

---

RULES

---

**RAINBOW SPORTS CLUB INCORPORATED**

Revised March 28, 2017

## Table of Contents

Interpretation.....	1
Objects .....	1
Membership and Subscription .....	2
Register Of Members.....	3
Management Of Committee And Appointment And Removal Of Committee .....	3
Meetings of Committee .....	4
Control of Funds.....	5
Annual General Meeting the of Association.....	5
Meetings.....	6
Accounts .....	7
Auditor.....	7
Indemnity.....	7
Finance.....	8
Borrowing and Investment and Powers .....	8
Common Seal.....	8
Registered Office .....	9
Alteration of rules .....	9
Remuneration of Members – Members Personal Benefit.....	9
Sub-Committees.....	10
Liquidation of Association.....	10
General.....	11
To Receive Gifts .....	12
To Invest .....	12
To Retain Investments .....	12
To Deposit Funds.....	12
To Not Invest .....	13
To Not Diversify Investments.....	13
To Acquire Property .....	13
To Sell Property .....	13
To Postpone Sale .....	13
To Disclaim Onerous Property .....	13
To Rent, Lease, Bail, Licence.....	14
To Take on Leases, Tenancies, Licence or Concessions.....	14
To Sell or Lease to a Member.....	14

---

To Maintain and Develop Property .....	14
To Exchange .....	14
To Insure .....	14
To Carry On Business.....	15
To Promote or Form Companies / Entities .....	15
To Operate Bank Accounts.....	15
To Borrow .....	15
To Repay Debt.....	16
To Vary Terms of Debt.....	16
To Make Loans and Advances.....	16
To Waive Debts .....	16
To Guarantee Obligations.....	16
To Grant and Acquire Options.....	16
To Maintain Reserve Funds.....	16
To Settle Accounts.....	17
To Employ .....	17
To Appoint Agents.....	17
To Appoint Attorneys .....	17
To Surrender Powers or Discretions.....	17

**INCORPORATED SOCIETIES ACT 1908**

**RULES OF**

**Rainbow Sports Club (Incorporated)**

**NAME**

The name of the Association shall be **RAINBOW SPORTS CLUB (INCORPORATED)**.

**Interpretation**

- 1.1 “the Association” shall mean **Rainbow Sports Club** (Incorporated);
- 1.2 “the Committee” shall mean the Committee elected pursuant to these rules.

**Objects**

- 2.1 The objects of the Association shall be:
- 2.2 To promote and further snow and mountain sporting activities, outdoor recreation and education, and in particular the enjoyment and pursuit of mountain winter sports in the Nelson - Marlborough regions.
- 2.3 To encourage and support people to enjoy the outdoor environment, appreciating the physical health benefits of such activities and in interacting with the physical environment, recognising and appreciating the necessity for safety in mountainous regions.
- 2.4 To help and encourage people, in particular as amateurs, who enjoy snow skiing, snow boarding and other sports associated with mountainous areas, particularly in the Nelson - Marlborough regions.
- 2.5 To carry on such other objects as the Committee deems appropriate from time to time which directly and indirectly advances the above objects.
- 2.6 To use the funds of the Association as the Committee may consider necessary or proper in payment of the costs and expenses in furthering or carrying out the

objects of the Association including the employment of advisors, agents and employees as necessary or expedient from time to time.

- 2.7 To subscribe to or become a member of and co-operate with any other Association whether incorporated or not whose objects are similar in part to those of the Association.

### **Membership and Subscription**

- 3.1 Any individual or entity who subscribes the amount determined by the Committee as the subscription or annual fee to become a member of the Association and makes application for membership on the form provided by the Committee will become a member of the Association with such rights and privileges as determined by the Committee from time to time, however the Committee in their discretion shall have the right to refuse membership to any person or entity.
- 3.2 Members may be individuals or entities who subscribe to the objects of the Association, and membership shall be available for members of the Mount Robert Snow Sports Club on terms and conditions as set down by the committee from time to time.
- 3.3 Any member whose fee or subscription has not been paid within six months of the financial year of the Association shall at the end of such time automatically, and without further action or notification cease to be a member.
- 3.4 Any member wishing to resign shall give written notice of his/her/its resignation to the Committee, and then shall cease to be a member of the Association.
- 3.5 The Committee shall have the right after giving due consideration, expel any member who may act in any manner which in the opinion of the Committee, would be prejudicial to the interests of the Association and whose continued membership in the Association would in the opinion of the Committee be undesirable.
- 3.6 The Association may appoint Honorary members who shall enjoy the rights of membership on such terms set down by the Committee.

---

## Register Of Members

- 4.1 The Committee shall keep a register of members containing the names and contact address's and details of the members and the dates on which they became members.

## Management Of Committee And Appointment And Removal Of Committee

- 5.1 The Association shall be managed by the Committee and the Committee shall be appointed and removed in the following manner:

5.1.1 The management of the Association shall be vested in the Committee and there shall be a minimum of 4, and a maximum of 7 Committee members at any one time. The preferred ratio of representation is a minimum of 2 each from Tasman, Nelson, and Marlborough, with a balance of gender and age representing the stakeholders.

5.1.2 The Committee may appoint additional persons to hold the office of Committee members, or to replace Committee members who are no longer able to act as a Committee member for whatever reason, provided that the maximum number of Committee members proscribed in 5.1.1 is not exceeded.

5.1.3 The Committee may appoint ex-officio members by virtue of their professional position within the Association, to advise on the management of the Association. Ex-officio Committee members shall not have voting rights on the Committee.

5.1.4 The Committee may appoint Associate Committee members who may participate in the management of the Association, but who shall not have voting rights on the Committee. There shall be a maximum of 3 Associate Committee members at any one time.

5.1.5 The Committee may remove any Committee member from the Committee if all the other Committee members agree.

5.1.6 A Committee member may resign his or her office by notice in writing to the Association.

- 5.1.7 A Committee Member may be replaced by the then current Committee members if he or she:
- 5.1.7.1 dies
  - 5.1.7.2 gives notice in writing to the other Committee Members
  - 5.1.7.3 becomes unable by reason of physical or mental infirmity to discharge his or her duties as a Committee Member
  - 5.1.7.4 becomes bankrupt or makes any arrangement or composition with his or her creditors generally
  - 5.1.7.5 is convicted of any indictable offence
  - 5.1.7.6 If he or she on the vote of 50% or more of the members present at the Annual General Meeting of the Association or a meeting specially convened in respect of the appointment or removal of a Committee Member, is so removed or appointed.
- 5.1.8 The continuing Committee members may make an appointment of a Committee Member to fill any vacancy occurring for the remainder of the term of the member being replaced.
- 5.1.9 By appointment at the Annual General Meeting of the Association in accordance with paragraph 8.2.6.

### Meetings of Committee

- 6.1 Each Committee member shall have one vote, the chairperson shall have an additional vote by way of a casting vote, however the Association recognises the desirability of consensus decision making and will endeavour to reach decisions on that basis following full consultation and consideration of issues at that time.
- 6.2 Meetings of the Committee shall be held at such times and at such place as the Committee shall from time to time determine. At any meeting of the Committee a majority of the Committee members shall form a quorum. All questions before the Committee shall be decided by a simple majority of the valid votes recorded at the meeting.
- 6.3 The Committee shall appoint officers of the Association as follows:

6.3.1 The Committee shall appoint any one of them to be President, and any one of them to be Chairman, and may determine the roles and responsibilities of these officers as it sees fit from time to time.

6.3.2 The Committee shall appoint any one of them to be Secretary, and any one of them to be Treasurer, or may appoint a member or other independent person to such office(s), and such independent person shall be responsible to report to the Committee in the manner set out by the Committee from time to time.

6.4 The Committee shall keep a minute book of their proceedings.

6.5 The Committee may from time to time make regulations as to their meetings and the conduct of their business and otherwise as to the management of the Committee fund.

6.6 Meetings of Committee may take place by conference telephone call or such other method as determined by the Committee from time to time.

#### **Control of Funds**

7.1 The Committee shall keep an account at such bank as they shall from time to time determine and the cheques shall be signed and endorsed by such persons as the Committee shall from time to time direct. The income and property of the Association shall be applied towards the promotion of the objects of the Association but this shall not prevent payment of the administration expenses of the Association.

#### **Annual General Meeting the of Association**

8.1 No later than the 31st day of March in each year or such other month as the Committee may from time to time determine a general meeting of the Committee to be called "the Annual General Meeting" shall be summoned by the Committee in the manner hereinafter prescribed.

8.2 Business to be transacted at the Annual General Meeting shall be:

- 8.2.1 To approve the minutes of the previous Annual General Meeting and any other General Meeting which may have been held since the date of the last Annual General Meeting;
- 8.2.2 To receive and consider the Annual Report from the Committee;
- 8.2.3 To receive and decide the order of income and expenditure account and balance sheet for the preceding year;
- 8.2.4 To consider any resolution, notice of which shall have been given to secretary at least 14 days before the date of the Meeting;
- 8.2.5 To consider and decide any other matter which may be properly brought before the Meeting.
- 8.2.6 To appoint one or more Committee member(s) for the ensuing year.

### **Meetings**

- 9.1 Notice of the Annual General Meeting and notice of all special, or general meetings of the Association will be sent to all current members at their last known address at least 14 days prior to the date set for the meeting, PROVIDED HOWEVER, if the Committee deems the reason for such meeting to be of particular significance then the Committee, at their discretion shall have the right to abridge the notice of such meeting to 5 days, and in that event by giving the members 3 days notice of such meeting, stating the business to be discussed, by mailing all current members at their last known address, the notice shall set out the time and place and subject matter of the meeting.
- 9.2 At all general and special meetings of the Association each member present shall be entitled to one vote, in the case of an equality of votes the chairperson of the Committee shall have a casting vote.
- 9.3 Voting on all questions shall be taken in the manner as the chairperson shall direct, a ballot may be demanded by one third of the members present on any question before the meeting and such ballot shall be conducted as the chairperson of the meeting shall direct.

- 9.4 10 Current members shall constitute a quorum for any general meeting of the Association.
- 9.5 Any member who is unable to attend a general or special meeting may present a proxy vote in writing to the secretary of the Association, such notice of proxy must be filed with the chairperson of the Committee one hour before the commencement of the meeting, and be in a format and manner acceptable to the chairman.
- 9.6 A special meeting shall be convened by the Committee upon a written requisition signed by not less than 10 financial members of the Association setting out in detail the business which is to be brought before the meeting.
- 9.7 Only current financial and Honorary members shall be entitled to vote.

#### **Accounts**

- 10.1 The Committee shall cause proper books of account to be kept in which shall be kept true and complete accounts of the affairs and transactions of the Association. The accounts shall be open to inspection to any member or any person or entity approved of by the Association.

#### **Auditor**

- 11.1 The accounts of the Committee shall be audited by a Chartered Accountant who shall not be a member of the Committee and who shall be appointed annually by a majority of the Association.

#### **Indemnity**

- 12.1 The Committee shall be absolutely free from any responsibility for any losses which may be incurred in the exercise of any of the powers or discretions vested in the Committee under this Deed or in the management of the Association Fund and shall be entitled to be fully indemnified out of the Association Fund unless the liability was incurred by the Committee through his or her own dishonesty.

"Liability" means all costs, charges, losses, damages, expenses, penalties and liabilities of any kind incurred in defending proceedings or appearing before any Court, Tribunal, Government authority or otherwise.

### **Finance**

- 13.1 All monies received on account of the Association shall be paid to its credit at the offices of its banker within seven days of receipt.
- 13.2 All accounts shall be submitted to the Committee for examination and for approval or confirmation of payment.
- 13.3 All payments by the Association shall be made by cheque. Each cheque shall be signed by one of the members of the Committee appointed by the Committee for that purpose and by the treasurer or secretary/treasurer as the case may be.
- 13.4 The financial year of the Association shall commence on the 1st day of December in each year and end on the 30<sup>th</sup> day of November in the year following.

### **Borrowing and Investment and Powers**

- 14.1 The Association shall have the powers set out in Schedule One, and any money the Association holds may be invested by the Committee in such manner as it may from time to time determine.
- 14.2 Any money of the Association may be invested by the Committee in such manner as it may from time to time determine.

### **Common Seal**

- 15.1 The Common Seal of the Association shall be that adopted by the Committee who shall be responsible for safe custody and control of it.
- 15.2 Whenever the Common Seal of the Association is required to be affixed to any deed, document or instrument it shall be affixed pursuant to a resolution of the Committee in the presence of the Chairperson and two members.

### **Registered Office**

- 16.1 The registered office shall be at such place in the Nelson/Marlborough district as the Committee decides from time to time.

### **Alteration of rules**

- 17.1 These Rules may be altered, added to or rescinded or otherwise amended by resolution passed by a 75% majority of those present at a Special General Meeting or General Meeting of which seven days notice has been given.
- 17.2 Every such notice shall set out the purport of the proposed alteration, addition, rescission or other amendment.
- 17.3 Copies of the alteration, addition, rescission or amendment shall be forthwith delivered to the Registrar of Incorporated Societies in accordance with the provisions of the Incorporated Societies Act 1908.
- 17.4 Notwithstanding any other proviso herein, no addition or alteration or amendment shall be effected if that alteration or addition or amendment would result in the Association losing exemption from income tax under section CB4(1)C and/or section CB4(1)E of the Income Tax Act 1994 (and amendment) and provided further that no alteration to these rules shall be effected without the prior approval of the Commissioner of Inland Revenue that such amendment would not result in the Association losing its exemption from income tax under section CB4(1)C and/or CB4(1)E of the Income Tax Act 1994 (and amendment) or if such approval is not forthcoming by the approval of the same by court of competent jurisdiction.

### **Remuneration of Members – Members Personal Benefit**

- 18.1 Notwithstanding any other proviso herein, in connection with any business carried on by the Association no payment shall be made to any person;
- (a) who is a member or officer of the Association; or
  - (b) where that person or member is an associated person (as the term is defined in the Income Tax Act 1994) for work done or services rendered in

connection with such business, nor shall, in the carrying on of any business, any benefit or advantage (whether or not convertible into money) or any income of the kinds referred to in section CC1, sub part CD and sections CE1, CE3, CF1, CG1, and CH3 of the Income Tax Act 1994 be afforded to or received, gained, achieved or derived by any such person where that person is able, by virtue of that capacity, is settlor, member or associated person, in any way (whether directly or indirectly) to determine or materially influence in any way the determination of, the nature of the amount of that payment, benefit or advantage, or that income or the circumstances in which it is or is to be so received, gained, achieved, afforded or derived provided that a committee member or member may however from time to time be entitled to charge or be paid a remuneration for his or her professional services, whether legal, accounting or otherwise in connection with the administration of the association rendered in the course of carrying on a professional practice, such remuneration to be for his or her time and trouble that he or she would have otherwise have been entitled to make if not a member or officer and so employed.

### **Sub-Committees**

- 19.1 The Committee may from time to time set up any sub-Committee s to exercise such powers as may be delegated to or by the Committee.

### **Liquidation of Association**

- 20.1 The Association may wind up and go into liquidation if, at a General Meeting of the Association the members pass by a simple majority resolution to do so, provided that this winding up resolution is confirmed at a subsequent Special Meeting called for the purpose and as required by Section 24 of the Incorporated Societies Act 1908.
- 20.2 In the event of the Association going into liquidation under Section 24 of the Incorporated Societies Act 1908, the surplus assets after payment of the Association's liabilities and expenses of the liquidation shall be distributed in accordance with a resolution of the meeting held for such purpose.

**General**

- 21.1 The Association shall have full power to manage and control its own affairs and to make by-laws, regulations and controlling its activities and meetings and all other matters or things applicable to the Association.
- 21.2 In the event as to any question arising as to the construction or application of any of these Rules or of any by-laws made pursuant thereto the Committee is hereby empowered to determine the same.

---

## **SCHEDULE ONE**

### **Powers**

Without limiting in any way the express or implied powers of the Association, the Association shall have and may exercise the following powers:

#### **To Receive Gifts**

- 22.1 To receive real and personal property by gift from any person or entity subject to any directions associated to such gifts

#### **To Invest**

- 23.1 To invest the whole or any part of the Association Fund in any form of investment, and to vary any such investment from time to time. No Committee Member shall be liable for any loss arising from such investment unless that loss is attributable to that Member's own dishonesty or the wilful commission by that Member of an act known by that Member to be a breach of trust or of a duty owed to the Association.

#### **To Retain Investments**

- 24.1 To retain any investments coming into the members hands as part of the Association Funds for as long as the Committee thinks proper. The Association may retain any investments notwithstanding that they may be of a wasting, hazardous or speculative nature, or shares in a limited liability company (whether or not fully paid up), without being liable for any resulting loss.

#### **To Deposit Funds**

- 25.1 To deposit all or any part of the Funds in any currency in an interest bearing or non-interest bearing account with any bank, trust, company or other financial or investment institution in any jurisdiction in the world. In making any deposit the Committee shall not be liable for any loss due to devaluation of any foreign exchange or other government restriction.

**To Not Invest**

26.1 To not invest any part of the Association Fund.

**To Not Diversify Investments**

27.1 To invest the whole or any part of the Association Funds in one or more investments without being liable for any decision not to, or the failure to, diversify the investments.

**To Acquire Property**

28.1 To acquire any real or personal property as part of the Association assets on whatever terms as the Committee in their absolute discretion think fit.

**To Sell Property**

29.1 To sell any real or personal property that forms part of the Association Fund in whatever manner the Committee in their absolute discretion think fit, including (without limitation) the power to allow all or part of the purchase money to remain owing, with or without security, or to be payable in instalments. The Committee shall also have the power to buy in any property offered for sale, to rescind any contract for sale, and to sell again without being liable for any loss resulting from the diminution in price.

**To Postpone Sale**

30.1 To postpone the sale, calling in and conversion of any real or personal property forming part of the Association Fund for as long as the Committee think fit without being liable for any loss to the Association Fund, even though the property may be of a wasting or speculative nature.

**To Disclaim Onerous Property**

31.1 To decline to accept, hold, or deal with any onerous property, including any property that is subject to any liability, that the Committee consider is not for the benefit of the Associations Objects.

**To Rent, Lease, Bail, Licence**

- 32.1 To rent, lease, bail or licence any real or personal property forming part of the Association Fund on whatever terms and conditions (including an option to purchase) that the Committee think fit. The Committee may accept surrenders of leases, licences and concessions and tenancies, and generally manage property as they think fit.

**To Take on Leases, Tenancies, Licence or Concessions**

- 33.1 To take on any lease, tenancy, licence or concession on such terms and conditions as the Committee in their absolute discretion think fit.

**To Sell or Lease to a Member**

- 34.1 To sell or lease any real or personal property forming part of the Association Fund to any person (including Members) notwithstanding any rule of law to the contrary.

**To Maintain and Develop Property**

- 35.1 To manage, maintain, repair, improve and develop any real or personal property which, or any interest in which, forms part of the Association Fund as if the Committee were the absolute owners of the property. For these purposes, the Committee may pay, apply or appropriate any of the capital or the income of the Association Fund as the Committee think fit.

**To Exchange**

- 36.1 To exchange property with or without payment or receipt of monies on whatever terms and values as the Committee think fit.

**To Insure**

- 37.1 To insure any property forming part of the Association Fund or assure the life of any person. The Committee may pay the premiums out of capital or income and may assign, surrender, transfer or mortgage any legal or beneficial interest in the policy as the Committee in their absolute discretion think fit.

### **To Carry On Business**

- 38.1 To carry on any business anywhere in New Zealand (in partnership, joint venture or otherwise) for as long as the Committee think fit. As a part of any business the Committee may:
  - 38.1.1 Apply any part of the Association Fund as capital in the business;
  - 38.1.2 Employ any managers, agents, employees and other persons (including any Member) that the Committee in their absolute discretion think fit;
  - 38.1.3 Be indemnified absolutely out of the Association Fund for any losses that they may incur in carrying on the business;
  - 38.1.4 Distribute any profits derived from the business in any year as income.

### **To Promote or Form Companies / Entities**

- 39.1 To promote or form any company or entity for any purpose whatsoever and sell to that company:
  - 39.1.1 Any property forming part of the Association Fund;
  - 39.1.2 Any property owned by any company in which the Committee hold shares.

### **To Operate Bank Accounts**

- 40.1 To open any bank account.

### **To Borrow**

- 41.1 To borrow any money at whatever rate of interest and upon whatever other terms and conditions the Committee may think fit. For this purpose the Committee may give security for repayment over the entire Association Fund or any part of it, to mortgage assets.

### **To Repay Debt**

- 42.1 To apply any income or capital of the Association Fund in payment of any debts owing.

### **To Vary Terms of Debt**

- 43.1 To renew, vary or rearrange on whatever terms that the Committee in their absolute discretion think fit any mortgage, charge, debt, or overdraft payable out of the Association Fund and any guarantees given by Members.

### **To Make Loans and Advances**

- 44.1 To make any loans or advances to any person (with or without security) on whatever terms and conditions (including free of interest) as the Committee think fit.

### **To Waive Debts**

- 45.1 To waive any debts due to the Association Fund, either absolutely or on whatever terms the Committee think fit, without being liable for any loss.

### **To Guarantee Obligations**

- 46.1 To enter into any guarantee that that Committee consider to be in the best interests of the Association.

### **To Grant and Acquire Options**

- 47.1 To grant, acquire, or exercise any option in relation to any real or personal property on whatever terms and conditions that the Committee think fit. The Committee shall not be personally liable for any loss arising from their exercise of this power and shall be indemnified accordingly out of the Association Fund.

### **To Maintain Reserve Funds**

- 48.1 To set up and maintain any depreciation or reserve funds for any purpose the Committee consider appropriate, and to determine in their discretion the amount

of income to be credited from time to time to any of these funds, and to determine whether these funds are income or capital.

#### **To Settle Accounts**

- 49.1 To settle accounts with all persons who are liable to account to the Committee and to compromise all questions relating to the Association Fund and to grant effective receipts and discharges.

#### **To Employ**

- 50.1 To employ and dismiss any employees or agents as the Committee consider necessary and to pay for their services. A Member engaged in any profession or business may be employed by the Association and the Member shall be entitled to receive all usual charges for work done in connection with the Association.

#### **To Appoint Agents**

- 51.1 To appoint any person (including any Member) to act on behalf of the Association as a manager or agent in any matter relating to the management and control of the Association premises and any business which belongs to the Association. Notwithstanding any rule of law or equity to the contrary, the Members shall not be liable for any loss to the Association Fund resulting from any breach of trust or default of the person appointed.

#### **To Appoint Attorneys**

- 52.1 To appoint another person to act as attorney for the Association, and at any time and for any period of time that the Committee in their absolute discretion think fit.

#### **To Surrender Powers or Discretions**

- 53.1 To surrender any power or discretion given to the Association by deed, either completely or conditionally at any time.