

# **Rules of**

## **BUG 4/2 Incorporated**

### **1. Name**

- a. The Name of the society is BUG 4/2 Incorporated. BUG stands for Brick User Group and 4/2 stands for the both, the 4x2 LEGO Brick and the 42 Degrees South.
- b. The society is constituted by resolution dated July 15th, 2012

### **2. The registered office of the society is: P.O. Box 31053, Ilam, Christchurch, 8444**

### **3. The goal of the society is to support the community and further education by:**

- a. Using a passion for construction play systems to make a difference within the community and inspire young people to develop their passions in order to do the same.
- b. Producing creative construction play system events for the purposes of funding charitable causes and inspiring others in the fields of engineering, education and visual art.
- c. Assist in education of the community through participation in LUG4x2 events, related workshops and increasing the capabilities of the community.
- d. Providing scholarships and incentives for construction accomplishments and education.
- e. Pecuniary gain is not a purpose of the Society.

### **4. Powers**

The Society shall have all the powers of a natural person, to the maximum extent permitted by law, to promote the goals of the Society, including the powers to:

- a. Borrow or raise money from time to time, without or by the issue of any security based on all or any of the property and/or rights of the Society.
- b. Invest or pay money in such a manner as the Society may consider necessary or proper in the furtherance of the Society's goals.
- c. Purchase, take on, lease or hire or otherwise acquire, hold or dispose of any real or personal property and any rights or privileges which the Society may consider necessary or proper in the furtherance of its goals.
- d. Co-operate with, give donations to or assist any other organisation the purpose of which is to promote the same goals of the Society.
- e. To do all such other things as are reasonably necessary or incidental to promote the goals of the Society.

### **5. Membership**

- a. Membership is free.
- b. Membership can be acquired by submitting an application to the secretary. The general chair or the deputy chair approves each application.

- c. Members under the age of 18 are required to present approval of a guardian.
- d. A member can cancel his/her membership at any time by sending a written notice to the general chair.
- e. A member can be removed by majority vote of the society at a society meeting.
- f. Membership terminated in the following way:
  - i. If, for any reason whatsoever, the officers are of the view that a member is breaching the rules or acting in a manner inconsistent with the purposes of the society, the officers may give written notice of this to the member ("the Committee's Notice"). The Committee's Notice must:
    - 1. Explain how the member is breaching the rules or acting in a manner inconsistent with the purposes of the society;
    - 2. State what the member must do in order to remedy the situation; or state that the member must write to the officers giving reasons why the officers should not terminate the member's membership.
    - 3. State that if, within 14 days of the member receiving the Committee's Notice, the officers are not satisfied, the officers may in its absolute discretion immediately terminate the member's membership.
    - 4. State that if the officers terminate the member's membership, the member may appeal to the society.
    - 5. 14 days after the member received the Committee's Notice; the officers may in its absolute discretion by majority vote terminate the member's membership by giving the member written notice ("Termination Notice"), which takes immediate effect. The Termination Notice must state that the member may appeal to the society at the next meeting by giving written notice to the deputy chair ("Member's Notice") within 14 days of the member's receipt of the Termination Notice.
    - 6. If the member gives the Member's Notice to the secretary, the member will have the right to be fairly heard at a society meeting held within the following 28 days. If the member chooses, the member may provide the secretary with a written explanation of the events as the member sees them ("the Member's Explanation"), and the member may require the secretary to give the Member's Explanation to every other member within 7 days of the deputy chair receiving the Member's Explanation. If the member is not satisfied that the other society members have had sufficient time to consider the Member's Explanation, the member may defer his or her right to be heard until the following society meeting.
    - 7. When the member is heard at a society meeting, the society may question the member and the officers.
    - 8. The society shall then by majority vote decide whether to let the termination stand, or whether to reinstate the member. The society's decision will be final.

## 6. Officers

- a. The affairs of the society shall be entrusted to the following officers: one general chair, one deputy chair, one treasurer, one secretary, one community officer; one LEGO ambassador and other members as the society shall decide.
- b. Only members of the society may become officers
- c. The officers shall be elected at annual general meetings with open nominations.
- d. The officers shall continue in office until their successors are elected.
- e. In the event of the number of candidates exceeding the number required, a secret ballot shall be held to decide the election.
- f. If a person ceases to be an officer, that person must within one month give to the other officers all society documents and property.
- g. Decision concerning the employment of staff will be made by all officers. In case an officer is being appointed as an employee, then he/she has no vote in that decision.

## 7. Roles of the officers

- a. The Chair/President is responsible for:
  - i. Ensuring that the Rules are followed;
  - ii. Convening Meetings and establishing whether or not a quorum (half of the Committee) is present;
  - iii. Chairing Meetings, deciding who may speak and when;
  - iv. Overseeing the operation of the Society;
  - v. Appointing sub-committees, this includes the appointment of the chairs for exhibitions;
  - vi. Providing a report on the operations of the Society at each Annual General Meeting.
- b. The Deputy Chair/Vice President is responsible for:
  - i. Undertake Chair/President duties when Chair/President is not available.
  - ii. Oversee Charity Liaison Project Manager whom undertakes:
    1. Organising the charitable activities of the society.
    2. Keeping proper accounting records of the Projects financial transactions to allow the Project's financial position to be readily ascertained;
    3. Preparing project financial statements for presentation at each meeting. These statements should be prepared in accordance with the Societies' accounting policies (see 8.1.d).
    4. Providing a project report at each Meeting;
    5. Providing information to the Committee as the Committee determines
  - iii. Oversees newsletter and public communications.
  - iv. Assist Lego Ambassador.
- c. The Treasurer/Chief Finance Officer is responsible for:

- i. Keeping proper accounting records of the Society's financial transactions to allow the Society's financial position to be readily ascertained;
  - ii. Preparing annual financial statements for presentation at each Annual General Meeting. These statements should be prepared in accordance with the Societies' accounting policies (see 8.1.d).
  - iii. Providing a financial report at each Annual General Meeting;
  - iv. Providing financial information to the Committee as the Committee determines.
- d. The Secretary is responsible for:
  - i. Recording the minutes of Meetings;
  - ii. Keeping the Register of Members;
  - iii. Holding the Society's records, documents, and books except those required for the Treasurer's function;
  - iv. Receiving and replying to correspondence as required by the Committee;
  - v. Forwarding the annual financial statements for the Society to the Registrar of Incorporated Societies and Charities Register upon their approval by the Members at an Annual General Meeting.
  - vi. Advising the Registrar of Incorporated Societies and Charities Register of any rule changes;
  - vii. Maintain the LUG asset register.
- e. The Community Officer is responsible for:
  - i. Facilitating regular community events
  - ii. Manage social media communications
- f. The LEGO Ambassador is responsible for:
  - i. Facilitate direct communications with LEGO Denmark.
  - ii. Facilitate annual bulk order.
  - iii. Facilitate special projects.
  - iv. Communicate all relevant communications from Lego Denmark to LUG members.
  - v. Liaise with Community Officer on community events.
  - vi. Liaise with Sub-committees on LEGO LUG requirements

## 8. General Meeting

- a. The annual general meeting of the LUG 4/2 society shall be held no later than the end of August each year.
- b. A special general meeting to be held within 28 days may at any time be called by the general chair or in his absence by the deputy chair.
- c. Seven days' notice of any general meeting must be given to the members, stating the business, time and place of the such meeting.
- d. At all general meetings of the society each adult member present shall have one vote, and the general chair at any meeting shall have a casting as well as a deliberative vote. In absence of the general chair, the deputy chair receives the authority for this vote.
- e. At all general meetings, five (5) shall constitute a quorum.

- f. On all questions other than those specified in 5(c), all voting shall be by voices or by a show of hand if called for by one person present or by a secret ballot if demanded by at least five persons present.
- g. The society can be discontinued by a  $\frac{2}{3}$  majority vote.

#### 9. The Register of Members

- a. The secretary shall keep a register of members ("the register"), which shall contain the names, the postal and email addresses and telephone numbers of all members, and the dates at which they became members.
- b. If a member's contact details change, that member shall give the new postal or email address or telephone number to the secretary.
- c. Each member shall provide such other details as the officers requires.
- d. Members shall have reasonable access to the register of members.

#### 10. Finance

- a. All moneys received by or on behalf of the society shall forthwith be paid to the credit of the society in an account with such bank as may from time to time be fixed by the society.
- b. All expenses must be pre-approved by the treasurer.
- c. Any remaining assets, after settling any debts and liabilities, will be used for a charitable purpose or given to another organization with charitable purposes.
- d. The property, effects and money of the Society shall belong to the Society as an incorporated Society and no member shall acquire any personal interest or individual interest in any of the property of the Society by virtue of being a member of the Society.
- e. Any payments made must be for goods or services that advance the charitable purpose and must be reasonable and relative to payments that would be made between unrelated parties.
- f. The society may only use money and other assets if:
  - i. It is for the charitable purpose of the society;
  - ii. It is a donation to another certified charitable organization;
  - iii. It is not for the sole personal or individual benefit of any member; and
  - iv. That use has been approved by majority vote of the society and approved by the relevant officers.

#### 11. Personal Benefit

- a. Any income, benefit or advantage shall be applied to the charitable objects and purposes of the Society.
- b. No member of the Society or any person associated with a member of the Society shall participate in, or materially influence any decision made by the Society in respect of the payment to or on behalf of that member or associated person of any income, benefit or advantage whatsoever.
- c. Any such income referred to above at 10(b) shall be reasonable and relative to that which would be paid in an arms length transaction; namely being at an open market value.

- d. The provisions and effect of this clause shall not be removed from this document and shall be included and implied into any document replacing this document; including any alteration of rules.

## 12. Management of Conflict of Interest

- a. This clause applies to situations where members of the Society or any persons associated with the member are in a possible or actual position of conflict of interest between their responsibilities and obligations arising out of the rules of the Society and their personal interests.
- b. If any member of the Society or person associated with the member is in such a position of conflict or possible conflict, then the member of the Society must immediately inform the chair of the Society for a direction as to how to manage the said possible or actual conflict. Until the said member has received that direction from the chair, that member must restrain from doing all things that place that member in such conflict.
- c. If the conflict has arisen between the member as a member of the Society and member in their capacity as employee of the Society, then the procedures outlined within the terms of the member's employment agreement will apply and will be deemed to be part of the rules insofar as they apply to the conflict of interest issue that may have arisen in respect to this particular employed member of the Society.

## 13. Obligations of Members

- a. All Members and officers shall promote the purposes of the society and shall do nothing to bring the society into disrepute.

## 14. Common seal

- a. The officers shall provide a common seal
- b. The seal may be replaced by a majority vote from the members
- c. The secretary shall have custody of the common seal, which shall only be used by the authority of the officers. Every document to which the common seal is affixed shall be signed by the general chair and countersigned by the deputy chair or the treasurer.

## 15. Alteration of rules

- a. Any of these rules may be added to, altered, rescinded or otherwise varied at the annual general meeting or at a special general meeting by a two-thirds majority vote of those present.
- b. Any alteration to the rules must not change the organisation's exclusively charitable nature

## 16. Indemnity

The Committee and each and every member thereof acting in good faith and in compliance with the rules shall be indemnified by and out of the funds of the Society against any loss, damage, expense or liability incurred by reason of or in connection with any legal proceedings instituted against them or any of them for any acts done,

omitted, or suffered in relation to the performance or professed performance of any of their official duties or any of the goals of the Society.

#### 17. Winding Up

If at any general meeting the members decide by majority of those present and entitled to vote that the Society should be dissolved, the deputy chair shall call a Special General Meeting of the Society of which not less than 30 clear days notice shall be given to all members specifying the terms of any resolution to be proposed. If at such Special Meeting of the Society it is decided by the majority of those present and entitled to vote that the Society should be dissolved, the Society shall be wound up. Any assets remaining after satisfaction of all proper debts and liabilities shall be distributed or applied to other local and recognised charitable incorporated societies which have the same goals as the Society or to such other recognised charitable organisations which objects are such that it will be lawful for those assets to be distributed to those said organisations without placing the charitable status of the Society in jeopardy.

#### 18. Registered office

The registered office of the situation is at P.O. Box 31053, Christchurch, or at such other place for the time being as shall be decided by the society.

#### 19. Service of notice

Every notice required to be given to a member shall be deemed to have been duly delivered if posted to the member in a pre-paid letter or emailed to him/her at the member's last known place of address.

#### 20. Saving clause

The proceedings of the officers or of any general meeting of members will not be invalidated solely by any inadvertent omission to give any member a notice required by the rules or any error or inadvertent omission in any notice of or procedure or any vacancy among or defect in the qualification or election of any member or officer.

#### 21. Definitions and Miscellaneous matters

##### a. In these Rules:

- i. "Majority vote" means a vote made by more than half of the members who are present at a meeting and who are entitled to vote and voting at that meeting upon a resolution put to that meeting.
- ii. "Money or Other Assets" means any real or personal property or any interest therein, owned or controlled to any extent by the society.
- iii. "Society Meeting" means any annual general meeting, or any special general meeting, but not an officers meeting.
- iv. "Use Money or Other Assets" means to use, handle, invest, transfer, give, apply, expend, dispose of, or in any other way deal with, money or other assets.
- v. "Written Notice" means communication by post, electronic means (including email, and website posting), or advertisement in periodicals, or a combination of these methods.

- vi. It is assumed that
1. Where a masculine is used, the feminine is included
  2. Where the singular is used, plural forms of the noun are also inferred
  3. Headings are a matter of reference and not a part of the rules
  4. Matters not covered in these rules shall be decided upon by the officers.

Signed on:

Chair/President

Deputy Chair/Deputy President

Treasurer/Chief Finance Officer