



Updated rules as adopted at AGM on August 10, 2024

1.0 Name and Status

1.1 The name of the Society is New Zealand Drillers Federation Incorporated ("the Federation").

1.2 The Federation is constituted by a resolution dated 15th October 1974

1.3 The Federation is not and does not intend to be registered as a charitable entity under the Charities Act 2005.

1.4 Nothing in this Constitution authorises the Federation to do anything which contravenes or is inconsistent with the Act, any regulations made under the Act, or any other legislation.

2.0 Registered Office

2.1 The Registered Office of the Federation shall be at such place in New Zealand as the Council from time to time determines, and changes to the Registered Office shall immediately be notified to the Registrar of Incorporated Societies in a form and as required by the Act.

3.0 Purposes of Federation

3.1 The purpose of the Federation is:

- To represent the collective interests of the NZ drilling industry through leadership, promoting positive industry interaction and an underlying commitment to training and enhancing industry knowledge.
- To do anything necessary or helpful to achieve the above

3.2 The Federation must not operate for the purpose of, or with the effect of:

- any Member of the Federation deriving any personal financial gain from membership of the Federation other than as may be permitted by law, or
- returning all or part of the surplus generated by the Federation's operations to Members, in money or in kind, or
- conferring any kind of ownership in the Federation's assets on Members

but the Federation will not operate for the financial gain of Members simply if the Federation:

- engages in trade,
- for matters that are incidental to the purposes of the Federation, pays a Member of the Federation that is a body corporate that is not, or are the trustees of a trust that are not, carried on for the private pecuniary profit of any individual,
- reimburses a Member for reasonable expenses legitimately incurred on behalf of the Federation or while pursuing the Federation's purposes,
- provides benefits to Members of the public or of a class of the public and those persons include Members or their families,
- pays a Member a salary or wages or other payments for services to the Federation on arm's length terms (terms reasonable in the circumstances if the parties were connected or related only by the transaction in question, each acting independently, and each acting in its own best interests; or are terms less favourable to the Member than those terms),
- pays any Member interest at no more than current commercial rates on loans made by that Member to the Federation, or
- provides a Member with incidental benefits (for example, trophies, prizes, or discounts on products or services) in accordance with the purposes of the Federation.

No Interested Member is allowed to take part in, or influence any decision made by the Federation in respect of payments to, or on behalf of, the Interested Member of any income, benefit, or advantage.

Any payments made to an Interested Member must be for goods and services that advance the charitable purpose and must be reasonable and comparable to payments that would be made between unrelated parties.

Management of the Federation

4.0 Council

4.1 The Federation shall be managed by a Council, whose members shall be elected in accordance with clause 5.0 below, bi-annually at an Annual General Meeting. The first Council under this Constitution shall be elected at the Annual General Meeting immediately after this Constitution is adopted by members.

4.2 Number of Council members shall be not less than eight and no more than twelve

4.3 Council members must be employed by a full financial member

4.4 The Council shall appoint one of their number as President and Vice President.

4.5 If the office of President becomes vacant through any cause whatsoever, the Vice-President shall act until the next meeting when a new President shall be elected

5.0 Appointment of Council

5.1 Any employee of a full financial member of the Federation shall be entitled to stand for Council

5.2 At least 56 days before AGM, the Executive Officer shall send a request to all full financial members confirming the requirements to be a Councillor.

5.3 At least 28 days before the AGM, each potential Councillor wishing to stand shall forward a brief resume in the same format to the Executive Officer. Resumes shall be forwarded to all voting members for consideration. This includes existing Councillors who are standing for another term.

5.4 Each full financial member with voting rights shall have one vote, which may be done electronically or in person at the Annual General Meeting. The Executive Officer shall ensure voting papers are ready for AGM so that each company vote is recorded. The Executive Officer and another person shall ensure that votes are recorded and counted correctly.

5.5 If the position of any Officer becomes vacant between Annual General Meetings, the Council may appoint another Council Member to fill that vacancy until the next Annual General Meeting.

5.6 Only one employee from any full financial member can be on the council at any one time.

6.0 Cessation of Council Membership

6.1 Persons cease to be Council Members when:

- They resign by giving written notice to the Council.
- A majority vote of the Federation members at a Federation Meeting removes them.
- They have been absent for three consecutive meetings.
- A full financial member no longer employs them.

6.2 If a person ceases to be a Council Member, that person must, within twenty-eight days, return to the Federation all Council documents and property.

7.0 Role of the Council

7.1 The Council shall keep front of mind the purpose of the Federation and represent the membership with the utmost integrity in all industry matters.

7.2 The Council shall represent the Federation in all matters relating to the industry to maintain or enhance the purposes of the Federation.

7.3 The Council shall conduct and disclose all matters with transparency to members as required, unless deemed inappropriate due to matters of member confidentiality or legitimate privacy reasons.

8.0 Expectations and Role of Council Members

8.1 To be suitably familiar with the NZ drilling industry, including common technical terms and references and the ability to understand financial reporting.

8.2 To provide sufficient time to read all Council papers before attending Council meetings to maximise the time available for discussion.

8.3 To actively participate in matters of the Federation to facilitate proactive, positive discussion, debate and decision-making.

8.4 To represent the industry's interests independently and without influence by their employer or employment.

9.0 Council Meetings

9.1 Council meetings may be held in person, via video streaming, or any other format that the Council may decide from time to time to suit the immediate needs and best interests of the Federation.

9.2 The quorum for Council Meetings is six members present by means approved for that Meeting.

9.3 The President shall chair Council Meetings, or if the President is absent, the Vice President will chair. If both are absent, the Council members present may elect a Council Member to chair that meeting;

9.4 Decisions of the Council shall be by simple majority vote;

9.5 The President or person acting as Chair has a casting vote - that is, a second vote – in the event of a tied vote;

9.6 Council Members may not appoint a proxy to vote for them at Council Meetings – only Council Members who are present may vote.

9.7 Subject to these Rules, the Council may regulate its own practices;

9.8 The President or person acting as Chair may adjourn the meeting if necessary.

9.9 Adjourned Meetings: If a quorum is not present within half an hour after the time appointed for a meeting, the meeting shall be dissolved; it shall stand adjourned to a day, time, and place determined by the President. Still, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment occurred.

Federation membership

10.0 Types of Members

10.1 Membership will comprise different classes of membership

- Full member – shall be an entity engaged wholly or substantially in the business of drilling.
- Associate member – shall be an entity associated with drilling or with interest in the objectives of the Federation.
- Retired member: A retired member shall be any individual now retired who is interested in the Federation's objectives.
- Life Member – shall be elected as such on the council's recommendation.

10.2 Employees of full members are eligible to stand for council

10.3 Retired and life members have full voting rights

10.4 Associate members are ineligible to vote or to stand for Council

10.5 Members have the rights and responsibilities set out in these Rules.

11.0 Admission of Members

11.1 To become a Member, an entity or person (“the Applicant”) must:

- Complete an application form via the website and
- Supply any other information the Council requires.

11.2 The Council shall have complete discretion when it decides whether or not to allow the Applicant to become a Member. The Council shall advise the Applicant of its decision, which shall be final.

12.0 The Register of Members

12.1 The Executive Officer shall keep a register of Members (“the Register”), which shall contain all Members' names, postal and email addresses and telephone numbers and the dates on which they became Members.

12.2 If a Member’s contact details change, that Member shall be responsible for updating their details with the Executive Officer.

12.3 Each Member shall provide any other details as the Council requires

12.4 Members shall have reasonable access to the Register of Members

13.0 Cessation of Membership

13.1 Any Member may resign by giving notice to the Executive Officer.

13.2 Membership terminated in the following way:

If, for any reason whatsoever, the Council believes that a Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Federation, the Council may give written notice of this to the Member (“the Council’s Notice”). The Council’s Notice must:

- Explain how the Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Federation;
- State what the Member must do to remedy the situation, or state that the Member must write to the Council explaining why the Council should not terminate the Member's Membership.
- State that if, within 14 days of the Member receiving the Council's Notice, the Council is not satisfied, the Council may, in its absolute discretion, immediately terminate the Member's Membership.
- Fourteen days after the Member receives the Council's Notice, the Council 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 Council at the next Meeting by giving written notice to the Executive Officer ("Member's Notice") within 14 days of the Member's receipt of the Termination Notice.
- If the Member gives the Member's Notice to the Executive Officer, the Member will have the right to be reasonably heard at a Council Meeting within 28 days. If the Member chooses, the Member may provide the Executive Officer with a written explanation of the events as the Member sees them ("the Member's Explanation"). The Member may require the Executive Officer to give the Member's Explanation to each Councillor within seven days of receiving the Member's Explanation.
- When the Member is heard at a Council Meeting, the Council may question the Member
- The Council shall then, by majority vote, decide whether to let the termination stand or whether to reinstate the Member. The Council's decision will be final.

14.0 Obligations of Members

14.1 All Members shall promote the Federation's purposes and do nothing to bring the Federation into disrepute.

Money and other assets of the Federation

15.0 Use of Money and Other Assets

15.1 In addition to its statutory powers, the Federation may (subject to exercising the care and skill that a prudent person of business would exercise in managing the affairs of others) for the purposes of carrying on any operation within the scope of its objects:

- use its funds to pay the costs and expenses to advance or carry out its objects,
- employ or contract with such people as may be appropriate, and
- invest in any investment.

15.2 The Federation may only use its money and other assets:

- To further the aims and objectives of the Federation; but
- not for the sole personal or individual benefit of any Member; and only if
- That use has been approved by either the Council or by a majority vote of the Federation.

15.3 The Federation does not have the power to borrow money.

16.0 Joining Fees, Subscriptions

16.1 A membership will be renewed on receipt of a subscription fee to be determined annually.

16.2 If any existing member does not pay the subscription within 60 days of the invoice being issued, the Executive Officer will give notice that, unless the arrears are paid by a nominated date approved by the Council), the Membership will be terminated.

16.3 After that date, the Member shall (without being released from the obligation of payment of any sums due to the Federation) cease to be a Member and shall not be entitled to participate in any Federation activity.

17.0 Financial Year

17.1 The financial year of the Federation begins on July 1 and ends on June 30.

18.0 Assurance on the Financial Statements

18.1 The Federation shall appoint an accountant to review the annual financial statements of the Federation ("the Reviewer"). The Reviewer must be a suitably qualified person, preferably a member of the New Zealand Institute of Chartered Accountants, and must not be a member of the Council or an employee of the Federation. If the Federation appoints a Reviewer who cannot act, the Council shall appoint another Reviewer as a replacement.

The Council is responsible for providing the Reviewer with the following:

Access to all information of which the Council is aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters

Additional information that the Reviewer may request from the Council for the review and

Reasonable access to persons within the Federation from whom the Reviewer determines it necessary to obtain evidence.

Conduct of meetings

19.0 Federation Meetings

19.1 A Federation Meeting is either an Annual or Special General Meeting (but not a Council Meeting).

19.2 The Annual General Meeting shall be held annually, no later than four months after the Federation's balance date. The Council shall determine when and where the Federation shall meet within those dates.

19.3 The Council may call Special General Meetings. The Council must call a Special General Meeting if the Executive Officer receives a written request signed by at least 10% of the Members.

19.4 Federation meetings may be held in person, via video or any other format that the Council may decide.

19.5 No Federation Meeting may be held unless a quorum is present

19.6 A quorum shall be at least 15 full financial members

19.7 The Executive Officer shall:

Give all Members at least 14 days' written notice of the business to be conducted at any Federation Meeting

Additionally, the Executive Officer will provide the following to the Annual General Meeting:

- A copy of the President's Report on the Federation's operations and the Annual Financial Statements as approved by the Council,
- Notice of any motions and the Council's recommendations about those motions.
- If the Executive Officer has sent a notice to all Members in good faith, the Meeting and its business will not be invalidated because one or more Members do not receive the notice.
- Proxy voting form

19.8 The President shall chair all Federation Meetings. If the President is absent, the Vice President shall chair the meeting. If the President and Vice President are absent, then the Federation shall elect another Council Member to Chair that meeting. Any person Chairing a Federation Meeting has a casting vote.

19.9 On any given motion at a Federation Meeting, the Chair shall, in good faith, determine the method of voting:

However, if any Member demands a secret ballot, voting must be by secret ballot. If a secret ballot is held, the Chair will have a casting, that is, a second vote.

19.10 The business of an Annual General Meeting shall be:

- Receiving any minutes of the previous Federation's Meeting(s);
- The President's report on the business of the Federation;
- The Executive Officer's report on the finances of the Federation and the Annual Financial Statements;
- Election of Council Members;
- Motions to be considered;
- General business.

19.11 The Chair shall adjourn the meeting if necessary.

19.13 Adjourned Meetings: If within half an hour after the time appointed for a meeting, a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to a day, time and place determined by the President of the Federation, and if at such adjourned meeting a quorum is not present the meeting shall be dissolved without further adjournments. With the consent of any Federation Meeting, the Chair may adjourn the same from time to time and from place to place. Still, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

20.0 Motions at Federation Meetings

20.1 Any Member may request that a motion be voted on (Member's Motion) at a particular Federation Meeting by giving written notice to the Executive Officer at least 28 days before that meeting. The Member may also provide information in support of the motion ("Member's Information"). In its absolute discretion, the Council may decide whether or not the Federation will vote on the motion. However, if the Member's Motion is signed by at least 20% of eligible Members:

- It must be voted on at the Federation Meeting chosen by the Member; and
- The Executive Officer must give the Member's Information to all Members at least 14 days before the Federation Meeting selected by the Member; or
- If the Executive Officer fails to do this, the Member has the right to raise the motion at the following Federation Meeting.

20.2 The Council may also decide to put forward motions for the Federation to vote on (“Council Motions”), which shall be suitably notified.

21.0 Altering the Rules

21.1 The Federation may alter or replace these Rules at a Federation Meeting by a resolution passed by a two-thirds majority of those Members present and voting.

21.2 Any proposed motion to amend or replace these Rules shall be signed by at least 20% of eligible Members and given in writing to the Executive Officer at least 28 days before the Federation Meeting at which the motion is to be considered and accompanied by a written explanation of the reasons for the proposal.

21.3 At least 14 days before the General Meeting at which any Rule change is to be considered, the Executive Officer shall give all Members written notice of the proposed motion, the reasons for the proposal, and any recommendations the Council has.

21.4 When a General Meeting approves a Rule change, the Rule change shall take effect once the Executive Officer has filed the changes with the Registrar of Incorporated Societies.

22.0 Bylaws to govern the Federation

22.1 The Council may make, alter or rescind bylaws for the general management of the Federation so long as these are not repugnant to these rules or the provisions of law. All such bylaws shall be binding on members of the Federation. For the time being, a copy of the bylaws shall be available for inspection by any member on request to the Executive Officer.

23.0 Winding-up

23.1 If the Federation is wound up:

The Federation’s debts, costs and liabilities shall be paid;

Surplus Money and Other Assets of the Federation may be disposed of:

- By resolution; or
- According to the provisions in the Incorporated Societies Act 2022;

but

- No distribution may be made to any Member;
- The surplus Money and Other Assets shall be distributed to full financial members who have maintained a membership for five or more years before the winding-up process.

24.0 Definitions and Miscellaneous Matters

In these rules, words have the meaning set down in the Act. If a term is not defined in the Act, then that term has the meaning given to it in the Incorporated Societies Act 2022. In all other instances, unless the context requires otherwise, the following words and phrases have the following meanings:

‘Act’ means the Incorporated Societies Act 2022 or any Act which replaces it (including amendments to it from time to time), and any regulations made under the Act or under any Act which replaces it.

‘Annual General Meeting’ or “AGM” means a meeting of the Members of the Federation held once per year which, among other things, will receive and consider reports on the Federation’s activities and finances.

‘Chair/President’ means the Council Member responsible for, among other things, overseeing the governance and operations of the Federation and chairing General Meetings.

“Council” means the Federation’s governing body.

‘Council Member’ means a member of the Council, including the Chair/President, Secretary and Treasurer.

‘Deputy Chair/Vice President’ means the Council Member elected or appointed to deputise in the absence of the Chair/President.

‘Entity’ means a company that has a relationship to the federation through membership.

‘General Meeting’ means either an Annual General Meeting or a Special General Meeting of the Federation.

‘Interested Member’ means a member who is interested in a matter for any of the reasons set out in section 62 of the Incorporated Societies Act 2022.

‘Interests Register’ means the register of interests of Officers, including Council Members, kept under these Rules.

‘Matter’ means—

1. the Federation’s performance of its activities or exercise of its powers; or
2. an arrangement, agreement, or contract (a transaction) made or entered into, or proposed to be entered into, by the Federation.

‘Member’ means a person properly admitted to the Federation who has not ceased to be a member of the Federation.

‘Notice’ to Members includes any notice given by post, courier or email; and the failure for any reason of any Member to receive such Notice or information shall not invalidate any meeting or its proceedings or any election.

‘Register of Members’ means the register of Members kept under these Rules.

‘Rules’ means the rules in this document.

‘Secretary’ means the Council Member responsible for, among other things, keeping the Register of Members, the Register of Interests, and recording the minutes of General Meetings and Council meetings.

‘Special General Meeting’ means a meeting of the Members, other than an Annual General Meeting, called for a specific purpose or purposes.

‘Treasurer’ means the Council Member responsible for, among other things, overseeing the finances of the Federation.

‘Working Days’ mean as defined in the Legislation Act 2019. Examples of days that are not Working Days include, but are not limited to, the following — a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, ANZAC Day, the Sovereign’s birthday, Te Rā Aro ki a Matariki/Matariki Observance Day, and Labour Day.

“Majority vote” means a vote made by more than half of the Members who are present at a Meeting and entitled to vote and vote at that Meeting upon a resolution put to that Meeting.

“Money or Other Assets” means any real or personal property or interest therein, owned or controlled to any extent by the Federation.

“Federation Meeting” means any Annual General Meeting or Special General Meeting, but not a Council Meeting.

“Written Notice” means communication by post, electronic means (including email and website posting), advertisement in periodicals, or a combination of these methods.

Signed as a true and accurate record by

Executive Officer – Debbie Lovett



President – Zane Brown



Vice President – Tim Babbage

