applies, no Board Member receiving the remuneration, and no person associated with such Board Member, may determine or materially influence, directly or indirectly, the nature or amount of that remuneration or the circumstances in which it is to be provided.
- 17.4 **Reimbursement of Expenses:** A Board Member is entitled to be indemnified against and reimbursed for expenses properly incurred by the Board Member in connection with Youthtown, including travel and other expenses in accordance with policy.