

BUSHLAND PARK SOCIETY INCORPORATED

Society

CONSTITUTION

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1. NAME

The name of the Society shall be Bushland Park Society Incorporated.

2. DEFINITIONS AND INTERPRETATION

Definitions

2.1 In this Constitution, unless the context otherwise requires:

Act	means the Incorporated Societies Act 1908 or any act in substitution.
Bank	means the Society's bank from time to time such bank to be registered under the Reserve Bank of New Zealand Act 1989.
Bushland Park	Means the residential development at 564 and 566 Cashmere Road, Christchurch being all of the land contained within Lot 2 Deposited Plan 545172.
Capital Improvements	means structural repairs to, and the replacement or renewal of, the Community Facilities with the determination of what constitutes capital improvements to be assisted by recourse to the current definitions and published advice from the Inland Revenue Department.
Board	means the board members from time to time elected to manage the affairs of the Society pursuant to this Constitution.
Community Facilities	means all land (including the playground), paths and access-ways on land owned by the Society and all easements for the benefit of the Society; and all plant, equipment, facilities and amenities owned, leased, licensed or otherwise held or operated by the Society (as the Society may determine) from time to time within Bushland Park; and all facilities transferred to the Society by the Developer.
Constitution	means this constitution as amended or added to from time to time, and includes all Schedule 1.
Default Interest Rate	means four per cent above the Bank's overdraft rate applicable during the continuance of the default.
Developer	means Ernst Frei and Renate Katharina Frei or any assignee or successor in title.
Estimate	means the estimate of each Member's Proportion of Operating Expenses and insurance premiums for any given Financial Year, plus such contingency sum as the Society shall, in its sole discretion, decide on.

Financial Year	means each 12 month period commencing on 1 April and ending on 31 March, or such other 12 month period as the Board from time to time sets.
First Members	are those people named in Schedule 2.
Government Valuation	means the capital value of any Property as it appears on the district valuation roll pursuant to the Rating Valuations Act 1998.
Initial Price	in respect of any Property, means the price (inclusive of Goods and Services Tax) at which the Property is first sold to any Owner, or if the Property has not been sold, the price at which the Property is listed for sale.
Member	means each person who shall from time to time be a member of the Society pursuant to rules 4.1 to 4.6.
Member's Proportion	means the proportion that the total of the Property Values of the Properties owned by a Member bears to the Total Value.
Occupier	means any person occupying any Property under any lease, licence or other occupancy right and shall include all members of an Owner's family.
Offending Member	means any Member who is in breach of this Constitution.
Operating Expenses	means the total sum of all rates, taxes, costs and expenses of the Society properly or reasonably assessed or assessable paid or payable or otherwise incurred in respect of the Community Facilities but shall exclude any costs payable in Capital Improvements.
Owner	means each person registered as an owner (whether individually or with others) of a Property.
Owner's Title	means the record of title issued for a Property.
Property	means a property within Bushland Park which has been fully developed as a residential property, including the completed construction of a dwelling on the property, or for any other permitted use.
Registrar	means the person holding office from time to time as Registrar of Incorporated Societies in terms of the Act.
Property Value	means, in respect of each Property the Government Valuation, or, if the Government Valuation is not available, the Initial Price (if available).
Sinking Fund	means a special purpose fund built up to cover the cost of improvements to, and replacement and repair of, the Community Facilities and other Society assets, and which may also be used to fund payment in advance of the annual insurance premiums payable in respect of

the Community Facilities and other Society assets with the amount of such annual insurance premium costs to be reimbursed into the Sinking Fund as an expense payable by the Members.

Society	means Bushland Park Society Incorporated.
Special Resolution	means a resolution of the Society in general meeting passed by a majority of not less than 75% of Members as, being entitled to do so, vote in person or by proxy at such general meeting.
Total Value	means the sum total of the Property Values as at a given date.
Vendor	means a Member who sells a Property in accordance with rules 6.8 and 6.9.

Interpretation

2.2 In this Constitution, unless the context otherwise requires:

- (a) words denoting singular shall include the plural and vice versa;
- (b) one gender shall include the other genders;
- (c) words denoting persons shall include any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, state, agency of a state, municipal authority, government or any statutory body in each case whether or not having separate legal identity;
- (d) any covenant or agreement on the part of two or more persons shall bind those persons jointly and severally;
- (e) reference to anything of a particular nature following upon a general statement shall not in any way derogate from, or limited the application of the general statement, unless the particular context requires such derogation or limitation;
- (f) any reference to "month" or "monthly" shall mean, respectively, calendar month or calendar monthly;
- (g) references to rules are references to rules in this Constitution;
- (h) the table of contents, the section headings and rule headings have been inserted for convenience and a quick guide to the provisions of this Constitution and shall not form part of this Constitution or affect its interpretation in any way;
- (i) reference to any statute, regulation, ordinance or bylaw shall be deemed to extend to all statutes, regulations, ordinances or bylaws amending, consolidating or replacing the same.

3. PURPOSES

General

3.1 The Society is formed to promote the following purposes for the benefit of Members:

- (a) The ownership and continued ownership of the Community Facilities by the Society.
- (b) The proper operation, maintenance, repair, renovation and replacement of the Community Facilities, and the levying of Members for the purpose of providing funds for and meeting the costs and expenses of such work.
- (c) The full and proper use of the Community Facilities by Members and Occupiers.

Pecuniary gain not to be an object

- 3.2 The Society does not have as a purpose the pecuniary gain of Members, and (subject to rule 14.1) no Member shall be entitled to receive any dividend out of any levy, fee, donation or other income or funds of the Society.

Members may contract with the Society

- 3.3 A Member may enter any “arms length” agreement or understanding with the Society for the supply of any goods or services for such consideration and on such other terms and conditions as would be reasonable as if that person were not a Member.

4. MEMBERSHIP

First Members

- 4.1 The First Members are those people named in Schedule 2.
- 4.2 The First Members, who are not also Owners, shall resign from the Society as soon as there are more than fifteen Owners as Members. The First Members shall be entitled to vote at any meeting of the Society, to elect a Board, and exercise all rights of Members set out in this Constitution, but shall have no obligations as Members.

Owners to be Members

- 4.3 Each Owner shall be a Member, and only Owners shall be Members, and for that purpose:
- (a) A land covenant in gross shall be noted against each Owner's Title in favour of the Society. By this, each Owner covenants to become and remain a Member, and to perform the obligations of a Member as set out in this Constitution.
 - (b) Each Member shall (prior to settling the sale of a Property) ensure that the purchaser signs and delivers to the Society a deed of covenant in favour of the Society, wherein the purchaser covenants to become (contemporaneously with the transfer of the Property to the purchaser) and remain a Member, and to observe and perform the obligations of a Member as set out in this Constitution. The wording of the deed of covenant shall be prepared by the solicitors for the Society, and the selling Member and the purchasing Member shall be jointly and severally liable for the reasonable legal fees and disbursements of the Society's solicitors. Also see Rule 6.8.
 - (c) A Member shall be deemed to have resigned from the Society immediately that Member is no longer an Owner, however such resignation shall not relieve a person of any Society obligation or liability arising before that person ceased to be a Member.

- (d) Each Owner shall immediately upon becoming an Owner, provide the Society with the details necessary (including any changes) for maintenance of the register of Members pursuant to rule 4.4, and shall upon entry of the details into the register, become a Member.

Register of Members

4.4 The Society shall maintain a register of Members recording:

- (a) For each Member and Occupier: name, address, occupation, telephone number and all other contact details (eg. facsimile number, email address at home and at work) and similar details for a third party to be contacted in the event of absence or emergency.
- (b) Membership: the date upon which each Member became a Member.
- (c) Voting: where there is more than one Owner of a Property, which of such Owners is entitled to vote in accordance with rule 13.1.
- (d) Mortgagee: name, contact person, telephone number, facsimile number and email address of any person holding a mortgage over the Member's Property.

Not transferable

4.5 The rights, privileges and obligations of a Member are not able to be transferred or assigned.

More than one Owner

4.6 If there is more than one Owner of a Property, the Owners of the Property shall collectively constitute one Member.

5. USE OF COMMUNITY FACILITIES

5.1 Subject to any rules of the Society relating to the use of the Community Facilities, each Member, Occupier and their guests, visitors and invitees shall be entitled to make full use of the Community Facilities.

5.2 Subject to rule 5.3, no person, other than those persons set out in rule 5.1, shall be entitled to use the Community Facilities.

5.3 The Society shall allow access to the Community Facilities by members of the public, in such manner as may from time to time be determined by the Society.

6. OBLIGATIONS OF MEMBER

Levies

6.1 From 1 April 2023 and thereafter prior to or as soon as practicable after the commencement of each Financial Year, the Society shall by written notice advise each Member of the Estimate. For the avoidance of doubt no Members will be responsible for Operating Expenses or Capital Improvements for the period ending 31st March 2023. The Developer will remain responsible for Operating Expenses and Capital Improvements during that time.

- 6.2 Each Member shall, on the first day of each month in each Financial Year, pay one twelfth of the Estimate applicable to that Financial Year. Payment shall be made by each Member in the manner set by the Society.
- 6.3 As soon as practicable after the end of each Financial Year the Society shall provide to each Member an itemised statement of the actual Operating Expenses for the previous Financial Year. If the Member's Proportion of actual Operating Expenses for the previous Financial Year is greater than the total of the monthly payments made by the Member pursuant to rule 6.2, the Member shall forthwith pay to the Society the difference. If the Member's Proportion of actual Operating Expenses for the previous Financial Year is less than the total of the monthly payments made by the Member pursuant to rule 6.2, the Society shall credit the difference to the Estimate for the then current Financial Year.
- 6.4 If the Society has failed to advise a Member of the Estimate for a Financial Year before the date the first payment is due under rule 6.2, the Member shall on that date and every other date on which a payment is due under rule 6.2 pay one twelfth of the Estimate applicable to the previous Financial Year. On the Estimate for the Financial Year being advised to that Member:
- (a) rule 6.2 shall apply thereafter;
 - (b) if the aggregate of a Member's payments made under this rule during the Financial Year exceeds the aggregate of payments which should have been made under rule 6.2, the Society shall credit the difference to the Estimate;
 - (c) if the aggregate of a Member's payments under this rule during the Financial Year is less than the aggregate of payments which should have been made under rule 6.2, the Member shall immediately pay the Society the difference.

Special levies

- 6.5 The Board:
- (a) shall from time to time fix an additional monthly levy to be paid by each Member together with the monthly instalments of the Estimate for that Member, to be set aside as a Sinking Fund; and
 - (b) may from time to time fix such other special levies, payable by each Member at such times as are set by the Society, as the Society considers are necessary for it to meet its obligations under this Constitution.

provided that any levy payable by a Member under this rule shall be equal to that Member's Proportion of the total Estimate to be provided for and met from the proceeds of the levies paid by all Members.

Staged development

- 6.6 The Members acknowledge that Bushland Park may be developed in stages, with new Owners becoming Members as each stage is completed.
- 6.7 Where in any Financial Year new titles to Properties become available:
- (a) The Society shall provide to all Members (excluding the Owners of the new Properties) ("**Existing Members**") an itemised statement of the actual Operating Expenses for the period from the commencement of the current Financial Year to the date the new Properties became available ("**Period**").

If the amount of an Existing Member's Proportion of Operating Expenses for the Period is greater than the total of the monthly payments made or due for that Period, the Existing Member shall forthwith pay to the Society the difference. If the amount of an Existing Member's Proportion of Operating Expenses for the Period is less than the total of the monthly payments made or due for that Period, the Society shall credit the difference to the Estimate for the balance of the term of current Financial Year pursuant to rule 6.7(b).

- (b) As soon as practicable after the date the new Properties become available, the Society shall by written notice advise all members of the Estimate of each member's Proportion of Operating Expenses for the balance of the term of the current Financial Year.
- (c) Each Member shall, on the first of each month until the end of the current Financial Year, pay an equal proportion of the Estimate given pursuant to rule 6.7(b).

Sale of Property

6.8 Where a Vendor sells a Property:

- (a) notwithstanding any other rule in this Constitution, the Vendor shall continue to remain liable for sums already owed to the Society by that Vendor;
- (b) the Vendor shall continue to be liable as a primary and principal debtor for all indebtedness of the purchaser of the Property from the Vendor to the Society until such time as the deed of covenant specified in rule 4.3(b) is received by the Society; and
- (c) the purchaser of the Property shall also be liable as a Member for all indebtedness of the Vendor to the Society in respect of the Property purchased and a certificate of the Society given pursuant to rule 6.9 shall be conclusive as to the sum of this indebtedness.

6.9 The Society shall, on application by a Member, or any person authorised in writing by such Member, provide the Member or authorised person with a statement of the indebtedness of the Member to the Society calculated to the date specified in the application. The statement shall show:

- (a) the Estimate of such Member's Proportion of Operating Expenses for the current Financial Year;
- (b) payments made by the Member on account of Operating Expenses in the current Financial Year;
- (c) payments due from the Member on account of Operating Expenses in the current Financial Year, and not paid by the Member; and
- (d) any accumulated unpaid default interest charged at the Default Interest Rate.

Covenants and rules

6.10 Each Member agrees to promptly and fully comply with any rules made by the Society from time to time, and any covenants given in favour of the Society by such Member (whether by separate deed or covenant or as noted against each Owner's Title).

7. MEMBERS ASSISTANCE TO THE DEVELOPER

Future development

- 7.1 The Members acknowledge that development of Bushland Park is ongoing, and that the Society is required to allow the Developer such access to, and interests in, the Community Facilities as are necessary or desirable for the development of Bushland Park to proceed. The Developer may add, remove or alter structures and services forming part of the Community Facilities, and procure that the Members amend this Constitution if such amendment is necessary or desirable for the development of Bushland Park to proceed in the sole opinion of the Developer. Each Member agrees:
- (a) not to prevent, hinder or obstruct the use by the Developer of the Community Facilities, the addition, removal or alteration of structures or services forming part of the Community Facilities by the Developer, or the granting of any interests in the Community Facilities by the Society to the Developer;
 - (b) to, and hereby grants such easements in favour of the Developer, any utility supplier (for example, Orion or the Christchurch City Council) any Member and/or the Society over or under the Member's Property or the Communal Facilities as are required for the development to proceed or as may be necessary or desirable for development of Bushland Park;
 - (c) to sign such documentation to surrender any easement or land covenants, whether in favour of any Member or the Society, as required by the Developer for Bushland Park to proceed or as may be necessary or desirable for development of Bushland Park;
 - (d) that neither the Member nor the Society shall oppose, or take part in any opposition to, the development of Bushland Park;
 - (e) to support any resolution to amend this Constitution, where the Society is bound by agreement with the Developer, to procure such amendment.

8. BREACH OF OBLIGATIONS

Occupiers and Invitees

- 8.1 A reference to an act or omission by any Member, shall include any act or omission by any mortgagee in possession of that Member's Property or the Occupiers of such Member's Property, the invitees and guests of such Occupier and the invitees and guests of such Member or the mortgagee in possession of that Member's Property. A Member must advise the Society of such details of the Occupiers of the Member's Property as are requested by the Society, and if required by the Society shall procure such Occupiers before they enter into occupation of the Property to enter into a deed of covenant with the Society (in a form acceptable to the Society), covenanting to be bound by this Constitution. Each member must take all reasonable steps (including enforcing the terms of any lease) to ensure Occupiers comply with this Constitution. In any case of persistent default by an Occupier of this Constitution, the Owner shall on demand by the Society, terminate the Occupier's right to occupy the Property. A copy of this Constitution shall be attached to every lease, licence, or other document defining occupancy rights.

Consequences

- 8.2 Upon any breach of this Constitution by an Offending Member:

- (a) Where damage has been caused to the Community Facilities, the Offending Member shall make good such damage.
- (b) If such default continues for seven days after notice is given by the Society to the Offending Member to remedy the default, the Society may do anything, including paying money necessary to remedy the default.
- (c) All money paid and expenses incurred by the Society (including any legal costs of the Society) in remedying or attempting to remedy, any breach by an Offending Member of this Constitution, or incurred in the exercise, or attempted exercise, or enforcement or attempted enforcement of any power, right or remedy of the Society in respect of such breach, shall be a debt due from the Offending Member to the Society.
- (d) If any money payable by an Offending Member to the Society is in arrears and unpaid for seven days (whether or not formal demand for payment has been made and without any formal demand being necessary) such money shall be payable on demand and shall bear interest that the Default Interest Rate, computed on a daily basis from the due date until the date of payment in full.

9. OBLIGATIONS OF THE SOCIETY

Rules

- 9.1 The Society shall promulgate, amend and distribute to Members from time to time rules for the use of the Community Facilities (including any restrictions on use for security, maintenance or other reasons) and rules concerning the behaviour of Owners, Occupiers, invitees and guests. The first such rules shall be those rules attached as the Schedule 1 to this Constitution.

Repair of Community Facilities

- 9.2 The Society shall ensure the proper operation, maintenance, repair, renovation and replacement of the Community Facilities, and shall undertake such Capital Improvements as are necessary for this purpose.

Insurance

- 9.3 The Society shall effect and maintain all insurances as it considers prudent with respect to the Community Facilities and the Society's affairs, and shall meet all costs of such insurance (which shall include all valuations and other professional fees required or deemed desirable for the purposes of such insurances and the cost of certificates relating to such insurances).

Service contractors and utility suppliers

- 9.4 The Society may, from time to time, nominate a service contractor with respect to landscaping, maintenance or other such services in relation to the Community Facilities as the Society considers desirable.

10. LIMITATIONS OF THE SOCIETY

No indebtedness

- 10.1 Except by Special Resolution, the Society shall not borrow any money, other than short-term borrowing to cover any temporary shortfall in meeting the Society's obligations under this Constitution.

No encumbrances

- 10.2 The Society shall hold the Community Facilities in its own name and shall not mortgage, charge, encumber, transfer or otherwise deal with the Community Facilities, except by Special Resolution.

No investments

- 10.3 Except by Special Resolution, the Society shall hold all funds with a Bank, and shall not invest those funds other than by deposit with a Bank.

No improper use

- 10.4 All Community Facilities designed for recreational purposes shall be used only for such purposes.

11. BOARD**Powers**

- 11.1 The administration of the Society shall be vested in the Society in general meeting, and shall be delegated to the Board. The Board may exercise all the powers, authority and discretions of the Society as permitted by this Constitution and do on its behalf all such acts as it deems necessary or expedient. The powers, authority and discretions as exercised by the Board are subject always to any limits which may from time to time be imposed by the Society. The Board may delegate any of its powers to sub-committees consisting of such Members or of their body as they think fit or to the Manager. Any sub-committee so formed shall in the exercise of the powers so delegated conform to directions of the Board.

Bank account

- 11.2 The Society shall establish a Bank account, and any drawing on that account shall be made only under the signature of the Secretary/Treasurer and one other member of the Board.

Documents

- 11.3 All documents and written announcements requiring execution on behalf of the Society must be signed by the chairperson of the Board.

Composition

- 11.4 The Board shall comprise the following persons:
- (a) a chairperson;
 - (b) a treasurer/secretary; and
 - (c) a minimum of 2 and a maximum of 5 general Board members, as determined by the Society in general meeting before election of Board members.

Board members

- 11.5 The Board shall be elected by the Society at every annual general meeting, and may be elected at any other time by the Society in general meeting, provided that the Society

shall only elect persons as members of the Board, and shall not elect any person specifically as chairperson.

11.6 Board member shall hold the elected position until the earliest of:

- (a) the next annual general meeting following election (when the Board member shall be eligible for re-election);
- (b) the date written resignation from the position is received by the Society;
- (c) the date of removal from such position by the Society in general meeting; or
- (d) the date of cessation of membership.

11.7 In the event of a casual vacancy in any position on the Board (whether caused by death, cessation of membership from the Society, or some other means) the remaining Board members may appoint another Member to fill the vacancy until the position is filled by the Society in general meeting.

Duties of treasurer/secretary

11.8 The treasurer/secretary shall:

- (a) convene general meetings when requested to do so in accordance with this Constitution;
- (b) attend all meetings of the Board and have full speaking rights at such meetings;
- (c) give all notices required to be given by this Constitution or as directed from time to time by the Society or the Board;
- (d) keep minutes at all general meetings and Board meetings and enter into the minute book:
 - (i) the time, date and venue of such meetings;
 - (ii) all business considered and resolutions passed at such meetings;
- (e) hold in safe custody the common seal of the Society;
- (f) receive, and issue receipts for, all annual levies, additional fees, and any other moneys paid to the Society;
- (g) operate and maintain a current Bank account in the name of the Society;
- (h) pay all accounts properly incurred by or on behalf of the Society;
- (i) report immediately to the Society any Member who fails to pay annual levies or additional fees within the prescribed period;
- (j) keep all financial records and any security documents in safe custody;
- (k) compile all proper accounting records from time to time as required by the Act or by the Board which give a true, fair and complete account of the financial affairs and transactions of the Society; and

- (l) compile the financial statements immediately following each Financial Year as required by the Act, and provide for the auditing of those records and the distribution of the audited financial statements to Members.

Conduct of Meetings

- 11.9 The Board may meet together, adjourn and otherwise regulate its meetings and procedures for conducting its business as it thinks fit. A majority of the members of the Board from time to time shall form a quorum for a Board meeting. No business of the Board shall be conducted at any time when less than a quorum is present at the same time and place. The Board may meet at any time and the secretary shall, upon the request of the chairperson or any three Board members, convene a meeting of the Board.

Chairperson

- 11.10 The Board from time to time shall appoint a chairperson for such term as it sees fit from one of their number to chair Board meetings and otherwise exercise the powers of the chairperson set out in this Constitution.
- 11.11 In the case of a tie in votes the chairperson may exercise a casting vote.

Seal

- 11.12 The Board shall obtain a common seal for the use of the Society and shall provide for its safe custody. The common seal shall not be used except by resolution of the Board. Every instrument to which the common seal is affixed shall be signed by any two members of the Board.

Voting

- 11.13 Unless expressly provided otherwise in this Constitution, resolutions of the Board shall be passed by majority. Each Board member shall be entitled to exercise one vote. Notwithstanding any contrary provision in this Constitution, a resolution in writing signed by such of the Board members as would constitute a quorum at a Board meeting shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and constituted.

Validity of Board's actions

- 11.14 All acts properly done by any meeting of the Board or by any person acting as a Board member, notwithstanding that it may afterwards be discovered that there was some defect in the appointment or continuance in office of any such Board member, or that such Board member was disqualified, shall be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Board member.

Board minutes and records

- 11.15 The Board shall cause proper minutes to be kept of the proceedings of all meetings of the Society and of the Board. All business transacted at such meetings signed by the chairperson shall be accepted as a correct and accurate record of the business transacted at such meetings without any further proof of the facts contained in such minutes.

12. GENERAL MEETINGS

Annual general meeting

- 12.1 In addition to any other meetings in that year, the Society shall hold an annual general meeting each year. Not more than 18 months shall elapse between the date of one annual general meeting and that of the next. The Board will determine the time and place of each year's annual general meeting.

Special general meetings

- 12.2 A special general meeting (other than an annual general meeting) may be requested by the Board, or by written request signed by not less than 25% of the Members. The secretary shall call a special general meeting within 14 days of receiving an effective request.

Powers of the Society in general meeting

- 12.3 The Society in general meeting may, by resolution, exercise all powers, authorities and discretions of the Society notwithstanding that any such power, authority and discretion may have been delegated to the Board by or pursuant to this Constitution. Notwithstanding any contrary provision in this Constitution, a resolution in writing signed by 75% of the Members entitled to vote in person or by proxy at general meetings shall be as valid and effectual as if it had been passed at a general meeting of the Society duly convened and constituted.

Quorum

- 12.4 No business shall be transacted at any general meeting of the Society unless the quorum is present when a meeting proceeds to business. Quorums shall be not less than 20% of all Members or 10 Members (whichever is the lesser) eligible to vote at general meetings, present in person or by proxy.

Notice of general meeting

- 12.5 A notice of general meeting of the Society shall be sent to every member not less than 10 clear days before the date of such meeting. Such notice shall specify the date, time and venue of such meeting. In the case of a general meeting other than an annual general meeting such notice shall specify all business and all notices of motions to be considered at such meeting. No business or notice of motion which is not specified shall be discussed at such meeting.

Failure to give notice

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

The chairperson

- 12.7 The chairperson at any general meeting shall be:
- (a) the chairperson of the Society; or
 - (b) if the chairperson is not present or is unwilling to take the chair, then those Board members who are present may choose one of their number to chair the meeting; or

- (c) if for any reason no chairperson is selected by the Board, any Member appointed by a majority of Members present in person or by proxy.

Adjournment

- 12.8 If a quorum is not present within half an hour from the time appointed for the holding of a general meeting convened on requisition of Members, the meeting shall be dissolved. In such a case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board shall determine (such date not to be later than 14 days from the date of the adjourned meeting). If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present shall constitute a quorum.

Adjourned meetings

- 12.9 No business other than that business which might have been transacted at the meeting from which the adjournment took place, shall be transacted at any adjourned meeting. Members shall not be entitled to receive any notice in respect of adjourned meetings.

13. VOTING

One Member one vote

- 13.1 Each Member present at a general meeting of the Society (not at that time being in breach of this Constitution) shall be entitled to one vote for each Property of which that Member is a registered owner. The vote may be exercised either in person or by proxy. Where there is more than one Owner in respect of any Property, and such Owners are collectively a Member pursuant to rule 4.6, only one such Owner shall be entitled to vote. In the absence of agreement between such Owners as to who shall exercise that Member's vote, the Owner appearing first on the Owner's Title shall be entitled to exercise that vote. On the death of any Member, and pending the transfer or transmission of that Member's Property, the executor of that Member's estate shall be entitled to exercise that Member's vote.

Corporation representatives

- 13.2 Any corporation which is a Member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Society. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation which that person represents as that corporation could exercise if it were an individual Member. References in this Constitution to a Member being present in person shall mean and include a representative appointed pursuant to this rule, and such person may also stand for election to the Board.

No vote if fees unpaid

- 13.3 Unless all annual levies and additional fees presently payable by the Member of the Society have been paid in full, the Member shall not be entitled to vote at any general meeting of the Society, whether in its own right or as a proxy for another person.

Voting at meetings

- 13.4 At any general meeting:

- (a) a resolution may be put to the vote by the chairperson or by any Member present at the meeting and entitled to vote;
- (b) resolutions put to the vote shall be decided on voices or a show of hands, unless a poll is demanded on or before declaration of the result of the voices or show of hands by:
 - (i) the chairperson of the meeting; or
 - (ii) at least five Members present in person or by proxy;
- (c) in the case of a resolution put to the vote of at the meeting by voices or a show of hands, a declaration by the chairperson that such resolution has been carried or lost or an entry to that effect in the Society's minute book, shall be conclusive evidence of that fact, without further proof of the number or proportion of votes recorded in favour of or against such resolution.
- (d) resolutions shall be passed by a majority of votes, except where Special Resolution or the unanimous resolution of all Members is required by this Constitution.
- (e) in the case of a tie in votes, the chairperson may exercise a casting vote.

Good faith

- (f) Members shall, in exercising any vote at any general meeting, or as a Board Member, exercise such vote in good faith with a view to ensuring that all Members are treated equally and fairly by the Society. Each Member shall bear that Member's Proportion of all Operating Expenses and of all costs and expenses to be met by levies made by the Society under rule 6.5, irrespective of whether any expenditure by the Society could be seen as benefiting all or just some Members.

14. GENERAL

Dissolution

- 14.1 The Society may be wound up in accordance with section 24 of the Act. Upon the winding up of the Society, ownership of the Community Facilities shall vest in Members as tenants in common in shares equal to the Member's Proportion as at the date of winding up, and the Society shall take all necessary steps to vest legal title to the Community Facilities in the Members.

Alteration of this Constitution

- 14.2 This Constitution shall not be amended, added to, rescinded or cancelled except at an annual general meeting, or a general meeting convened for that purpose, and unless written notice of the proposed amendment, addition or rescission shall have been given to all Members in accordance with this Constitution.
- 14.3 No rule, including this one, shall be amended, added to, rescinded, or cancelled except by Special Resolution.
- 14.4 Notwithstanding any other rule in this Constitution, this Constitution shall not be amended, added to or rescinded so as to alter, add to, rescind or cancel rules 4.2, 5.1, 7.1, 9.1 and 14.1.

- 14.5 No such amendment, addition or rescission or cancellation shall be valid unless and until accepted by the Registrar.

Registered office

- 14.6 The registered office shall be situated at an address nominated by the Board.

Liability of Members

- 14.7 Subject to rule 14.12, no Member shall be under any liability in respect to any contract or other obligations made or incurred by the Society.
- 14.8 The Society shall indemnify each Member against any liability properly incurred by such Member in respect of the affairs of the Society, to the extent of property owned by the Society.
- 14.9 No action in law or otherwise shall lie in favour of any Member against any other Member or the Board, or any Board member in respect of any act or omission pursuant to this Constitution.
- 14.10 Nothing in this rule shall prevent an action in respect of any loss or expense arising from the wilful default of the Member against whom such action is taken.

Indemnity

- 14.11 Each Member shall indemnify and keep indemnified the Society from and against any action, claim, demand, loss, damage, cost, expense and liability which the Society may suffer or incur, or of which the Society may become liable in respect of or arising from any breach of this Constitution or failure to act pursuant to this Constitution by the Member.

Dispute Resolution

14.12

- (a) Without prejudice to the enforcement provisions of this document, if any dispute arises between or among the parties concerning the covenants above, then the parties shall enter into negotiations in good faith to resolve their dispute.
- (b) If the dispute is not resolved within twenty (20) working days from the date on which the parties began their negotiations, then the parties shall submit to the arbitration of an independent arbitrator appointed jointly by the parties. If the parties agree, that person appointed may act as an expert and not an arbitrator.
- (c) If an arbitrator cannot be agreed upon within a further ten (10) days, then an independent arbitrator will be appointed by the President for the time being of the Canterbury District Law Society.
- (d) Such arbitration will be determined in accordance with the Arbitration Act 1996 (and its Amendments) or any enactment passed in its substitution.

Approval

- 14.13 Where in this Constitution any reference is made to the approval or consent of the Society:

- (a) such approval or consent shall be at the sole discretion of the Society as appropriate;
- (b) no approval or consent given on any occasion by either the Society shall serve as a precedent for, or be binding in any way with respect to, any future application for consent or approval; and
- (c) such reference shall mean the prior written approval or consent of the Society.

SCHEDULE 1
SOCIETY RULES

Rules governing Community Facilities

1. Use

- 1.1 Each Member shall make no improper, offensive or unlawful use of any Community Facilities, and shall use the Community Facilities only for the purposes for which they were designed.
- 1.2 No Member shall fetter, obstruct or impede the use of any Community Facilities by any other Member.
- 1.3 No Member shall place anything in or on Community Facilities without the approval of the Board.
- 1.4 No Member shall do any act which may prejudice or add to the premium payable in respect of any insurance of the Community Facilities.
- 1.5 No Member shall use the Community Facilities between the hours of 10pm and 7am unless they have received the prior written approval of the Board.

2. Prohibited Acts

- 2.1 No Member shall drop any litter in or on the Community Facilities.
- 2.2 No Member shall do any act which detracts from the attractiveness or state of repair of the Community Facilities. Any Member who discovers any damage to the Community Facilities shall immediately report such damage to the Secretary.
- 2.3 No Member shall engage in, or allow any person to engage in, any criminal activity in or on the Community Facilities.
- 2.4 No Member shall burn any material or substance in or on the Community Facilities or do anything which may create a fire hazard or contravene fire regulations.
- 2.5 No Member shall erect any notice or sign on the Community Facilities without the prior written consent of the Society.

3. Closing of Community Facilities

- 3.1 The Board shall be entitled to close any or all of the Community Facilities as the Board considers necessary for security reasons, or for the purpose of maintaining and repairing Community Facilities.

Schedule 2

1. Ernst Frei
2. Renate Katharina Frei
3. Silas Thielmann
4. Julia McDonald
5. Lukas Thielmann
6. Ruben Thielmann
7. Marcel Patrick Frei
8. Daniel Reto Frei
9. Samuel Joseph Frei
10. Lukas Philip Fern
11. Bushland Developments Limited
12. Peter Richard Bielski
13. Amanda Bielski