



South Rakaia Bach Owners Association Inc
PO Box 245
Ashburton

RULES OF THE SOUTH RAKAIA BACH OWNERS ASSOCIATION INCORPORATED

NAME

1. The name of the Association is 'The South Rakaia Bach Owners Association Incorporated' (herewithin called "the Association")

OBJECTS

2. The objects for which the Association is established are:-
 - (a) To Own an estate in fee simple containing 12.0113 hectares or thereabout being Sections 1 and 2 Survey Office Plan 17237 comprised in Certificate of Title Register 31F Folio 331 (Canterbury Registry) (hereinafter referred to as "the property").
 - (b) To conserve, promote, advance and manage generally the common interests and welfare of member as the owners, tenants, occupiers or licensees of sections of land dwellings and buildings situated on the said property.
 - (c) To erect and maintain, alter and repair and buildings and premised in the furtherance of the objects of the Association.
 - (d) To purchase, take on lease or otherwise acquire any parcel or parcels of land, any building or buildings, premise or premises or other improvements that may from time to time be deemed expedient for the furtherance of the objects of the Association and to execute any deeds or documents to facilitate such.
 - (e) To sell, let, lease, sublease, exchange, grant licences, rights, privileges or easements in respect of or otherwise deal with or dispose of all or any part of the real or personal property or assets of the Association.
 - (f) To manage, cultivate, drain, fence, subdivide or otherwise improve the said property of the Association or any part thereof and to erect buildings or other structures thereon and to provide such other facilities and amenities for members as may from time to time be determined by the Committee.
 - (g) To lend, borrow or raise or secure the payment of money in such manner as the Association shall think fit, upon such terms and conditions as shall be deemed expedient and in particular by mortgages or debentures perpetual or otherwise, or other securities, and to charge if need be by such mortgages, debentures or other securities upon the floating assets or upon all or any of the property of the Association present or future.

- (h) To raise funds by means of subscriptions of members and levies on members and otherwise for all the purposes and objects of the Association and in such amounts and in such manner as is provided for in these Rules.
- (i) To enter into any arrangement with any person, firm, company, Government Municipal or other local authority, or other Association which may seem conducive to the Association's objects or any of them, and to obtain from any such person, firm, company, Government or other authority or Association any right, privilege or concession which the Association may think desirable to obtain or to carry out, exercise and comply with any such arrangement, right, privilege or concession.
- (j) To apply for, promote and obtain any provision, order or Act of Parliament, leave, licence, right or authority to enable the Association to carry out its objects and/or for the purpose of obtaining for the Association or the members any additional powers or protection or for any other purpose which may appear to the Association to be expedient in the interests of the Association or its members and to expose any bills, proceedings, acts, or application which may seem to the Association likely to prejudice the interests of the Association or its members directly or indirectly.
- (k) To insure and keep insured all the property and officers and members of the Association against such risks or losses as may be from time to time considered expedient for the Association.
- (l) To raise funds by means of subscriptions of members and levies on members and otherwise for all the purposes and objects of the Association in such amounts and in such manner as is provided for in these rules.
- (m) In administering and managing the property owned or leased by the Association, to keep such property in a clean and tidy condition and to this end to employ a Caretaker or Caretakers part time or full time if necessary.
- (n) To do all such things as are incidental or conducive to the attainment of the above objects.

MEMBERSHIP

3. Membership

- (a) Membership of the Association shall be obligatory to all entities owning a dwelling, bach or any other building on land owned, or leased by the Association. Individuals allocated property must be over the age of twenty (20) years, as must be at least one other representative of any other form of ownership.
- (b) Where an owner has leased his/her dwelling, bach or other building, the Lessee shall be deemed to be the owner for the purposes of membership.
- (c) Where two or more persons own a dwelling, bach or other building or apply for membership and allotment of a plot of ground upon which to erect a dwelling, bach or other building, they shall be eligible for election to joint membership, and when so elected shall, subject to any special provisions in these Rules to the contrary, be treated for all purposes thereunder as a single ordinary member, and shall exercise the rights of membership of such by and through one of their number, to be nominated for the purpose and hereinafter referred to as "the acting member". Any notices, accounts, etc., addressed to "The acting

member" shall be deemed to have been delivered to all the joint owners. Joint members may at any time by notice in writing delivered to the Secretary substitute either generally or for any particular purpose another of their number as "the acting member". Joint members shall be jointly and severally liable for the membership subscription, levies, fines and other monies payable to the Association, and shall both collectively and individually be bound by the rules and regulations of the Association. In the event of the discontinuance of joint ownership the sole owner shall automatically become an ordinary member and shall assume the liabilities to the Association of the previous joint owners, and in respect of the financial year in which joint membership is discontinued shall be subject to the same liabilities as he would have been if the joint ownership had not existed in that year.

(d) Every candidate for election as a member shall sign a form of application showing his/her full name and address, and containing an undertaking to abide by the rules and regulations of the Association. Such application shall be signed by a financial member and seconded by another financial member, and shall thereupon be delivered to the Secretary who shall cause the same to be considered at the first meeting the Committee of the Association held after the expiration of fourteen (14) days from the receipt by the Secretary of such application. Any member wishing to erect or alter a dwelling, bach or other building must produce a sketch of their intention which shows the location on their site, of the alteration or buildings, following approval of the Committee, a consent may be obtained from the local council.

(e) The Committee may require all members owing or transferring a dwelling, bach or other building to a site, or erection of a dwelling, bach or other building on a site on any land owned or leased by the Association to carry out any repairs, painting and alterations which may be required by the Committee and to comply in all respects with any Building By-laws or other lawful requirements relative to the proposed work and also to perform and observe all requirements of the Head Lessor In respect of any of the leasehold land of the Association.

(f) Upon incorporation of the Association the signatories to the Application therefore (being persons owing a dwelling, bach or other building on the land to be held in accordance with Rule 2 (a) hereof) shall automatically become members of the Association and shall be deemed to have agreed to abide by the Rules and regulations of the Association. All other persons eligible for membership in accordance with these Rules shall sign an application for membership in accordance with Clause (d) of this Rule.

(g) No member shall have the right to acquire or sublease or occupy more than one allotment on any property owned or leased by the Association, and shall not be permitted to rent or lease his/her dwelling, bach or other building for an aggregate period greater than two (2) calendar months in any twelve (12) calendar months. Such dwelling, bach or other building may be leased for a period of twelve (12) months or more providing the approval of the Committee has been obtained in writing, and in which case Rule 3 (b) will apply.

(h) No premises may be used for purposes of selling provisions or any commodity without the sanction of the Committee.

(i) The Association may elect to life membership such of its members as may in its opinion have rendered such services to the Association as to warrant the same and such members shall be exempt from all subscriptions. Such life members shall remain as such only

while they own a dwelling, or any other buildings on land owned by or leased by the Association. Election to life membership may be made at the Annual General Meeting only.

REGISTER OF MEMBERS

4. The Secretary shall keep a register of members which record the full name and last known address of each member together with the date of his joining and date on which he/she ceased to be a member.

CESSATION OF MEMBERSHIP

5.

(a) Membership of the Association may be terminated:-

- (i) By expulsion.
- (ii) By ceasing to be owner of a dwelling, bach or other building on land or leased by the Association; or
- (iii) Any other manner hereby provided.

(b) Where a member proposes to sell or by other means dispose of his/her dwelling, bach or other building, he/she shall cause to be delivered to the Secretary a notice in writing of his/her intended sale or other means of disposal, such notice to state the full name and address of the intended new owner. Such notice shall be accompanied by an application for membership in the Association by the intended new owner, this application to comply with Rule 3 (d) hereof. The Secretary shall cause both the notice of proposed sale or other means of disposal and the application for membership by the intended new owner to be considered at the first meeting of the Committee held after the expiration of fourteen (14) days from the receipt by him/her of such notice and application for membership. Upon permission being given by the Committee for the proposed sale or other disposal, the Secretary shall notify the member in writing that he/she may proceed with such sale or disposal. It shall be the duty of the member to notify the Secretary in writing within seven (7) days of the completed transaction of sale or other disposal. Upon the receipt of such notice by the Secretary, the member shall be deemed to have resigned and shall have no further obligations to the Association, except insofar as regards subscriptions or other monies due and owing by him/her to the Association before such date of resignation. Until such notice is received by the Secretary, the resigning member shall be deemed to be liable in all respects as a member of the Association.

Should the Committee decline the sale or other disposal of any dwelling, bach or other building, the member concerned may request the Secretary to call a General Meeting of members of the Association, and at such meeting may put his/her case why the proposed sale or other disposal should not be declined. The majority decision of the members present at such meeting shall be final. In the event of a tie in voting the Chairman shall have a casting vote as well as a deliberate vote.

- (c) (i) Where a member dies, his/her Executor or personal representative shall be deemed to be the owner and may sell or otherwise dispose of any dwelling, bach or other building in accordance with Rule 5 (b) hereof.

- (ii) Where a member dies and by his/her Will leaves any dwelling, bach or other building to a specific beneficiary or beneficiaries then that beneficiary or beneficiaries shall fill in an application for membership form and shall thereupon automatically become a member of the Association. No proposer or seconder shall be required.
- (d) The Association may by resolution expel a member,
 - (i) where such member has failed for a period of three (3) calendar months after the same became due to pay the whole or any part of any subscription, levy or monies payable by him/her pursuant to these rules.
 - (ii) upon the grounds of drunkenness or any disorderly conduct deemed to be detrimental to the well-being of other members and their families.
 - (iii) where such member has failed to comply within twenty-eight (28) days or longer period set by the Committee with any demand or requirement made under the rules and regulations of the Association.
- (e) Where a member becomes insane or in any other way legally incapacitated, his/her Trustees or legal appointed Attorney, Manager or person appointed to act by Court Order shall be deemed to be the owner and may exercise the powers of an owner contained herein and shall further be deemed to be a member of the Association accordingly.
- (f) Where a member is expelled in pursuance to these rules he/she shall have twelve (12) calendar months in which to sell or otherwise dispose of his/her dwelling, bach or other building, at the expiration of which time if the dwelling bach or other building is not sold or otherwise disposed of, the Committee shall call upon the expelled member to state his/her reasons for not having sold or otherwise disposed of such dwelling, bach or other building. If the Committee considers that he/she has no reasonable cause for not selling or disposing of his/her dwelling, bach or other building or that he/she has made no genuine efforts to sell at a fair price, then the committee may call tenders for the sale of the expelled member's dwelling, bach or other building and after deduction of expenses incurred in calling such tenders and completing the sale pay the balance of the sale price to the expelled member. An expelled member shall not occupy or in any other way make use of his/her dwelling, bach or other building after twenty-eight (28) days from the date of the passing of the resolution expelling him/her from membership in the Association. An expelled member may however lease his/her dwelling, bach or other building during the aforementioned twelve (12) month period, in such case the Lessee shall not be deemed the owner but shall be required to join the Association.
- (g) Notice of cancellation (by any means hereby provided) of membership shall forthwith be given by the Secretary to the member affected but notwithstanding failure to give such notice membership shall cease as from the date of the resolution cancelling the same and such member shall thenceforth cease to have any interest in or claim upon the funds or property of the Association. Cancellation of membership shall not thereby relieve any member from liability for subscriptions, levies, fine or other monies due by the member prior to such cancellation except insofar as such liability may be reduced or extinguished by resolution of the Association.

(h) A member may, at anytime, remove from his/her/its allotments any dwelling, bach or other form of building and upon such removal from a11y property owned, or leased by the Association, the member shall be deemed to have resigned their membership except in such circumstances such as demolition by fire, or temporary dismantling for replacement, or any like purpose pending. In such cases, the Licence to Occupy may be retained at the discretion of the Association. Permanent removal, however, shall not relieve the Said member from any liability for subscription, levies, fines or any other monies due and owing by him/her/ir to the Association prior to such permanent removal, except insofar as such liability may be reduced, or extinguished by resolution of the Association.

(i) In addition to the rights of sale or tother disposal under Rule 5 (f) hereof an expelled member may remove his/her dwelling, bach or other building from any property owned or leased by the Association within twelve (12) months of the date passing the motion expelling him/her from the membership in the Association.

(j) Where a member removes his/her dwelling, bach or other building from property owned or leased by the Association, he/she shall leave the allotment in a condition satisfactory to the Committee of the Association.

RIGHT OF APPEAL

6. Any member expelled under Rule 5 (d) may appeal to the Annual General Meeting to review such expulsion, provided written notice to the Secretary of his/her intention to appeal has been given before the 30th day of November of the year in which such expulsion is passed or before the expiration of fourteen (14) days after the aforesaid notice of cancellation of membership is served upon him/her (whichever is the later date) and the members present at the Annual General Meeting may by a three-fourths majority reinstate such a member.

COMMITTEE

7.

(a) The management of the affairs of the Association (except as otherwise provided by these Rules) shall be deputed to a Committee consisting of 6 members who shall be elected at the first General Meeting of the Association after incorporation. At the first General Meeting of the Association all such members of the Committee shall retire and shall be eligible for re-election. At every subsequent Annual General Meeting 3 members of the Committee shall retire by rotation, those to retire being those who have been longest in office since their last election but as between persons who became Committee members on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Committee member shall be eligible for re-election.

New Rule, number of Committee Members retiring by rotation each year two.

(b) Any member may propose any other candidate or candidates at the Annual General Meeting for membership of the Committee. Voting shall be by ballot and every member shall be entitled to vote for as many candidates as there are vacancies to be filled. The candidates up to the number of vacancies who shall receive most votes shall be declared elected, and in case of two or more candidates receiving an equal number of votes the Chairman shall have a second or casting vote.

(c) In the event of a vacancy on the Committee the Committee shall have power to elect any member of the Association to fill such vacancy, but the proceedings of the Committee shall not be invalidated in consequence of their being less than the prescribed number. Any member so elected shall retire at the next Annual General Meeting and shall be eligible for re-election.

(d) The Committee shall elect a President and Vice President from among their number immediately following the Annual General Meeting and the President or in his absence the Vice President shall be Chairman at all meetings of the Committee. In the absence of both the President and Vice President the Committee may elect any other of its members to take the Chair for that meeting.

(e) The Committee shall meet from time to time to examine the accounts and arrange the affairs of the Association. Notices of Committee meetings shall be given to each Committee member at least seven (7) days prior to the meeting. A quorum shall consist of four (4) members.

(f) Any member of the Committee who shall absent himself without reason from three consecutive meetings of the Committee shall ipso facto cease to be a member of the Committee.

(g) The funds and property of the Association shall be under the control of the Committee who may invest, disburse and deal with the same in such manner and for such purpose (not being inconsistent with the objects of the Association and these Rules) as they shall think fit. The funds of the Association shall be deposited with such Bank or Building Society as the Committee shall determine and all cheques on the Association's Bank Account shall be signed by one of the nominated Officers and the Secretary or Treasurer.

(h) Minutes shall be taken of all proceedings of the Committee and shall be open to the inspection of any member of the Association applying to the Secretary therefore.

(i) The Committee may from time to time appoint from among their number such sub-committees as they may deem necessary or expedient and may dispute or refer to them such of the powers and duties of the Committee as the Committee may determine. Such sub-committee shall periodically report their proceedings to the Committee and shall conduct their business in accordance with the direction of the Committee.

GENERAL MEETINGS

8. The Annual General Meeting of the Association shall be held in the month of January in each year upon a date and at a time to be fixed by the Committee for the following purposes:-

(a) (Removed)

(b) To elect the members to fill the vacancies on the Committee and to appoint an auditor for the ensuing year.

(c) To fix the annual subscription of members for the ensuing year.

(d) To decide on any resolution which may be duly submitted to the meeting.

9. The Committee may at any time for any special purpose call a Special General Meeting and they shall do so forthwith upon the requisition in writing of any twenty (20) members stating the purpose for which such meeting is required.

10. 7 Days at least before the Annual General Meeting or any Special General Meeting, notice of such a meeting and of the business to be transacted thereat shall be advertised at least once in each of a Christchurch and an Ashburton newspaper circulating at the time.
11. At all general meetings of the Association the President and, in his/her absence, a member selected by the meeting shall take the Chair. On all questions whether upon an election or consideration of a motion or amendment every member lawfully present shall be entitled to one vote to be exercised in person but not by proxy and voting shall be by voices or by a show of hands or in writing as the meeting shall determine and in the case of equality of votes the Chairman shall have a second or casting vote.
12. The required quorum at all general meetings shall be ten (10) members.

FINANCE

13. The financial year of the Association shall end on the last day of October in each year to which day the accounts of the Association shall be balanced.
14. *Removed*
15. The annual subscription payable to the Association by each member (other than a life member) shall be determined at each Annual General Meeting.

Any subscription, levy or monies payable by a member under these rules shall if not paid after a time allowed for payment thereof be recoverable by the Association by action in any Court of competent jurisdiction. Entries in the Minute Book of the Association of Resolutions fixing the rate or amount or any other incident of any subscriptions or levies shall be prima facie evidence of the fact of such resolutions being passed.

ALTERATIONS TO RULES

16. The Association may alter all or any of these rules to make new rules to the exclusion of or in addition to all or any of these rules by a resolution of the members passed at a duly constituted General Meeting of the Association by a majority of not less than two-thirds of the members present in person and entitled to vote thereat. The notice convening such meeting shall state that alteration of the rules will be considered at the meeting and indicate the general nature of the proposed alteration. The said notice shall be given to each member in writing not less than seven (7) clear days before the date of the meeting. Notwithstanding the provisions of the clause any addition or alteration to these rules necessary to conform with the requirements of the Registrar of Incorporated Societies may be made by the Committee without reference to any general meeting of members.

BY-LAWS

17. The Association shall have power in General Meeting from time to time to make repeal and amend all such by-laws and regulations not inconsistent with these rules or the provisions of the Incorporated Societies Act 1908 as they shall think expedient for the internal management of the Association and providing for the conditions of occupancy of the Association's property either freehold or leasehold or any part thereof and for the general wellbeing of the Association. All such by-laws and regulations shall be binding upon the members until repealed or set aside by resolution of a General Meeting of the Association.

SECRETARY AND TREASURER

- 18 (a) The Committee shall appoint a Secretary to the Association (who need not be a member of the Association) and shall fix his/her duties, salary or honorarium and term of office. He/she shall remain in office until a successor is appointed. The Secretary shall, in addition to other duties to be:
- (i) Conduct the correspondence of the Association.
 - (ii) Keep proper minutes of all meetings of the Association which shall be confirmed at the meeting of the Association next following the meeting to which such minutes refer.
 - (iii) Make provision for the safe custody of the seal of the Association and of its books, records and personal property.
 - (iv) In conjunction with the President prepare the annual report and present same to the Association for its approval
 - (v) Comply with the provisions of Section 23 of the Incorporated Societies Act, 1908, relating to annual returns, and comply generally with all the lawful requisitions made by the Registrar.
- (b) There shall be appointed by the Committee a Treasurer, who may also be the Secretary and he/she shall receive all the monies, cheques, bills and negotiable instruments payable to the Association and forthwith upon receipt, lodge the same to the credit of the Association who shall from time to time, appoint or otherwise dispose thereof as directed from time to time by the Committee and shall subject to the provisions of these rules, pay out same according to the general, or specific directions of the Committee.
- (c) The Treasurer shall keep in such form as the Association prescribes a correct account of all monies received and payments made by the Association and of its financial affairs (such account to be open for inspection by the Auditor and any nominee of the Association) and shall prepare the statements of receipts and payments and income and expenditure and the balance sheet required to be submitted to the Annual Meeting. and obtain the Auditors certificate required in respect thereof.

AUDITOR

19. In cases of death or incapacity of the auditor so appointed, or in case no auditor is so appointed, the Officers of the Association shall appoint one.

SOLICITOR

20. A Solicitor to the Association may be appointed by the Association to act as the legal advisor to the Association. The Officers may on their own discretion refer to the Solicitor all matters upon which a legal opinion is required for the Association and may instruct him to act for the Association on any matter which they consider expedient so to do. However, where the Officers consider that the matter is of sufficient importance, they may call a General Meeting before instructing the Solicitor to act.

NOTICES

- 21.

(a) The Secretary shall enter in the register of members the address of each member. The address to be so entered shall be that furnished by the member on application for membership, or the last address which the member has in writing required the Secretary to enter.

The last address of a member entered in the register in pursuance of this rule shall be known as his/her registered address.

(b) Subject to any specified provision herein before made in regard thereto any notice, voting paper, writing or paper required to be served in or sent to any member in whatsoever capacity, may be delivered to him/her personally or sent through the post in a prepaid envelope or wrapper addressed to such member at his/her registered address, and if sent through the post shall be deemed to have been served on or received by such member at the time at which in the ordinary course of post, it should have reached him/her, or at the expiration of 72 hours, after posting, whichever is the earlier time, and in providing such service or receipt it shall be sufficient to prove that the envelope or wrapper containing the matter to be served and addressed as aforesaid was put into the post

(c) Subject to any express provision contained in these rules, any notice, voting paper, writing or paper required to be given or sent to the Secretary shall be given to him/her personally or sent by post addressed to him/her at the registered office of the Association or deposited at such office, and if such notice, voting paper or writing has to be sent to the Secretary by a certain time, it must be handed to him or deposited, or received at such office before such time.

PROPERTY

22. All property real or personal, of the Association shall be held in the name and title of the Association.

BANKING ACCOUNT

23. The funds of the Association shall be banked in such bank or banks or other financial institutions in New Zealand as the Association may from time to time decide and such account shall be operated by any officer and the secretary for the time being.

BORROWING

24. If at any time the Association in General Meeting shall pass resolution authorising the Committee to borrow money, the Committee shall thereupon be empowered to borrow for the purposes of the Association such amount of money either at one time or from time to time and at such rate of interest and in such form and manner and upon such security as shall be specified in such resolution and thereupon the Committee shall take all steps necessary to give effect to such resolution and for the execution by the Association of such agreements, mortgages and debentures as may be required for giving security for such loans and interest. AU members of the Association whether voting on such resolution or not and all persons becoming members of the Association after the passing of such resolution shall be deemed to have assented to the same as if they had voted in favour of such resolution.

INVESTMENT

25. The Committee may from time to time invest such monies of the Association as are not immediately required by the Association in any investments for the time being

COMMON SEAL

26. The Common Seal of the Association shall be of such design as the Committee shall determine. The Committee shall have the custody of and control of the Common Seal and the same shall not be affixed except in pursuance of a resolution of the Committee, in the presence of two members of the Committee.

WINDING UP

27. In the event of the dissolution of the Association, or the Association for any other reason ceasing to exist, the funds and property thereof, after discharge of all liabilities, shall be vested in a Trust for the benefit of the Association and in order to promote the Association's objectives. In no event shall any surplus assets of the Association be divided amongst the members thereof, nor shall the members of the Association have any beneficial interest therein.

REGULATIONS

28. The Association may make Regulations for its good government not consistent with these rules.

PECUNARY GAIN

- 29.
- a) No member of anyone associated with a member may receive or obtain any pecuniary gain or advantage from the property of operation of the Association other than the payment for the provision of goods or services consistent with the objects of the Association.
 - b) Any payment or other advantage under (a) above must be reasonable and relative to market value between unrelated parties.
 - c) No member may take part in or influence any decision by the Association in respect of (a) and (b) above where that member or person associated with that member is to receive or benefit the payment or other advantage.