

**CONSTITUTION OF
ESKRIDGE RESIDENTS SOCIETY**



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INTRODUCTION

1. NAME

- 1.1 The name of the Society shall be Eskridge Residents Society Incorporated.

2. DEFINITIONS AND INTERPRETATION

Definitions

- 2.1 In these Rules, unless the context otherwise requires:

“Act” means the Incorporated Societies Act 1908.

“By-laws” means the Society’s by-laws as provided in Schedule 1.

“Capital Improvements” means any repairs or additions to, and any replacement or renewal of, the Communal Facilities

“Committee” means the committee Members elected for the time being to manage the affairs of the Society

“Common land” means the land as may from time to time be determined by the Committee as common land.

“Communal Facilities” means all land, buildings, 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 including all roads accessways and conservations areas within Eskridge.

“Constitution” means this Constitution as amended or added to, including all Schedules to this Constitution.

“Default Interest Rate” means the 90 day bill rate for the Society’s Bank plus ten per cent pertaining at the time of default.

“Developer” means Seafeld Farm (HB) Limited or its assigns or successors.

“Developers Contribution” means a contribution equivalent to two (2) developed properties payable until such time as thirty (30) developed properties have been sold by the developer at which time the Developers Contribution shall be zero (0)

“Developed Property” means a lot within Eskridge which has been developed as a residential property for which a separate title has issued.

“Expense year” means each 12 month period commencing on 1 April and ending on 31 March, or such other 12 month period as the Committee from time to time sets.

"Eskridge" means the rural residential farm park development situated at Hill Road, Bay View.

"Farmed land" means the land as may from time to time be determined by the Developer or the Society as farmed land.

"Invitee" means any invitee of or any visitor to an Owner or Occupier.

"Member" means each person who shall from time to time be a Member of the Society pursuant to Rules 4.1 to 4.5.

"Member's Proportion" means a sum calculated as follows:

$$\frac{\text{Operating Expenses}}{\text{Number of developed properties} + \text{Developers contribution (if any)}}$$

"Occupier" means any person occupying any Developed Property under any lease, licence or other occupancy right and shall include all members of an Owner's family.

"Operating Expenses" means the total sum of all rates, taxes, insurances, repairs, costs and expenses of the Society properly or reasonably assessed or assessable paid or payable or otherwise incurred in respect of the Communal Facilities and the operation of the Society, but shall exclude any costs payable in respect of Capital Improvements.

"Owner" means each person registered as a proprietor (individually or with others) of a Developed Property and shall include any Developed Property owned by the Developer..

"Owners Title" means the certificate of title issued for an Owners Developed Property.

"Registrar" means the person holding office from time to time as Registrar of Incorporated Societies in terms of the Act.

"Rules" means the Rules of this Constitution.

"Society" means Eskridge Residents Society Incorporated.

"Special Resolution" means a resolution of the Society in general meeting passed by a majority of not less than 75% of such Members as, being entitled to do so, vote in person or by proxy at such general meeting.

Interpretation

2.2 In this Constitution, unless the context otherwise requires:

- (a) words denoting the singular shall include the plural and vice versa;
- (b) one gender shall include the other gender;

- (c) words denoting persons shall include any individual, company, corporation, firm, partnership, joint venture, Society, 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 limit 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 clause 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 by-law shall be deemed to extend to all statutes, regulations, ordinances or by-laws amending, consolidating or replacing the same.

3. OBJECTS:

3.1 The Developer has undertaken a development to create a high quality rural residential farm park and to create building sites in keeping with the rural character of the surrounding landscape. The development shall:

- (a) Maintain the privacy as much as possible of the occupiers and their guests within Eskridge.
- (b) Ensure the Members and invitees are able to maximize the enjoyment of the communal facilities.
- (c) Enable farming activities on farmed land to continue throughout Eskridge.
- (d) Facilitate the promulgation and enforcement of rules, by-laws and covenants benefiting Members and Eskridge generally.

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

- (i) The ownership and continued ownership of the Communal Facilities by the Society.
- (ii) The proper operation, maintenance, repair, renovation and replacement or addition to, of the Communal Facilities and Common Land, the proper landscaping of any landscaped area upon the common land, the proper farming of the farmed land, the levying of Members for the purpose of providing funds for and meeting costs and expenses of such work.
- (iii) To administer the farmed land to achieve the best benefit for the Members.

- (iv) Facilitate the full and proper use of the Communal Facilities by Members;
- (v) If practicable to permit a member of the developed property to utilize for their own use an area up to 2000 square metres adjacent to the members Developed Property;
- (vi) The promulgation and enforcement of Rules, by-laws and covenants benefiting Members and Eskridge generally.

Pecuniary gain not to be an object

- 3.2 It is not an object of the Society that the Members of the Society shall make a pecuniary gain,

Members may contract

- 3.3 That a Member may enter into an agreement with the Society for reward if providing services or goods for which the Member could in the ordinary conduct of his business expect to be rewarded.

4. MEMBERSHIP

First Members

- 4.1 The first Members ("First Members") of the Society shall be:

Bruce William JANS
 Janet Lillian NIELSON
 Jeremy Francis GRESSON
 Andrew James TAYLOR
 Russell Grant NETTLINGHAM
 Daniel Lyall HEAPS
 Peter Brian BARNES
 Tony David MOSSMAN
 Guy Derek PANCKHURST
 INTER-CONIMEX NZ LIMITED
 TAHEKE BUILDINGS LIMITED

These Members shall resign as soon as there are fifteen (15) or more owners of the developed property. Notwithstanding the first Members shall be entitled to vote at any meetings of the Society, to elect a Committee and exercise all rights of Members set out in this Constitution the first Members shall have no obligations as Members.

Owners to be Members

- 4.2 Subject to rule 4.1, each Owner shall be a Member, and only Owners shall be Members, and for that purpose:
- (a) A Covenant shall be noted against each Owners Title in favour of the Society, whereby each Owner covenants to become and remain a Member, and to perform the obligations of a Member as set out in this Constitution. Each Member shall prior to settling the sale of a

Developed Property procure the purchaser to enter into, execute and deliver to the Society a Deed of Covenant in favour of the Society, wherein the purchaser covenants contemporaneously with the transfer of the Developed Property to become and remain, a Member, and to observe and perform the obligations of a Member as set out in this Constitution. The Deed of Covenant shall be prepared by the solicitors for the Society, and the selling Member shall pay the reasonable legal fees and disbursements of the Society's solicitors.

- (b) A Member shall be deemed to have resigned from the Society immediately that Member is no longer a Owner, provided that such resignation shall not relieve a person of any obligation or liability arising before that person ceased to be a Member.
- (c) Each Owner shall, immediately upon becoming an Owner, (and thereafter as any details change), provide the Society with the details necessary for maintenance of the register of Members pursuant to rule 4.3 and shall upon entry of the details into the register, become a Member.

Register of Members

4.3 The Society shall maintain a register of Members recording:

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

Not assignable

4.4 The rights, privileges and obligations of a Member are not assignable.

More than one Owner

4.5 If there is more than one Owner for a Developed Property, such Owners shall collectively constitute one Member.

5. USE OF COMMUNAL FACILITIES, COMMON LAND AND FARMED LAND

5.1 Subject to any Rules and by-laws of the Society relating to the use of the Communal Facilities, Common Land and Farmed Land, each Member, Occupier and Invitee shall be entitled to make full use of the Communal Facilities, Common Land and Farmed Land.

- 5.2 No person, other than those persons set out in rule 5.1 shall be entitled to use the Communal Facilities, Common Land and Farmed Land.
- 5.3 Subject to any rules and by-laws of the Society relating to the use of the Farmed Land the Society shall be entitled to lease all or part of the Farmed Land.
- 5.4 Subject to any rules and by-laws of the Society relating to the Common Land and Farmed Land the Society shall be entitled to permit a member of the developed property to encroach onto the Common Land for the purpose of installing that members effluent disposal field and if practicable to permit a member to use an area of Common Land or Farmed Land up to 2000 square metres adjacent to the members developed property.

6. OBLIGATIONS OF MEMBERS

Levies

- 6.1 Prior to or as soon as practicable after the commencement of each Expense Year, the Society shall by written notice advise each Member of the Society's Estimate (**Society's Estimate**) of each Member's Proportion of Operating Expenses for that Expense Year, plus such contingency sum as the Society shall, in its sole discretion, fix and which shall be payable on the first day of each expense year.
- 6.2 Subject to rule 6.7(a), each Member shall, on the first of each Expense Year, pay a sum equivalent to the Society's Estimate applicable to that Expense Year. Payment shall be made directly to the bank account of the Society or in such other manner as determined by the Society.
- 6.3 As soon as practicable after the end of each Expense Year the Society shall provide to each Member an itemized statement which shall reflect the income earned by the Society and the actual Operating Expenses for the previous Expense Year or any period in terms of rule 6.7(b), as the case may be. If the Member's Proportion of actual Operating Expenses for the previous Expense Year or any period in terms of rule 6.7(b) is greater than the total payment made by the Member pursuant to rule 6.2 or 6.7(c), as appropriate, the Member shall forthwith pay to the Society the difference. If the Member's Proportion of actual Operating Expenses for the previous Expense Year or any period in terms of rule 6.7(b) is less than the total payment made by the Member pursuant to rule 6.2 or 6.7(c), as appropriate, the Society shall credit the difference to the Member.
- 6.4 If the Society has failed to advise a Member of the Society's Estimate for an Expense Year before the first day of each Expense Year the Member shall on the first day of each Expense Year pay a sum equivalent to the Society's Estimate applicable to the previous Expense Year or a sum equivalent to that member's actual operating expenses for the previous Expense Year. If neither the Society's Estimate for the previous Expense Year or the Society's actual expenses for the previous Expense Year can be ascertained then the member shall not be responsible for payment of the Member's proportion until the member has received notice in writing advising the Society's estimate for the Expense Year.
 - (a) Rule 6.2 shall apply thereafter.
 - (b) if the aggregate of a Member's payments made under this rule during the Expense Year exceeds the aggregate of payments which should have been made under rule 6.2, the Society shall credit the difference to the Society's Estimate.

- (c) if the aggregate of a Member's payments under this rule during the Expense 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 committee:

- (a) may from time to time fix an additional levy to be paid by each Member together with the annual instalments of the Society's estimate for that Member, to be set aside as a sinking fund to allow for and meet the costs of Capital Improvements; and
- (b) may from time to time fix such 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 all levies payable by a Member under this clause shall be equal and shall be paid by all members.

Staged Development

- 6.6 The Members acknowledge that Eskridge is to be developed in stages, with new Owners becoming Members at each stage and additional Common Land and Common Facilities may be added.

Sale of Developed Property

6.7 Where a Member ("Vendor") sells a Developed Property:

- (a) Notwithstanding any other rule in this Constitution, the Vendor shall remain liable for sums 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 Developed Property to the Society until such time as the Deed of Covenant specified in rule 4.2(a) is received by the Society.
- (c) The purchaser of the Developed Property shall be liable as a Member for all indebtedness of the Vendor to the Society in respect of the Developed Property purchased and a certificate of the Society given pursuant to rule 6.8 shall be conclusive as to the sum of this indebtedness.

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

- (a) the Society's estimate of such Members Proportion of Operating Expenses for the current Expense Year.

- (b) payments made by the Member on account of Operating Expenses in the current Expense year.
- (c) payments due from the Member on account of Operating Expenses in the current Expense Year, and not paid by the Member; and
- (d) any accumulated unpaid default interest.

Covenants and Rules

- 6.9 Each Member agrees to promptly and fully comply with any Rules and by-laws made by the Society from time to time, and any covenants given in favour of the Society by such Member (whether by separate deed of covenant or as noted against each Owner's Title).
- 6.10 Each Member acknowledges that general farming and weed and pest control operations will be carried out on Farmed land and Common land within Eskridge but each occupier acknowledges that they must keep their own Developed Property free of weeds and pests.

7. MEMBERS ASSISTANCE TO DEVELOPER

Future Development

- 7.1 The Members acknowledge that development of Eskridge is ongoing, and that the Society is required to allow the Developer such access to, and interests in, the Communal Facilities as are necessary or desirable for the development to proceed, and to allow the Developer to add, remove or alter structures and services forming part of the Communal Facilities. Each Member agrees:
 - (a) to, and hereby allows, the Developer access to the Developed Property of the Member for the purposes of proceeding with the development;
 - (b) to, and hereby grants, such easements in favour of the Developer any Member and/or the Society over or under the Member's Developed Property as are required for the development to proceed or as may be necessary or desirable for development of Eskridge.
 - (c) not to prevent, hinder or obstruct the use by the Developer of the Communal Facilities, the addition, removal or alteration of structures or services forming part of the Communal Facilities by the Developer, or the granting of any interests in the Communal Facilities by the Society to the Developer.
 - (d) that neither the Member nor the Society shall oppose, or take part in any opposition to, the development of Eskridge.

8. BREACH OF OBLIGATIONS

Occupiers and Invitees

- 8.1 A reference to an act or omission by any Member, shall include the invitees of such Member. Each Member shall at all times take reasonable steps to ensure they and their invitees comply with the

terms of this Constitution but nevertheless in the case of a breach by the Member or his invitee the Society may require the Member to make good the damage caused by the Member or his invitee or pay a sum of money to make good the damage caused by the Member or his invitee and failing payment by the Member or his invitee within seven (7) days of demand being made such sum shall constitute a debt due by the Member to the Society and in addition to the sum owing interest shall be paid at the default interest rate from the date of demand until payment is made in full.

Consequences

8.2 Upon breach of this constitution by a Member ("Offending Member"):

- (a) Where damage has been caused to the Communal Facilities and/or Common Land, the Offending Member shall make good such damage.
- (b) If such default continues for seven days after notice is given by the Association to the Offending Member to remedy the default, the Association may do anything, including paying money, necessary to remedy the default.
- (c) All money paid and expenses incurred by the Association (including any legal or other professional costs of the Association) 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 Association in respect of such breach, shall be a debt due from the Offending Member to the Association.
- (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 at the Default Interest Rate, computed on a daily basis from the due date until the date of payment in full.

THE SOCIETY

9. OBLIGATIONS OF THE SOCIETY

Rules

- 9.1 The Society shall from time to time promulgate, amend and distribute to Members Rules and By-laws for the use of Communal Facilities (including any restrictions on use for security, maintenance or other reasons), for the behaviour of Owners, Occupiers and Invitees, and the use of a Developed Property and Common Land..
- 9.2 The first such By-laws shall be those By-laws attached as Schedule 1 to this Constitution.

Repairs of Communal Facilities

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

Insurance

- 9.4 The Society shall effect and maintain all insurances as it considers prudent with respect to the Communal 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

- 9.5 The Society may, from time to time, nominate a service contractor (with respect to security, landscaping or other such services as the Society considers desirable) or a utility supplier (with respect to the supply of utilities to Developed Properties) as an exclusive service contractor or utility supplier to Eskridge. Any Member wishing to contract for services within Eskridge, or to have utilities supplied to a Developed Property, shall, where a service contractor or utility supplier has been nominated in respect of those services or utilities, only use that service contractor or utility supplier.
- 9.6 The Society shall be committed to securing the provision of utilities for Members by the best technology available, and shall seek to upgrade such technology wherever practicable.

10.0 LIMITATIONS OF THE SOCIETY

No indebtedness

- 10.1 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, except as authorized by Special Resolution of Members.

No encumbrances

- 10.2 The Society shall hold the Communal Facilities in its own name and shall not mortgage, charge, encumber, transfer or otherwise deal with such Communal Facilities, except as authorized by Special Resolution of Members, provided that where the Society is obliged to grant any interest in or right in respect of the Communal Facilities by any agreement with the Developer, such interests or rights may be granted by the Committee.

No action may be taken which binds the assets or property of the Society or puts at risk the ability for Members to enjoy in perpetuity the Common land.

No investments

- 10.3 The Society shall hold all funds with a Bank, and shall not invest those funds other than by deposit with a Bank, except as authorized by Special Resolution of Members.

No improper use

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

Communal facilities and Common Land.

- 10.5 The Society shall have no power to subdivide sell or otherwise permanently dispose of the Common land or the Farmed land but subject always to the rules of the Society shall be entitled to lease all or part of the Common land or the Farmed land.

OPERATION OF THE SOCIETY

11. COMMITTEE

Powers

- 11.1 The administration of the Society shall be vested in the Society in general meeting, and shall be delegated to the Committee. The Committee 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 they deem necessary or expedient. The powers, authority and discretions as exercised by the Committee are subject always to any limits which may from time to time be imposed by the Society. The Committee may delegate any of its powers to committees consisting of such Member or Members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to directions of the Committee.

Composition

- 11.2 The Committee shall comprise the following persons:
- (a) chairperson
 - (b) a treasurer/secretary; and
 - (c) a minimum of 5 and a maximum of 11 general Committee Members, as determined by the Society in general meeting before election of Committee Members.

Committee Members

- 11.3 The committee 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 Committee, and shall not elect any person specifically as chairperson. At the first committee meeting after the Annual General Meeting the committee Members shall elect a chairperson and treasurer/secretary for the succeeding year. The Society shall be entitled to determine what, if any, remuneration shall be paid to members of the Committee.
- 11.4 A Committee Member shall hold elected position until the earliest of –
- (a) the next annual general meeting following election (when the Committee Member shall be eligible for re-election);
 - (b) the date written resignation from 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.
- 11.5 In the event of a casual vacancy in any position on the Committee (whether caused by death, cessation or Membership from the Society, or some other means) the remaining Committee Members may appoint another Member to fill the vacancy until the position is filled by the Society in general meeting.

Duties of treasurer/secretary

- 11.6 The treasurer/secretary shall:
- (a) convene general meetings when requested to do so in accordance with this Constitution;
 - (b) attend all meetings of the Committee and have full speaking rights at such meetings;
 - (c) give all notices required to be given by these Rules or as directed from time to time by the Society or the Committee;
 - (d) keep minutes at all general meetings and Committee meetings and enter into the minute book:
 - (i) the time, date and venue of such meeting;
 - (ii) all business considered and resolutions passed at such meeting;
 - (e) receive, and issue receipts for, all annual levies, additional fees, and any other moneys paid to the Society;
 - (f) operate and maintain a current bank account in the name of the Society;
 - (g) promptly pay all accounts properly incurred by or on behalf of the Society;
 - (h) report immediately to the Society any Member who fails to pay levies or additional fees within the prescribed period;
 - (i) keep all financial records and any security documents in safe custody;
 - (j) compile all proper accounting records from time to time as required by the Act or by the Committee which give a true, fair and complete account of the financial affairs and transactions of the Society; and
 - (k) 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. (Refer 11.1).

Bank accounts

- 11.7 The Society shall establish a bank account, and any drawings on that account (including any cheque drawn on that account) shall be made only under the signature of the secretary/treasurer and one member of the Committee or the Chairperson and one member of the Committee. .

Documents

- 11.8 All documents and written announcements requiring execution on behalf of the Society must be signed by the chairperson and a Member of the Committee and in the Chairperson's absence by the secretary/treasurer and a Member of the Committee.

Conduct of Meetings

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

Chairperson

- 11.10 In the case of a tie in votes the chairperson may exercise a casting vote.

Voting

- 11.11 Resolutions of the Committee shall be passed by majority. Each Committee Member shall be entitled to exercise one vote. Notwithstanding any contrary provision in this Constitution, a resolution in writing signed by such of the Committee Members as would constitute a quorum at a Committee meeting shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and constituted.

Validity of Committee's actions

- 11.12 All acts properly done by any meeting of the Committee or by any person acting as a Committee Member, notwithstanding that it may afterwards be discovered that there was some defect in the appointment or continuance in office of any such Committee Member, or that they were 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 Committee Member.

Committee minutes and records

- 11.13 The Committee shall cause proper minutes to be kept of the proceedings of all meetings of the Society and of the Committee and those minutes shall be approved by the Committee prior to them being signed by the Chairperson as a correct and accurate record of the business transacted at such meetings. 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.

Seal

- 11.14 The Committee 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 Committee. Every

instrument to which the common seal is affixed shall be signed by any two members of the Committee.

12. GENERAL MEETINGS

Annual General Meeting

- 12.1 The Society shall hold an Annual General Meeting in each year. Not more than fifteen (15) months shall elapse between the date of one Annual General Meeting and the next Annual General Meeting. Notice of the Annual General Meeting and a copy of the full audited Accounts of the Society shall be given to the Members not less than ten (10) working days prior to the date of the Annual General Meeting.

Special general meetings

- 12.2 A special general meeting may at any time be requested by the Committee or by a written request signed by not less than twenty five (25) per cents of the Members of the Society. Notice of the special general meeting shall be given to the Members not less than ten (10) working days prior to the date of the proposed special general meeting.

Quorum

- 12.3 No business shall be transacted at any annual or special meeting of the Society unless a quorum is present of not less than 25% of all Members or 8 Members (whichever is the lesser) eligible to vote at general meetings either present in person or represented by proxy.

Notice of general meeting

- 12.4 A notice of general meeting of the Society shall be sent to every Member not less than 10 working 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 or transacted at such meeting.

Failure to give notice

- 12.5 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.
- 12.6 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 any other 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 Committee 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

- 12.7 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.

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 the Constitution) shall be entitled to one vote for each Developed Property of which that Member is a registered proprietor, which may be exercised either in person or by proxy. Where there is more than one Owner in respect of any property within Eskridge, and such Owners are collectively a Member pursuant to Rule 4.5 only one such Owner shall be entitled to vote. In the absence of agreement between such Owners as to who shall exercise this vote, the Owner appearing first on the certificate of title to the property within Eskridge shall be entitled to exercise that vote. On the death of any Member, and pending the transfer of that Member's property with Eskridge, 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, authorize such person as it thinks fit to act as its representative at any meeting of the Society, and the person so authorized 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, and 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 Committee. Notice of such authorized person shall be given to the chairman of the Society two days prior to any meeting and such authorized person shall remain as representative until cancelled in writing to the Society.

No vote if fees unpaid

- 13.3 Unless all levies and additional fees presently payable by a Member to the Society have been paid in full, the Member shall not be entitled to vote at any general meeting of the Society, whether in his 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 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 a Special Resolution is required by this Constitution.
- (e) In the case of a tie in votes, the chairperson may exercise a casting vote.

Good faith

- 13.5 Members shall, in exercising any vote at any general meeting, or as a Committee Member, exercise such vote in good faith with a view to ensuring that all Members are treated equally by the Society, and that each Member shall bear that Member's Proportion 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 benefits all Members.

GENERAL

14. GENERAL

Alteration of Constitution

- 14.1 This Constitution shall not be amended, added to or rescinded except by Special Resolution 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.
- 14.2 No rule, including this one, shall be amended, added to or rescinded except by Special Resolution.
- 14.3 Notwithstanding any other rule in this Constitution, this Constitution shall not be amended, added to or rescinded so as to alter, add to or rescind Rules 3, 4.2, 5.1, 6.7, 6.8, 7.1, 9.1, 10.1, 10.5 and this Clause 14.3. This Constitution may be rescinded and a new Constitution adopted provided always that such new Constitution includes the clauses referred to in this Clause 14.3.
- 14.4 No such amendment, addition or decision shall be valid unless and until accepted by the Registrar.

Registered Office

- 14.5 The registered office shall be 125 Queen Street East Hastings, but on the resignation of the initial Members the registered office shall be situated at a place nominated by the Committee.

Liability of Members

- 14.6 No Member shall be under any liability in respect of any contract or other obligation made or incurred by the Society.

- 14.7 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.
- 14.8 No action in law or otherwise shall lie in favour of any Member against any other Member or the Committee, or any Committee Member in respect of any act or omission pursuant to these Rules.
- 14.9 Nothing in this rule shall prevent an action in respect of any loss or expense arising from the willful default of the person against whom such action is taken.

Indemnity

- 14.10 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 for which the Society may become liable in respect of or arising from any breach of this Constitution by the Member.

Dispute

- 14.11 Should any dispute arise between a Member and the Society in respect to any matter arising out of this Constitution either the Secretary / Treasurer or the Member will give written notice to the Committee of the existence of the dispute and that Committee shall not more than fourteen (14) after receiving written notice arrange a meeting to discuss the dispute. Should the meeting remain unresolved after the notice date the Member and the Committee shall seek to agree on a process for resolving the dispute through a means other than litigation or arbitration such as conciliation. If the parties cannot agree on such a process for resolving the dispute they shall refer the dispute to mediation and for that purpose shall use the assistance of a dispute resolution person or organization nominated by the President for the time being of the Hawkes Bay District Law Society.

If the matter remains unresolved after the dispute procedure outlined as been followed either party may refer the dispute to arbitration or commence Court proceedings.

Approval

- 14.12 Where in this Constitution any reference is made to the approval or consent of the Society or the Developer:
 - (a) such approval or consent shall be given at the sole discretion of the Society, or the Developer, as appropriate;
 - (b) no approval or consent given on any occasion by either the Society or the Developer 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 or the Developer, as appropriate.

Liquidation

- 14.13 In the event the members or the High Court put the Society into liquidation the surplus assets of the Society after payment of all costs, debts and liabilities shall be distributed among such of the owners that are members of the Society at the time of liquidation.

ESKRIDGE RESIDENTS SOCIETY INCORPORATED

("Society")

AMENDMENT TO THE SOCIETY'S CONSTITUTION
pursuant to clause 14.1 of the Society's constitution

Resolved as a special resolution, at the annual general meeting of the Society's members on 7 July 2021, that the constitution of the Society is added to as follows:

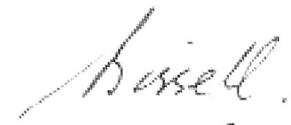
1. An additional Rule 1.1 is added to Schedule 1 of the Society's constitution that reads as follows:

- "14. No Member shall be entitled to use their Developed Property for social housing purposes without the prior written consent of the Committee which consent may be withheld at the Committee's absolute discretion"

Signed by 3 members of the Society pursuant to section 21(2)(b) of the Incorporated Societies Act 1908:


Brucia Martin

Chairperson
member


Jonathan Russell
Committee




Theresa Byrne
Committee member

**SCHEDULE 1
SOCIETY BY-LAWS**

BY-LAWS GOVERNING COMMUNAL FACILITIES

The communal facilities constructed on the common land are for the benefit and enjoyment of the Members and their invitees and each of the Members covenant with each other that they will at all times they will do nothing to impede other Member from utilizing the Communal Facilities for their maximum enjoyment and benefit.

The Members will ensure

1. The Communal Facilities used only for their designed use.
2. To obey all notices in particular those restricting activities at different times of the year.
3. They do not alter in any way any of the Communal Facilities without first obtaining the Committee's written approval.
4. They do not cause obstruction or in any way hinder the use of any of the communal facilities.
5. They will not do any acts which might cause damage or prejudice the insurance cover in respect of the Communal Facilities.
6. They do not litter or do any act which may detract from the use of the Communal Facilities.
7. They will not engage in any unlawful or criminal activities within the Common Land or Farmed Land including without limitation engage in any activities which disturb livestock, damage vegetation or obstructing the enjoyment of other members.
8. They will not erect any building, mask, flagpole, aerial, notice or sign on the Common Land or Farmed Land
9. They will not permit dogs to be on the Common Land or Farmed Land unless restrained on a lease.
10. They will not keep animals on the Common Land or Farmed Land unless they have first obtained the approval of the Committee in writing.
11. That all animals kept on the Common Land or Farmed Land as approved by the Committee are maintained in a healthy and clean condition.
12. That the area in which the animals are kept shall be kept in a clean and tidy condition
13. Motor vehicles are used only on areas as shall from time to time be designated by the Society.