

Contents

| | |
|---|----|
| 1-3. Names and Objects | 1 |
| 4. Membership | 3 |
| 5. Board | 4 |
| 6. Management..... | 5 |
| 7. Duties | 10 |
| 8. Services..... | 11 |
| 9. Investments | 11 |
| 10. Seal | 12 |
| 11. Members' Meetings | 12 |
| 12. Notices..... | 14 |
| 13. Method of Voting and Proxies..... | 15 |
| 14. Accounts..... | 16 |
| 15. Alteration of this Constitution | 17 |
| 16. Disputes..... | 17 |
| 17. Dissolution | 17 |
| 18. Personal Pecuniary Profit | 18 |

NAME AND OBJECTS

1. The name of the Society shall be "NZ Institute of Economic Research (Incorporated)" hereinafter referred to as "the Institute".
2. The registered office of the Institute shall be at such place in the City of Wellington or elsewhere as the Board may from time to time determine.
3. The objects of the Institute shall be:
 - (a) At all times to conduct its activities in an impartial and independent manner free from bias or any sectional interest.
 - (b) To conduct research into economic problems directly or indirectly affecting New Zealand.
 - (c) To acquire, process, record and circulate information on economic subjects.
 - (d) To promote and assist research into economic problems directly or indirectly affecting New Zealand by institutions, groups and persons not being members of the staff of the Institute.
 - (e) To promote or assist in promoting collaboration between institutions, groups and persons in the conduct of research into economic problems directly or indirectly affecting New Zealand.
 - (f) To advance the study and understanding of economic matters directly or indirectly affecting New Zealand by such means as may seem proper to the Board and in particular by providing facilities for the training of persons in the techniques and methods of economic research, by conducting discussions,

seminars or conferences on economic subjects, by the awarding of fellowships, scholarships and bursaries, and by any other appropriate methods.

- (g) To publish in any form and by any method, and either generally, or to a limited extent, material relating to or arising from the activities of the Institute, or of any other institution, group or person in regard to economic matters.
- (h) To acquire, hold and deal with real and personal property in furtherance of the objects and purposes of the Institute.
- (i) To sell all or any part of any real and personal property of the Institute upon and subject to such terms and conditions as the Board may think fit including the grant of options.
- j) To accept and make gifts of real and personal property upon and subject to such terms and conditions as the Board may think fit in furtherance of the objects and purposes of the Institute.
- (k) Generally to do such things as are considered conducive to the attainment of the above objects.
- (l) In carrying on any business pursuant to its objects, the Institute shall ensure that such business is conducted for charitable purposes within New Zealand.

4. Membership

- (a) Membership of the Institute shall be open to any person or corporate body or organisation approved by the Board who subscribing to the objects of the Institute shall apply in writing for membership.
- (b) The membership fee may from time to time or at any time be determined by the Board.
- (c) A member may resign by giving written notice to the Board Secretary. Such resignation shall take effect upon receipt of the notice but a member shall be responsible for all subscriptions due and payable to the date of receipt of the letter of resignation.
- (d) Any member whose subscription is unpaid after the expiration of 6 months from commencement of the Institute's financial year may be removed from the roll of members by the Board. Such member may be restored at any time upon application to renew membership subject to payment of any arrears of subscriptions. Notwithstanding a member being removed from the roll, any arrears of subscriptions shall be recoverable by the Institute.
- (e) The Board may create categories of membership, with different subscription levels, services and other terms. The Board shall on a regular basis advise the members of such different subscription levels, services and terms relating to each category.

5. Board

- (a) Except as otherwise provided in this constitution the affairs of the Institute shall be conducted by the Board. The Board shall consist of:
 - (i) the Institute's Chief Executive Officer; and
 - (ii) up to 6 elected Board Members each of whom shall be elected for a period of 3 years.
- (b) Two elected Board Members shall retire each year at the commencement of the annual general meeting.
- (c) The Board Members to retire shall be those who have been longest in office and in the case of equal length of service the date of retirement shall be decided by lot or in such other equitable manner as may be determined by the Board. If there occurs a vacancy of elected Board Members the remaining Board Members may fill the vacancy but the person so appointed shall also retire at the next ensuing annual general meeting. A retiring Board Member shall be eligible for re-election.
- (d) Any elected Board Member may resign from the Board by giving one month's notice.
- (e) Any elected Board Member or the Chief Executive Officer of the Institute in his/her capacity as a Board Member may be removed from office by a resolution of the majority of the members of the Institute passed in any manner authorised by this constitution.

- (f) (i) The Board Members to be elected as required by rule 5 (a) shall be elected in annual general meeting in each year.
- (ii) Nominations for elected Board Members shall be made in writing by at least one member of the Institute having endorsed thereon the consent of the person nominated; such nominations shall reach the office of the Institute not later than 6 weeks before the date of the annual general meeting of that year; a retiring elected Board Member shall be eligible for re-election and shall not require to be nominated for re- election.

6. Management

- (a) The Board shall meet at least twice each year at times and places to be decided by the Board.
- (b) A meeting shall be convened by the Secretary at the direction of the Chairman or at the request of any two Board Members. Unless otherwise agreed by the majority of the Board Members, meetings of the Board shall take place in Wellington and not less than ten days' notice in writing shall be given to each Board Member.
- (c) A quorum shall be formed by 3 elected Board Members, with the count to be taken at the commencement of the meeting. If at any time there shall not be sufficient Board Members to form a quorum for meetings of the Board, the then existing Board Members may nevertheless meet for the purpose of filling a vacancy or vacancies of elected Board Members in accordance with clause 5(c) of this constitution, but for no other purpose.

Questions at any meeting shall be decided by a majority of votes unless it is otherwise provided in this constitution. In the case of equality of votes the Chairman shall have a second or casting vote.

- (d) Notwithstanding rule 6(b) a Board Meeting may be held by the contemporaneous linking together by telephone of a number of the Board Members not less than the quorum. Such a telephone conference shall be deemed to constitute a Board Meeting so long as the following conditions are met:
 - (i) all the Board Members for the time being entitled to receive notice of a meeting of the Board shall be entitled to notice of a meeting by telephone and to be linked by telephone for the purposes of such meeting. Notice of any such meeting may be given on the telephone;
 - (ii) each of the Board Members taking part in the meeting by telephone must be able to hear each of the other Board Members taking part at the commencement of the meeting;
 - (iii) at the commencement of the meeting each Board Member must acknowledge his or her presence for the purpose of the meeting to all the other Board Members taking part;
 - (iv) a Board Member may not leave the meeting by disconnecting his or her telephone unless he or she has previously obtained the express consent of the chairman of the meeting. A Board Member shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting by telephone unless he or she has previously obtained the express consent of the chairman to leave the meeting;

- (v) a minute of the proceedings at such meeting by telephone shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as a correct minute by the chairman of the meeting; and
 - (vi) for the purposes of this clause "telephone" shall include television or any other audio and visual device which permits instantaneous communication.
- (e) The Board may make regulations for its guidance or to facilitate the transactions of business of the Institute provided that such regulations are not inconsistent with this constitution.
- (f) Board members may be paid travelling and other out of pocket expenses. In addition the Chairman of the Board shall be entitled to receive remuneration (or aggregate remuneration if there shall be more than one of them, divided among them as the Board shall decide) of \$15,000 in respect of each period of service (which for the purposes of this paragraph (f) shall mean the period between a properly constituted Annual General Meeting of the Institute and the next such Annual General Meeting) as Chairman, half of such sum being payable on each of, first, the last day of the financial year of the Institute ending during such period of service, and second, the day preceding the last day of such period of service.

Further, the other Board Members shall be entitled to receive remuneration of an aggregate amount for all Board Members of \$30,000 in respect of each such period of service as Board Members collectively, half of such aggregate amount being payable on each of the same days as the remuneration for the

Chairman is payable, to be divided between them, upon the recommendation of the Chairman, as they shall decide before the end of each such period of service.

The remuneration thus payable to the Chairman and the other Board members may be increased from time to time by a resolution of the majority of the persons present, whether as members or as the proxies of members, who vote at a properly constituted General Meeting of the Institute in accordance with this constitution.

- (g) The Chairman and in his/her absence the Deputy Chairman shall preside at every meeting of the Board but if neither is present within 15 minutes from the commencement of a meeting then the members shall nominate one of their number to be the Chairman for that meeting.
- (h) A resolution made available to the whole Board signed on one or more sheets of paper by at least a quorum of the Board shall be as effectual as if passed at a meeting of members of the Board.
- (i) The Board may delegate any of its powers to committees consisting of such members of the Board as it thinks fit with the power to appoint other persons who are not members of the Board to be members of any committee. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
- (j) The members of any committee constituted under paragraph (i) shall choose one of their number to be chairman of that committee and to act as such at its meetings. The Chairman of the Board may be, but need not be, the chairman of any committee of which he / she is a member. If at any meeting

the chairman of the committee is not present the members present shall choose one of their number to be chairman of the meeting.

- (k) A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman of the meeting shall have a second or casting vote.
- (l) All acts done by any meeting of the Board or of a committee to which the Board has delegated any of its powers under Clause 6(i) or by any person acting as a Board Member or as a member of any such committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of such Board Member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every person had been duly appointed and was qualified to be and act as a Board Member or member of such committee.
- (m) The Chairman of the Board, and the Deputy Chairman, shall be elected by the Board and shall each hold office for a period of three years from the date of election and shall vacate office in the event of ceasing to be a Board member or becoming of unsound mind or a bankrupt.

7. Duties

- (a) In managing the business of the Institute the Board shall see that its objects are faithfully carried out, that all receipts and disbursements are properly made and shall keep a register of members.
- (b) The Board shall appoint a Chief Executive Officer, in charge of the activities of the Institute and a Secretary, and may also appoint a Treasurer in each case, on such terms and with such duties and at such salary or remuneration as it shall think fit. The Board may from time to time, and at any time, appoint a temporary substitute for the Secretary or Treasurer.
- (c) The Board shall make or authorise the making of all other appointments of officers and servants of the Institute and on such terms and under such conditions as it may from time to time consider necessary for the effective carrying out of the objects of the Institute.
- (d) The Board shall out of the assets of the Institute from time to time pay all costs, charges and expenses incurred in or about the administration and the management of the Institute.
- (e) Subject to the consent of two thirds of the members of the Board, the Board may whenever it thinks desirable in the interest of the Institute raise or borrow any sums of money required for the purpose of the Institute. The repayment of moneys so raised or borrowed may be secured in such manner and upon such terms and conditions as the Board thinks fit.

8. Services

- (a) All members of the Institute shall receive all services for which their category of membership entitles them.
- (b) The Board may enter into contracts with Board Members and/or members of the Institute on such terms and conditions, including the fee to be paid, as may be agreed between the Board and the other party.

9. Investments

- (a) Moneys received on account of membership fees, donations, interest on capital, income accretions, accumulations and any other receipts whatsoever may be applied in carrying out the objects of the Institute.
- (b) Any moneys not required to meet accruing liabilities may be invested in such manner as the Board may think fit.
- (c) All securities representing investments shall be acquired and held in the name of the Institute or such corporate trustee as the Board shall by a majority of two thirds decide. Any appointment of a corporate trustee as custodian trustee may be revoked upon a resolution of the majority of the members of the Board.
- (d) Nothing in this constitution shall be construed as importing any personal or other liability with regard to the Institute on the part of the Board or Board Members.

10. Seal

- (a) The seal of the Institute shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of Board Members duly authorised and in the presence of two Board Members and of the Secretary, or such other persons as the Board Members may appoint for the purpose, and the two Board Members and the Secretary or other person as aforesaid shall sign every instrument to which the seal of the Institute is so affixed in their presence.
- (b) The Board shall have power from time to time to destroy the seal of the Institute and to substitute a new seal in lieu thereof.
- (c) Bills, notes, receipts, endorsements, contracts and other instruments not required to be executed under the seal of the Institute need not be executed by the Board Members and the Board Members shall be entitled to appoint such person or persons as they may think fit to sign the same on the Institute's behalf and either alone or in conjunction with another or others or with a Board Member or Board Members.

11. Members' Meetings

- (a) The Board may whenever it thinks fit and shall upon requisition made in writing by at least 10 members convene a General Meeting at which any business of the Institute may be considered. Such requisition shall express the object of the Meeting proposed to be called.
- (b) If the Board does not within 30 days of the date of receipt of the requisition proceed duly to convene a meeting to be held

within 30 days thereafter, then the requisitionists or the majority of them may themselves convene the meeting to be held not later than the expiration of one calendar month from the said date.

- (c) Once in September of each year or such other date as the Board may decide, the Annual General Meeting of the Institute shall take place, before which shall be laid for consideration the Annual Accounts of the Institute and a report from the Board. At such Annual General Meeting any business may be considered provided 30 days' notice has been given to the Secretary by a contributing member that he/she wishes a certain matter to be discussed at the General Meeting and provided that the subject matter of the business is contained in the notice to the members convening the Meeting. Except with the consent of all the members present no business shall be considered at any meeting in respect of which proper notice has not been given.
- (d) Fourteen clear days' notice of any General Meeting specifying the place, date and hour of the meeting and the nature of the business to be dealt with, shall be given by posting to each member a copy of the notice, together with a copy of the Annual Accounts and report in the case of an annual general meeting.
- (e) Twenty members present in person or by proxy, shall be a quorum for the purpose of a general meeting. If within half an hour from the time appointed for a meeting a quorum is not present the meeting shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting a quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.

- (f) All meetings of members shall be held at such place as the Board may decide.

12. Notices

- (a) A notice may be given by the Institute to any member either personally or by sending it by post to the member's registered address or (if the member has no registered address within New Zealand) to the address, if any, within New Zealand supplied by the member to the Institute for the giving of notices to the member.
- (b) Where a notice is sent by post service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of forty eight hours after the letter containing the same is posted, and in any other case at the time at which the letter should be delivered in the ordinary course of post.
- (c) If a member has no registered address within New Zealand and has not supplied to the Institute an address within New Zealand for the giving of notices to the member he/she shall not be entitled to have any notice sent to him/her from the Institute, whose registered office shall be deemed the registered address of such member for all purposes whatsoever, and all proceedings taken without other notice to any such member shall be as valid as if the member had received actual notice thereof.
- (d) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting, by any member shall not invalidate the proceedings of any meeting.

13. Method of Voting and Proxies

- (a) Every question submitted to a General Meeting shall in the first instance be decided by a show of hands of the persons present whether as members or proxies, but a poll may before or on the declaration of the show of hands be demanded by the Chairman or by any three (3) persons present and entitled to vote.
- (b) Unless a poll be demanded a declaration by the Chairman that a resolution has been carried, or carried by a specific majority, or lost, and an entry to that effect in the Minute Book shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution.
- (c) If a poll is demanded in the manner aforesaid it shall be taken in such manner as the Chairman of the meeting directs, and the result of the poll shall be deemed the resolution of the meeting at which the poll was demanded.
- (d) The demand of a poll shall not prevent the transaction of any business other than the question on which the poll has been demanded.
- (e) On a poll, votes may be given personally or by proxy and every member shall have one vote.
- (f) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her duly authorised agent or, if the appointor is a corporation either under its seal or under the hand of an officer or agent duly authorised. The fact that an instrument purporting to appoint a proxy purports to be executed by an agent or by an officer of a corporation shall be prima facie evidence that the person purporting to execute

the instrument was duly authorised to do so. A proxy need not be a member of the Institute.

- (g) Proxies must be lodged at the registered office of the Institute not less than forty eight (48) hours before the time appointed for holding the meeting or the first meeting at which it is proposed to use the proxy.
- (h) The appointment of a proxy may be for a specific meeting or meetings only, or may be a general proxy for all meetings of the Institute.
- (i) A vote given by proxy shall be valid notwithstanding the previous death of the appointor or the revocation of the proxy, provided that no notice of such death or revocation shall have been received at the office of the Institute before the meeting.
- (j) A proxy may be given for the adjournment of any meeting or meetings.

14. Accounts

- (a) The Board shall cause accounts to be kept:
 - (i) Of all sums of money received and expended by the Institute and the matters in respect of which the receipt and expenditure take place, and
 - (ii) Of the assets and liabilities of the Institute.
- (b) Once at least in every year the accounts of the Institute made up for the financial year ended 31st March, shall be examined by an Auditor or Auditors who shall be a Public Accountant or Public Accountants and who shall report thereon.

- (c) The Auditor or Auditors shall be appointed at each Annual General Meeting or failing such appointment at the meeting, by the Board who shall in any event fix the remuneration of such Auditor or Auditors. A retiring Auditor shall be eligible for reappointment.

15. Alteration of this Constitution

This constitution may be amended, added to, or altered by special resolution of a general meeting of the members of which at least 30 days' notice stating the intention to propose such resolution has been duly given, provided that such resolution is passed by a majority of three fourths of the members present, personally or by proxy provided that no amendments, additions or alterations shall be made which affect the charitable nature of the Institute.

16. Disputes

If there shall arise any dispute or doubt as to the interpretation of any provisions of this constitution or the rights of any persons in regard thereto, between a member and the Board or between Board Members, such dispute shall be referred to the arbitration of three independent arbitrators one to be appointed by each party and one appointed by the two arbitrators so appointed, such arbitration to be conducted in accordance with the provisions of the Arbitration Act 1996 or any enactment in amendment thereof or in substitution therefor.

17. Dissolution

If upon the winding up or dissolution of the Institute there remains after the satisfaction of all debts and liabilities any property whatsoever, the same shall be transferred to or applied towards any

concern, institute or association, concerns, institutes or associations having substantially similar charitable objects and activities to those of the Institute to be used by it or by them for purposes similar to the objects for which the Institute was established and in such manner and upon such conditions as the then members of the Institute in general meeting may determine, and if at the time of the winding up or dissolution of the Institute there is not existent any other concern, institute or association, having similar charitable objects and activities to those of the Institute, or if the then members of the Institute do not in general meeting determine that the property shall be transferred to or applied towards any such concern, institute or association then the property shall be applied towards such charitable purposes of a research or educational nature in New Zealand as the then members of the Institute in general meeting or failing them the Board may determine.

18. Personal Pecuniary Profit

No benefit or advantage, whether or not convertible into money or any income of any kind shall be afforded to, or received, gained, achieved or derived by any of the persons specified in paragraphs (i) to (iv) of the second proviso to section CB 4(1)(e) of the Income Tax Act 1994, or any enactment in amendment thereof or in substitution therefor, where that person is able, by virtue of that capacity as such person specified therein, in any way (whether directly or indirectly) to determine, or to materially influence in any way the determination of, the nature or the amount of that benefit or advantage or that income or the circumstances in which it is or is to be so received, gained, achieved, afforded or derived, except as specifically exempted by that section.