



ST GEORGE'S
HOSPITAL

A Tradition of Excellence

THE INCORPORATED SOCIETIES ACT 1908

RULES

OF THE

**ST GEORGE'S HOSPITAL
INCORPORATED**

Approved at Special General Meeting
St George's Hospital Incorporated ("the Society")
Monday 08 June 2009

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1 Name

1.1 The name of the Society shall be "St George's Hospital Incorporated" ("the Society").

2 Registered Office

2.1 The registered office of the Society shall be at 249 Papanui Road, Christchurch or at such place as the Society shall from time to time determine.

3 Definitions and Interpretation

3.1 **Definition:** In the interpretation of these Rules:

"The Anglican Church" means the Anglican Church in Aotearoa, New Zealand and Polynesia and includes its successors.

"Ordinary Resolution of the Society" means a resolution that is approved by a simple majority of the vote of those members of the Society entitled to vote and voting on the question and exercised in person or represented by proxy.

"Special Resolution of the Society" means, except as otherwise expressly provided for in these Rules, a resolution approved by a majority of 75% of the votes of those members of the Society entitled to vote and voting on the question and exercised in person or represented by proxy. A quorum for a Special Resolution shall be 50% of the Society membership present in person or represented by proxy.

"Major transaction" means:

- (a) The acquisition of, or an agreement to acquire, whether contingent or not, assets to the value of which is more than 10% of the value of the Society's assets for the acquisition; or
- (b) The disposition of, or an agreement to dispose of, whether contingent or not, assets of the Society the value of which is more than 10% of the value of the Society's assets before the disposition; or
- (c) A transaction that has or is likely to have the effect of the Society acquiring rights or interests or incurring obligations or liabilities, the value of which is more than 10% of the value of the Society's assets before the transaction contemplated.
- (d) For the purposes of clarification, the term "major transaction" does not include the routine transfer for investment purposes of funds held by the Society.

"Assets" means the property of any kind of the Society, whether tangible or intangible.

"The Act" means the Incorporated Societies Act 1908.

"The Society" means St George's Hospital Incorporated.

"Election" means the process by which a person is chosen by vote or by Special or

Ordinary Resolution, as provided for in these Rules, to serve as a member or in any elected position or office.

“Secretary” means the Secretary of the Society appointed pursuant to Clause 16.5(f).

“Secretary to the Board” means the Secretary appointed by the Board of Directors pursuant to Clause 17.6(a).

3.2 Interpretation

- (a) Words importing the singular include the plural and vice versa.
- (b) Words importing one gender shall include the other gender.

4 Objects

4.1 The Society is established for medical, religious and charitable objects and purposes within New Zealand only. In particular the Society is established:

- (a) To erect, maintain, administer and endow a private general hospital or hospitals and to provide related services and facilities.
- (b) To exercise and perform all necessary duties, functions and obligations in regard to such hospital or hospitals and to the nursing and treatment of the sick or infirm generally.
- (c) To impart into the work the religious element of Christian life, duty and obligations.
- (d) To apply any profits accruing from the activities or work of the Society to the furtherance of its charitable objects especially the altruistic nursing of the sick or for such other purposes which accord with its charitable objects.
- (e) To carry out the charitable objects of the Society either along or in association with such other person, corporation, body or trust as may be approved by the Society.
- (f) To enter into any form of contract or contractual arrangement with any other entity for the purpose of carrying out the objects of the Society.

4.2 In carrying out the objects of the Society:

- (a) The Anglican Church shall always be the religious denomination with which the work of the hospital shall be associated.
- (b) That in carrying out any business under these Rules and in the exercise of any power authorising remuneration in accordance with Clause 21, the Society and its members must ensure that no member or other person who has some control over the Society, as contemplated by CW42(5) Income Tax Act 2007 (or any like provision in amendment or substitution) is able to divert, to their own benefit or advantage, income or other pecuniary gain derived from the business of the Society.

- (c) No member of the Society shall derive any personal pecuniary gain from membership of the Society.

5 Capacity and Powers

5.1 In carrying out its objects, the Society shall have the:

- (a) Full capacity to carry on or undertake any business or activity, do any act, or enter into any transactions; and
- (b) For the purposes of Clause 5.1(a), full rights, powers and privileges; and
- (c) The full power to enter into any form of contract or contractual arrangement with any other entity for the purpose of carrying out the objects of the Society; and
- (d) The power and full capacity to make and amend regulations, bylaws and policies, from time to time, for the conduct and control of Society activities, but no such regulations, bylaws and policies shall be inconsistent with these Rules or the Act.

5.2 Without limiting in any way the generality of Clause 5.1, the Society shall have full rights, powers and privileges to:

- (a) borrow money; and
- (b) invest funds of the Society,

on whatever terms and conditions it considers appropriate.

5.3 Notwithstanding any other provision in these Rules, the Society shall not spend any money:

- (a) other than to further its objects and for purposes recognised by law; or
- (b) for the sole, personal or individual benefit of any member.

5.4 Any transaction between the Society and any member, director or any associated person shall be at arms length and in accordance with prevailing commercial terms on which the Society would deal with parties not associated with it and any payments made in respect of such transactions shall be limited to:

- (a) a fair and reasonable reward for service performed;
- (b) reimbursement of expenses properly incurred;
- (c) usual professional, business or trade charges; and
- (d) interest at no more than current commercial rates.

6 Membership

6.1 Categories

There shall be the following categories of membership:

- (a) Those existing members of the Society as at the date of adoption of these Rules shall be deemed to be members of the Society without further application; and
- (b) Those new members who may from time to time be elected in accordance with these Rules.

6.2 Eligibility

Every person aged 18 years or older may be eligible to be elected to membership of the Society provided that at any time, not less than 60% of the members of the Society must be listed on a parish roll of the Anglican Church.

6.3 Life Members

A life member is a person honoured for meritorious services to the Society after recommendation by the Advisory Committee and election as a life member by Special Resolution of the Society. A life member shall have all the rights and privileges of a member and shall be subject to all the duties of a member.

6.4 Honorary Members

An honorary member is a person honoured for services to the Society or in an associated field after recommendation by the Advisory Committee and elected as an honorary member by Special Resolution of the Society. An honorary member shall have no membership rights, privileges or duties.

6.5 New Members

- (a) Subject to Clause 6.2, every application for membership shall be made in writing to the Advisory Committee such application having first been proposed by an existing member of the Society and seconded by an existing member of the Society;
- (b) The application form for new membership shall be in such form and request such information as prescribed in the bylaws to these Rules;
- (c) The Advisory Committee shall refer the application to the Society for consideration at a properly constituted meeting.
- (d) Every application for membership shall be elected by Special Resolution of the Society, having first considered any recommendations of the Advisory Committee.
- (e) The Secretary shall advise the candidate of the Society's decision.

6.6 Minimum Numbers

At all times, the minimum number of members of the Society shall be twenty-five members.

6.7 Register

- (a) The Secretary shall keep a membership register of all members, life members and honorary members recording their names and addresses and the dates each member became a member.
- (b) Every member, life member and honorary member shall advise the Secretary of any change of address.

6.8 Cessation of Membership

Membership of the Society shall be terminated in any one of the following ways:

- (a) Any member giving at any time by notice in writing delivered personally, posted to, by facsimile transmission or by electronic mail to the Secretary, and on such delivery he or she shall cease to be a member of the Society; or
- (b) The death or incapacity of any member. The incapacity of any member to be determined by two Registered Medical Practitioners both of whom are not members of the Society.
- (c) Where the member has been expelled from the Society in accordance with Clause 6.9.

6.9 Expulsion

- (a) The Society expects its members to maintain a minimum standard of behaviour and to comply with these Rules and the obligations imposed under them. A member may be expelled from the Society if that member is found guilty of serious misconduct or acts in a way which brings the Society into disrepute.
- (b) For the purposes of Clause 6.9(a), but without limiting the generality of the definition of serious misconduct or conduct which brings the Society into disrepute, the following are some examples:
 - (i) Conviction of any indictable offence (or one for which a convicted person may be imprisoned);
 - (ii) Bankruptcy, or entering into a composition with creditors;
 - (iii) Breach of Clause 24 by unauthorised or unlawful disclosure of confidential information;
 - (iv) Unauthorised possession of or interference with the Society's property;
 - (v) Deliberate damage to the Society's property, reputation or interests;

- (vi) Misappropriation of the Society's money or property;
 - (vii) Use of the Society's money or property for private purposes;
 - (viii) Conduct which could endanger the personal safety of members and employees of the Society or members of the public and which may include conduct which is violent, abusive or discriminatory;
 - (ix) Any conduct which may affect or endanger the good order, reputation, character or welfare of the Society;
 - (x) Any conduct which is contrary to or undermines the objectives of the Society;
 - (xi) Conduct which is in breach of the Society's Rules, regulations or bylaws.
- (c) In any case where a person's membership of the Society may be subject to termination as a result of behaviour or conduct falling within Clause 6.9(a) the issue may be referred to the Advisory Committee by the Society, the Secretary or in default of either by notice in writing signed by two members of the Society for investigation and determination.
- (d) The Advisory Committee upon hearing the allegations or complaint may:
- (i) Dismiss the complaint or allegations; or
 - (ii) Uphold the complaint or allegations.
- (e) Where any matter is referred to the Advisory Committee in accordance with Clause 6.9(c) the following shall apply:
- (i) The Advisory Committee may, after giving the member the right to be heard, suspend the membership of the member while the matter or complaint is being investigated;
 - (ii) The Advisory Committee may decline to investigate or consider the matter or complaint if in its opinion the nature of the matter or complaint indicates that the subject matter is petty, frivolous, inconsequential or vexatious and will advise the complainant of such in writing;
 - (iii) The Advisory Committee may decline to investigate or consider the issue or complaint if during its enquiries it considers that it is not appropriate to further investigate or consider the complaint or matter and will advise the complainant of such in writing;
 - (iv) In carrying out its investigation into the matter or complaint the Advisory Committee shall adhere to the following procedures:
 - (1) The member shall be given details in writing of the allegations or complaint against him or her;

- (2) The member shall have the opportunity to provide a written response to the allegations or complaint within two weeks after receiving details of the allegations or copy of the complaint;
 - (3) Following receipt of any response the Advisory Committee may make further enquiries (in which case the results of those enquiries will be made known to the member subject to the investigation);
 - (4) The Advisory Committee shall allow the complainant and the member complained against the opportunity to be heard before a special meeting of the Advisory Committee called for the purposes of hearing and deciding upon the complaint or allegations;
 - (5) No member who has a personal interest in the matter or complaint or who is the complainant may sit on the Advisory Committee to hear the complaint or allegations or otherwise participate in any of its deliberations.
- (v) Where the Advisory Committee upholds the complaint or allegations it may, after giving the member an opportunity to make submissions on penalty:
- (1) Reprimand or admonish the member; or
 - (2) Suspend the member from membership for a specified period; or
 - (3) Invite the member to resign; and
 - (4) Where the member fails or refuses to resign expel the member.
- (vi) The Advisory Committee's written decision may be (but is not required to be) accompanied by reasons for the decision and shall be provided to the complainant, the member complained against, and the Society.
- (f) Any member who has had his or her membership suspended for a period greater than three months or who has been expelled by the Advisory Committee may, within one month, present a petition to the Society calling for a Special General Meeting to consider an appeal against the Advisory Committee's decision:
- (i) Such a petition must be signed by at least 25% of members who are qualified to vote;
 - (ii) On receipt of such petition the Society shall call a Special General Meeting of the Society for the purposes of considering the appeal;
 - (iii) At the Special General Meeting the member appealing against the decision of the Advisory Committee shall be entitled to address the meeting, as is the complainant and the Chairman of the Advisory Committee on its behalf;

- (iv) By Special Resolution of the Society the original decision of the Advisory Committee may be confirmed, varied or set aside. Voting shall be by way of secret ballot and proxies shall not be accepted.
- (g) The decision of the Advisory Committee hearing any complaint or allegations against a member under these Rules shall be final and binding on the complainant and the member and except as otherwise provided in these Rules shall not be subject to any review or challenge.

6.10 Obligations on Cessation of Membership

A member whose membership is terminated under these Rules shall cease to hold himself or herself out as a member of the Society, and shall return to the Society all material produced by the Society (including any membership certificate, handbooks and manuals) and all other property lawfully owned by the Society still in his or her possession or control.

6.11 Re-admission of Former Members

Any former member, except one whose membership has been terminated under Clause 6.9(a) may apply for re-admission pursuant to the process set out in Clause 6.5 above.

7 Financial Year

- 7.1 The financial year of the Society shall be from 1 May in one year to 30 April in the next year, or as may be determined by the Society from time to time.

8 Annual General Meeting

- 8.1 The Annual General Meeting of the Society shall be held no later than five months after the end of the financial year of the Society at a time and place to be fixed by the Secretary for the following purposes:
 - (a) To approve:
 - (i) The Statement of Financial Performance and Statement of Movements in Equity of the Society during the Society's last financial year;
 - (ii) The Statement of Financial Position at the close of the last financial year;
 - (iii) A statement of all mortgages, charges and securities of any description affecting any of the property of the Society at the close of the last financial year, if applicable;
 - (iv) A report on actual dispositions made towards meeting the objects of the Society during the last financial year; and
 - (v) A report on dispositions to be made towards meeting the objects of the Society proposed for the current financial year.

- (vi) Any other financial statements that must be prepared for approval by members of the Society in order to comply with any legislative requirements applicable to the Society from time to time.
 - (b) To announce those elected as the President and Vice-President of the Society for the ensuing year;
 - (c) Where necessary, to elect members to the Society;
 - (d) Where necessary, to announce those elected as members to the Advisory Committee;
 - (e) Where necessary, to announce those elected as members to the Board of Directors;
 - (f) Subject to Clause 20, to appoint an Auditor for the ensuing year;
 - (g) To decide on any resolution which may be duly submitted to the meeting;
 - (h) To receive an annual report from the Advisory Committee;
 - (i) To receive an annual report from the Board of Directors;
 - (j) To receive the Auditor's report.
 - (k) To set the budget for the Advisory Committee for the ensuing year; and
 - (l) To set the remuneration of any member or group of members, having first taken into account any recommendations of the Advisory Committee.
- 8.2** Not less than fourteen days before the Annual General Meeting, a notice of it shall be sent to every member at his or her last known address together with a copy of the following confidential documents:
- (a) The Statement of Financial Performance and Statement of Movements in Equity of the Society during the Society's last financial year;
 - (b) The Statement of Financial Position at the close of the last financial year;
 - (c) A statement of all mortgages, charges and securities of any description affecting any of the property of the Society at the close of the last financial year, if applicable;
 - (d) A report on actual dispositions made towards meeting the objects of the Society during the last financial year;
 - (e) A report on the proposed dispositions to be made towards meeting the objects of the Society proposed for the current financial year;
 - (f) Any other financial statements that must be prepared for approval by members of the Society in order to comply with any legislative requirements applicable to the Society from time to time; and

- (g) The annual reports of the Advisory Committee and the Board of Directors prepared for the Annual General Meeting.

9 General Meetings

- 9.1 General meetings of the Society shall be held every three months. The first to be held no later than three months following the Society's Annual General Meeting.
- 9.2 The Secretary shall give no less than 14 days written notice to all members that a General Meeting is to be held. The notice shall specify the time and place of the meeting, the matters to be considered at the meeting, and the form of any Special or Ordinary Resolution of the Society to be voted on.

10 Special General Meetings

- 10.1 Upon giving written notice to the Secretary, a Special General Meeting of the Society may be called by the:
 - (a) President, or
 - (b) the Vice President, or
 - (c) the Board of Directors, or
 - (d) a requisition signed by not less than 10 members of the Society stating the object of such requisition.
- 10.2 Upon receipt of a notice issued in accordance with Clause 10.1, the Secretary shall immediately by written notice to all members notify that a Special General Meeting is to be held. The notice is to specify the time and place of the Special General Meeting, the matters to be considered at the meeting, and the form of any Special or Ordinary Resolution of the Society to be voted on.
- 10.3 The business to be dealt with at such a meeting shall be confined to those matters set out in the notice calling for a Special General Meeting.

11 Procedure at Meetings

- 11.1 At all General Meetings, Annual General Meetings and Special General Meetings, the President and in his or her absence the Vice President shall take the chair and every member shall be entitled in every motion to one vote exercised in person or by proxy, except that any member present may demand that a ballot be taken. Except as otherwise provided by these Rules, in the case of an equality of votes the President, and in his or her absence the Vice President, and in the absence of both the President and the Vice President the Chairperson appointed pursuant to Clause 11.2 shall have a casting as well as a deliberative vote.
- 11.2 In the absence of both the President and the Vice President at any General Meeting, the Advisory Committee shall appoint from the Society membership a Chairperson for that General Meeting.

- 11.3** Members shall be entitled to vote by written proxy in favour of another member present at the meeting at all Annual General Meetings, General Meetings and Special General Meetings except as otherwise provided for in these Rules. The form of the proxy shall be as prescribed in the regulations or bylaws of the Society. Such proxy shall be delivered to the Secretary personally, by post, by facsimile transmission or by electronic mail (e-mail) at least 2 hours prior to the commencement of the meeting.

12 Quorum

- 12.1** Subject to the requirements for the passing of a Special Resolution (see Clause 3.1), at all General Meetings, Special General Meetings and Annual General Meetings, 30% of the Society membership present in person or represented by proxy shall constitute a quorum.

13 Attendance at Meetings

- 13.1** Members are expected to either attend, or submit a proxy, for all Annual General Meetings and Special General Meetings.
- 13.2** Members are expected to submit an apology to the Secretary should they be unable to attend any meeting.
- 13.3** Should a member fail, or is unable to attend, or to submit a proxy for, more than three consecutive Annual General Meetings without a prior written leave of absence from the Secretary then this may be grounds for expulsion under Clause 6.9.

14 Nomination and Election Process

- 14.1** This Clause sets out the process for election to the following positions:
- (a) President and Vice President;
 - (b) Members of the Advisory Committee; and
 - (c) Members of the Board of Directors.
- 14.2** Elections to these positions shall be conducted by postal vote as follows:
- (a) The Secretary shall notify the members of the Society of those positions which will become vacant at the next Annual General Meeting of the Society 60 days prior to the date of that meeting and call for nominations for those vacancies;
 - (b) Written nominations for vacancies accompanied by the written consent of each nominee, shall be received by the Secretary not less than 30 clear days before the date of the Annual General Meeting;
 - (c) Not less than 21 clear days before the date of the Annual General Meeting, the Secretary shall post to all members a postal voting paper listing all member nominees for each vacancy and such other information as may be supplied to

the Secretary by or on behalf of each nominee member in support of the nomination;

- (d) Not less than 7 clear days before the date of the Annual General Meeting, members shall have their completed postal voting paper in the hands of the Secretary. The voting paper shall be delivered to the Secretary personally, by post, by facsimile transmission or by electronic mail (e-mail);
- (e) Two members (who are not nominees) designated by the President of the Society shall act as scrutineers for the counting of the votes and destruction of any voting papers; and
- (f) In the event of any vote being tied, the tie shall be resolved by a draw of names by the President in the presence of the scrutineers;
- (g) The results of the postal vote shall be announced by the Chairperson at the Annual General Meeting.

15 President and Vice President

15.1 Election

- (a) The President and Vice President shall be elected in accordance with these Rules. The elected President and Vice President will take office as from the close of the Annual General Meeting.
- (b) The holding of the office of Vice President does not qualify that member as an Officer of the Society, unless that member is also elected to the Board of Directors in accordance with these Rules.

15.2 Term

- (a) The President and Vice President so elected shall continue in office until their successors are elected at the next Annual General Meeting.
- (b) Should the position of President or Vice President become vacant between Annual General Meetings, that vacancy shall be filled by appointment by the Advisory Committee from the Society membership until the next Annual General Meeting at which time a replacement shall be elected in accordance with these Rules.

15.3 Deemed President and Vice President

The President and Vice President elected as at the date of adoption of these Rules shall be deemed to be the President and Vice President and continue in office until successors are elected in accordance with these Rules.

16 Advisory Committee

- 16.1** The members of the Society shall appoint an Advisory Committee in accordance with

these Rules, which shall consist of:

- (a) The President and Vice President of the Society; together with
- (b) Not less than four and not more than six members.

Except the President no member of the Advisory Committee shall also be a Director of the Society.

The members of the Advisory Committee shall be elected for such term as the Society thinks fit with a maximum of three years with the intention that the terms of not more than three members shall expire in any one year.

16.2 Quorum

At any meeting of the Advisory Committee four members present at the meeting shall constitute a quorum.

16.3 Meetings

- (a) At the first meeting after each Annual General Meeting, the Advisory Committee shall appoint from its members a Chairperson;
- (b) The Advisory Committee shall meet at such times and places as shall from time to time be determined by the Advisory Committee and at all such meetings the Advisory Committee shall determine its own procedure.
- (c) In the case of an equality of votes the Chairperson shall have a casting as well as a deliberative role.

16.4 Vacancy

If the position of any member of the Advisory Committee becomes vacant between Annual General Meetings, that vacancy shall be filled by appointment by the Advisory Committee until the next Annual General Meeting at which time a replacement shall be elected in accordance with these Rules.

16.5 Duties

The duties of the Advisory Committee include:

- (a) Receiving and considering applications for membership to the Society as per Clause 6.5;
- (b) Recommending the reasonable remuneration of any member or group of members.
- (c) Approval of reimbursement of expenses incurred pursuant to Clause 21.1(d);
- (d) Investigating and deciding complaints against members referred to it in accordance with these Rules and the disciplining of members of the Society in accordance with the procedures set out in Clause 6.9;

- (e) Establishing its own Terms of Reference, preparing regulations, bylaws and policies for the conduct and control of Society activities, including procedures for meetings of the Board of Directors and Advisory Committee, not inconsistent with these Rules or the Act for approval by Special Resolution of the Society;
- (f) To appoint a Secretary who may also be the Chief Executive Officer or an employee of St George's Hospital and who shall keep accurate minutes of Society meetings; and
- (g) Any other matter referred to the Advisory Committee by the Society.

16.6 Deemed Advisory Committee

The members of the Advisory Committee elected as at the date of adoption of these Rules shall be deemed to be the members of the Advisory Committee and shall continue in office until successors are elected in accordance with these Rules.

16.7 Reporting

No less than 21 days before the Annual General Meeting the Advisory Committee will provide its annual report to the Secretary.

17 Board of Directors of the Society

17.1 Election

- (a) The Society shall elect from its members a Board of Directors in accordance with these Rules.
- (b) The President of the Society shall ex officio be a Director; and
- (c) The Board of Directors elected by the Society at the date of adoption of these Rules shall be deemed to be the Board of Directors and shall continue in office until successors are elected in accordance with these Rules.

17.2 Size of the Board

The number of members on the Board of Directors shall be no fewer than six and not more than 10 members including the President of the Society.

17.3 Eligibility

- (a) Each member of the Board of Directors of the Society, including the President of the Society as ex officio Director, shall retire at the next Annual General Meeting following the attainment of 72 years of age, and shall not be eligible for re-election;
- (b) Not fewer than two or more than four shall be registered medical practitioners who have Attending Rights at St George's Hospital and who are currently practising within Christchurch; and

- (c) Each member elected to the Board of Directors of the Society must be a member of the Society.

17.4 Term

The members of the Board of Directors shall be elected for such term as the Society shall think fit with a maximum term of three years, and each member shall continue in office until the end of his or her term when a successor is elected at the Annual General Meeting, with the intention that the terms of the appointment of not more than three directors (excluding the President) shall expire in any one year.

17.5 Rotation

On the expiration of the term of appointment, each member of the Board of Directors shall be eligible for re-election subject to Clause 17.3.

17.6 Meetings and Procedure

- (a) At the first meeting after each Annual General Meeting, the Board of Directors shall appoint from its members a Chairperson. The Board shall also appoint a Secretary to the Board who may not be a member of the Society; and
- (b) The procedure of the Board of Directors shall be provided for in the regulations and bylaws of the Society.

17.7 Reporting

- (a) No less than 21 days before the Annual General Meeting, the Board of Directors will provide all necessary reports to the Secretary; and
- (b) The Board of Directors will be required to report to the Society at such meetings as determined by the Society.

17.8 Vacancy

If the position of any Director becomes vacant between Annual General Meetings, that vacancy may be filled by appointment from the membership by the Board of Directors subject to Clause 17.3, until the next Annual General Meeting at which time a replacement shall be elected in accordance with these Rules.

17.9 Office of Director

- (a) The members of the Board of Directors shall be the Officers of the Society.
- (b) A Director holds office until the end of his or her term unless by earlier resignation, disqualification or removal in accordance with these Rules;
- (c) A Director may be removed from office by Ordinary Resolution of the Society; and
- (d) A member will be disqualified from holding the office of Director if he or she:
 - (i) Resigns as a member of the Society or is expelled in accordance with

these Rules;

- (ii) Is removed under Clause 17.9(b) above;
- (iii) Resigns by giving notice in writing to the Secretary to the Board under Clause 17.10 below;
- (iv) Dies; or
- (v) Is an undischarged bankrupt.

17.10 Resignation

A Director may resign from office by signing a written notice of resignation and delivering it personally, by post, by facsimile transmission or by electronic mail (e-mail) to the Secretary to the Board. A notice takes effect on receipt of it by the Secretary to the Board.

17.11 Disclosure of Interest

- (a) A Director must, forthwith after becoming aware of the fact that he or she is interested in a transaction or proposed transaction with the Society, disclose that interest and cause it to be entered in an interests' register prepared and maintained by the Secretary to the Board;
- (b) A failure by a Director to comply with Clause 17.11(a) is considered to be serious misconduct warranting the expulsion of the member from the Society;
- (c) A Director who is interested in a transaction entered into by the Society, or to be entered into the Society may not:
 - (i) Vote on a matter relating to the transaction;
 - (ii) Be counted as being present at a Directors' meeting for the purposes of a quorum; or
 - (iii) Participate in the discussions, deliberations or decision of the Board of Directors in relation to the transaction except where the Board has determined and recorded that the interest is of a minor and inconsequential matter.

18 Powers of the Board of Directors

18.1 The Society will delegate to the Board of Directors the following powers:

- (a) To carry out the general policy and directions of the Society and subject to this to do all things necessary to carry out the charitable objects of the Society and without limiting this power to do the following:
 - (i) Sue in the name of the Society.

- (ii) To open and operate accounts with banks and other financial institutions and to authorise signatories for these transactions;
 - (iii) To buy, sell and deal in goods, plant, equipment, medical supplies, drugs and food stuffs.
 - (iv) To maintain the assets, buildings, land, plant and equipment of the Society.
 - (v) To lend money with or without security provided however, that no money shall be lent
 - (1) for private pecuniary gain; and
 - (2) other than for the purpose of carrying out the objects of the Society.
 - (vi) To build and erect, alter, extend, demolish or modify any building, plant and equipment of the Society.
- (b) To invest the funds of the Society.
 - (c) To borrow monies by way of mortgage, debenture or debenture stock or in such other manner as the Board of Directors may determine as necessary to carry out the objects of the Society.
 - (d) To appoint such sub committees as the Board of Directors shall from time to time determine.
 - (e) To appoint such senior staff managers, advisers, consultants and obtain such professional advice that the Board of Directors thinks fit in order to achieve the objects of the Society.
 - (f) To buy, sell, lease or take on lease, let or hire such personal property, plant and equipment and to buy, lease or take on lease or let such land and real property as the Board from time to time think necessary to obtain the objects of the Society.
 - (g) To delegate to further some or all of the powers of the Board of Directors to any person, subject to the prior approval of the Society.

18.2 Rescission of Powers

Any powers delegated to the Board of Directors may be rescinded by the Society following the passing of a Special Resolution of the Society.

18.3 Deemed Powers

As from the date of adoption of these Rules, the Society will delegate to the Board of Directors those powers detailed in 18.1.

18.4 Limitations

In the exercise of any power delegated to it by the Society, the Board of Directors must not in any way allow the Society to enter into a Major Transaction unless that transaction is:

- (a) Approved by a Special Resolution of the Society; or
- (b) Contingent on approval by a Special Resolution of the Society.

19 Chaplain

19.1 The Bishop, in consultation with the Society, shall appoint a Chaplain, who shall be an ordained priest of the Anglican Church, and carry the licence of the Bishop of the Diocese of Christchurch for the sacramental, spiritual and pastoral oversight of St George's Hospital. The Society shall meet all costs involved.

20 Auditor

20.1 Any Auditor appointed by the Society must be a full member of the Institute of Chartered Accountants of New Zealand (ICANZ), or an equivalent body recognised by ICANZ.

21 Remuneration and Expenses

- 21.1
- (a) Every member of the Society, including the President and Vice-President of the Society, or Director shall be entitled to receive such reasonable remuneration for the services rendered by him or her to the Society as the Advisory Committee shall consider and the Society determine.
 - (b) In assessing what is reasonable remuneration, the Advisory Committee shall make its assessment on the basis that such remuneration does not exceed that which is normally paid for services rendered in an arms length transaction.
 - (c) No member of the Society may take part (either in his or her capacity as a member of the Advisory Committee or as a member of the Society) in any decision concerning remuneration which relates to him or her. For the avoidance of doubt any such member must abstain from participating in any deliberations or decision relating to any remuneration or other benefit which relates to them.
 - (d) Every member of the Society shall be entitled to be reimbursed by the Society for any reasonable actual expenses incurred by them on behalf of the Society as approved by the Advisory Committee, or other formal approval process as sanctioned by the Board of Directors.

22 Indemnity and Limitation of Liability

22.1 The members of the Advisory Committee, Board of Directors and officers of the Society shall be indemnified by the Society for any losses and expenses incurred by

them in or about the discharge of their respective duties except such as a result from their own wilful default.

22.2 The members of the Advisory Committee, Board of Directors shall not be liable for the actual defaults of any other members of the Advisory Committee, Board of Directors or for any loss or expenses incurred by the Society unless the same occurs as a result of his or her own wilful default.

22.3 The Board of Directors is empowered to take out liability insurance paid for by the Society in favour of Directors and members of the Advisory Committee.

23 Hospital Management

23.1 The control and management of the affairs of the Society shall be vested in the Society and no other body or person except the Society may delegate such of its powers as it shall from time to time be determined to the Board of Directors.

24 Confidentiality

24.1 Members of the Society shall not, whether during the term of their membership or after, for whatever reason, use, copy, disclose or distribute to any person or entity outside the Society, otherwise than as necessary for the proper performance of their duties and responsibilities under the Rules, or as required by law, any confidential information, data or trade secrets acquired by the Member as a consequence of their membership.

24.2 Confidential information includes, but is not limited to:

- (a) The Society's financial affairs;
- (b) Information about the Society's business including business methods, marketing, management systems and pricing; and
- (c) Information and records (including but not limited to pricing) relating to clients, staff, contractors and parties with whom the Society deals in business.

25 Notices

25.1 Any notice required to be given to a member may be sent by post or other methods of electronic communication.

26 Common Seal

26.1 The Secretary shall provide for the Common Seal.

26.2 The Common Seal shall only be affixed in the presence of any two members of the Board of Directors of the Society.

27 Alteration of Rules

- 27.1** Subject to Section 21 of the Act, and excluding Clauses 27.1, 27.2, 27.3, 28.2 and 29.2 any of these Rules may be added, altered or repealed by a Special Resolution of the Society at an Annual General Meeting or a Special General Meeting called for that purpose.
- 27.2** The following Rules shall not be amended, altered or rescinded except with 95% consent and approval of the members of the Society present or represented by proxy at the meeting called for that purpose first being obtained:
- (a) The definitions under Clause 3.1 of “Ordinary Resolution of the Society” and “Special Resolution of the Society”;
 - (b) Clause 4;
 - (c) Clause 5;
 - (d) Clause 8;
 - (e) Clause 9;
 - (f) Clause 10;
 - (g) Clause 16;
 - (h) Clause 17;
 - (i) Clause 18; and
 - (j) Clause 23.
- 27.3** Clauses 27.1, 27.2, 27.3, 28.2, and 29.2 may be amended or repealed only with 95% consent of the full Society membership.

28 Winding Up

- 28.1** The Society may be wound up under the provisions of the Act.
- 28.2** If the Society is wound up, the surplus assets after payment of all debts, costs and liabilities shall be distributed in accordance with Clause 29.2.

29 Disposition of Property

- 29.1** The funds and property of the Society shall be applied solely in the promotion of the charitable objects of the Society.


29.2 The disposition of the surplus assets of the Society in the event of its winding up shall be applied in accordance with the original charitable objects of the Society in such manner as may be determined by a Special General Meeting of the members of the Society, but such distribution must, in any event, be to the Anglican Church in the Diocese of Christchurch.


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Member

Ian L Ford


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Member

Jonathan H Foate


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Member

John M Wilson