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## **A Guide For Clubs on How to Update Your Club Constitution**

### **Why you must update**

Our Clubs are required by Rotary International (RI) to take steps to update their Constitutions to any new RI Council of Legislation (CoL) version of the Rotary Club constitution.

In 2022 a further updated version issued from the Council of Legislation.

As with the 2019 version, the RI Club Constitution does not comply with the mandatory requirements of the NZ Incorporated Societies Act.

We have amended the RI 2022 Constitution to comply with New Zealand law as it stands now.

In order to preserve the 2022 version, we have, as we did with the 2019 version, kept that in a **PART 1** and then added the requirements of the NZ Registrar of Incorporated Societies by a **PART 2**.

In short, the 2022 version will be registered as required by RI but with additional clauses to ensure that it also contains the mandatory provisions required by the Registrar.

In 2019 we created **PART 2** by using the Incorporated Societies Constitution builder and selected all the required clauses then:

1. taking those clauses added them to Part 2
2. ensured that where Part 1 already dealt with the issue (e.g. AGM's) we dropped the New Zealand Clause.

In 2023 a review was carried out and in June 2024 further changes were made to give effect to the suggestions in the review.

These changes are catalogued in this document and there is a markup of the 2023 constitution which can be made available to those that wish to look at the changes made after 2023.

### How to Update Your Club Constitution

Attached are:

1. the New Zealandized version of the 2022 Constitution - see PART 2 for the extra required Articles - articles 20-44.
2. a draft Notice of Meeting for an SGM to resolved the change
- 3, form-is2-alter-rules.pdf)

## A note about the new Incorporated Societies Act 2022

The new Act is now in force and Clause 26 sets out what must be in the constitution The 2023 Constitution addressed those issues.

The Registrar of Incorporated Societies has accepted the ARTICLES.

### Process

In the past a certificate was required to file new Constitutions. That form **IS NO LONGER REQUIRED** or accepted by the Registrar of Incorporated Societies.

The process is to use the online upload web form.

There is a manual version of the online form (form-is2-alter-rules.pdf attached as noted above. **Do not use that form.**

It is attached **only as a guide** as to what your Club Secretary needs to do when completing the online process.

You will need to look at your Club's existing Constitution to ensure that you follow the process for calling a meeting to approve the new Constitution..

Most will be the old version with roman numerals (e.g XXII for 22) for numbering the Articles and the Bylaws included.

The goods news is that going back over 30 years, the update process is as provided by RI (see Article XVII in old Constitutions) still reads down the process in the RI Code.

That effectively means so long as the Club is adopting a new CoL constitution, such as the 2022 RI version, it can do that without first going to RI .

So you **do not need permission from RI** to amend or update.

In fact the situation is the reverse.

All Clubs are **required** to take steps to update their Constitution when a new version is approved by RI.

**How to Update Your Club Constitution**

This has not been observed in the past.

**The easiest way to get the update done is:**

1. the Board should instruct the Secretary to call a general meeting of the Club to approve the new Constitution, as noted above using the process set out in its existing Constitution. Most existing Constitutions require 10 days notice by mail. You can substitute mail notice by in person notice at a Club assembly provided you have a quorum AND you get Club members to sign the resolution.

2. the Club officer that is doing the filing can login and upload.

Once registration is completed you will need to send a copy to RI as noted in the explanatory notes.

Hopes this is of assistance for your teams, as it is something we are supposed to be getting done, and not something that Clubs will be thrilled to do!

Once each Club has reviewed it can file with the Registrar.

They can start here

<https://is-register.companiesoffice.govt.nz/help-centre/keeping-society-details-up-to-date/>

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When changing your rules, or your name, you'll need to submit:

- a copy of the updated rules with the alterations highlighted OR a copy of the rule (or rules) that have been changed. This must be signed by three members of the society

**How to change your rules or name**

To update your society's rules or name online

1. Log in to your online services account.
2. On the dashboard, select the incorporated society for which you wish to file a rule change from 'My Businesses'.
3. On the 'View Details' page, select 'Maintain Incorporated Society' and, from the drop-down menu, choose 'Change Society Rules/Change Society Name'.
4. Confirm whether your rule change involves a name change. (Alternatively, you can click the 'Name Change' button on the 'View Details' page.)

**How to Update Your Club Constitution**

- 5. If yes, enter the proposed name. You can use the 'Name availability check' button to ensure the new name is available.
- 6. Upload a copy of the updated rules.
- 7. Include any documents to support your change of rules or change of name.
- 8. Tick the certification box.
- 9. Complete the signatory details and click 'Submit'.

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## RI Model Bylaws

The new model bylaws are also attached.

As you will see from the explanatory notes in the Notice of Special General meeting the bylaws do not need to be registered.

The old practice for some Clubs was to include the bylaws in the registered Constitution.

This meant to change the bylaws, the Club had to call an Special General Meeting, amend the Constitution and then register the combined Constitution and Bylaws.

Bylaws are now usually set by the Board of the Club.

While bylaws still need to be approved in a general meeting by-laws should not be registered.

Finally, please note that the bylaws in mark-up show some clauses deleted. That is because those clauses have been moved to the Constitution to satisfy the mandatory requirements of Section 26 of the Incorporated Societies Act 2022. They have been removed to avoid duplication.

## Some observations on the 2022 RI Model Club Constitution

1. the form of a Club's Board differs from many Club's existing arrangements - that is a CoL issue. So like it or not, that is the form of an RC Club Board and cannot be amended without permission from RI.

2. and about the Bylaws wording in Article 18 please note the last sentence:

*"The bylaws may be amended as they provide."*

is incomplete. This incomplete sentence was present in the 2019 RO Club Constitution and was not updated in 2022.

### How to Update Your Club Constitution

As Article 18 is in the original RI CoL version, it cannot be changed without reference back to RI however the Part B New Zealand section provides supplementary provisions which enable Clubs to issue bylaws.

There were corrections made to some typos and minor formatting errors/improvements including:

1. changing the font to DejaVu sans - Georgia is a proprietary font
2. using STYLES such as heading styles.
3. changing the page size to A4
4. adding headers and footers.
5. adding a title page
6. improving spacing for readability.
- 7 adding an automatic table of contents has been added so that amendment, if required by the Registrar can be done with proper updating of the table.
8. as most Club's do not use the satellite Club provisions and those provisions are inconsistent with the Incorporated Societies Act 2022 there are extended provisions in Part B to provide for "Branches"
9. **finally please do not edit the Constitution without working with the Zone 8 Insurance and Risk Management team that are co-ordinating the work on this with Districts, their Legal Officers the insurers, Rotary International.**

If you consider that edits are required please advise by email to the District Insurance Officers team at [dilonz@rotaryoceania.zone](mailto:dilonz@rotaryoceania.zone)

The requirements can then be considered by the Oceania DILO team and others.

All email included the DG train.

We need to keep to a standard. If you have edits that you wish to suggest (remembering those can only be to PART 2) you can do that in mark-up mode that will make it easier to consider the suggested changes.

PLEASE SEND THE UPDATED CONSTITUTION AND CERTIFICATE TO  
[dilonz@rotaryoceania.zone](mailto:dilonz@rotaryoceania.zone)

so that your new Constitution can be attached to your Club in the document register and made available to the insurer.

# Table of Mandatory Requirements

(Sections 26, 27 and 28 of the Incorporated Societies Act 2022)

Sub-section	Requirement	X-ref or notes
1 (a)	(a) the name of the society (see section 11); and	Article 2
1 (b)	(b) the purposes of the society (see section 12); and	Article 3
1 (c)	(c) how a person becomes a member of the society, including a requirement that a person must consent to be a member (see section 76); and	Article 8 Section 3 + Article 30 Sections 1 + 2
1 (d)	(d) how a person ceases to be a member of the society; and	Article 13 - Duration of Membership
1 (e)	(e) arrangements for keeping the society’s register of members up to date (see section 79); and	Article 37 - The Register of members
1 (f) (i)	(f) the composition, roles, functions, powers, and procedures of the committee of the society, including— (i) the number of members that must or may be on the committee (see section 45); and	Article 4
1 (f) (ii)	(f) the composition, roles, functions, powers, and procedures of the committee of the society, including— (ii) the election or appointment of officers; and	Article 5 and Article 35 - Officer Elections - Section 2 - NOTE THE Election section IS COPIED FROM THE STANDARD RI BYLAWS
1 (f) (iii)	(f) the composition, roles, functions, powers, and procedures of the committee of the society, including— (iii) the terms of office of the officers; and	Article 35 - Directors - additional provisions Section Article 35 - Directors - additional provisions Section 7 - NOTE THIS IS COPIED FROM THE STANDARD RI BYLAWS- NOTE THIS IS COPIED FROM THE STANDARD RI BYLAWS
1 (f) (iv)	(f) the composition, roles, functions, powers, and procedures of the committee of the society, including— (iv) the functions and powers of the committee (see section 46); and	Article 35 - Directors - additional provisions Section 4
1 (f) (v)	(f) the composition, roles, functions, powers, and procedures of the committee of the society, including— (v) grounds for removal from office of officers (see section 50(1)(b)); and	Article 35 - Directors - additional provisions Section 3
1 (f) (vi)	(f) the composition, roles, functions, powers, and procedures of the committee of the society, including— (vi) how the chairperson (if any) will be elected or appointed and whether that person will have a casting vote if there is an equality of votes; and	Article 35 - Directors - additional provisions Section 6 - NOTE THIS IS COPIED FROM THE STANDARD RI BYLAWS
1 (f) (vii)	(f) the composition, roles, functions, powers, and procedures of the committee of the society, including— (vii) the quorum and procedure for committee meetings, including voting procedures; and	Article 35 - Officer Elections - Section 2 - NOTE THE Election section IS COPIED FROM THE STANDARD RI BYLAWS but the Quorum Provision is a new provision
1 (g)	(g) how the contact person or persons will be elected or appointed (see section 113); and	Article 35 - Directors - additional provisions Section 6 and Article 44 - Contact person

**How to Update Your Club Constitution**

<b>Sub-section</b>	<b>Requirement</b>	<b>X-ref or notes</b>
1 (h)	(h) how the society will control and manage its finances; and	Article 35 - Directors - additional provisions - Section 6 (g)
1 (i)	(i) the method by which the constitution may be amended (see sections 30 and 31); and	Articles 19 and 42
1 (j)	(j) procedures for resolving disputes, including providing for how a complaint may be made (see sections 38 to 44); and	Article 17
1 (k) (i)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (i) the intervals between annual general meetings; and	Articles 7 Section 2 and 33
1 (k) (ii)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (ii) the information that must be presented at general meetings; and	Article 33
1 (k) (iii)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (iii) when minutes are required to be kept; and	Article 33 Section 11
1 (k) (iv)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (iv) the manner of calling general meetings; and	Article 33 Section 2
1 (k) (v)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (v) whether and, if so, how written resolutions may be passed in lieu of a general meeting for the purposes of section 89; and	Article 33 Section 10
1 (k) (vi)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (vi) the time within which, and manner in which, notices of general meetings and notices of motion must be notified; and	Article 33 Section 2
1 (k) (vii)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (vii) the quorum and procedure for general meetings, including voting procedures (for example, whether votes may be cast by post or by electronic means), procedures for proxies (if any), and whether the quorum takes into account members present by proxy or casting postal votes or votes by electronic means; and	Article 33 Section 5,6,7,8,9,10
1 (k) (viii)	(k) arrangements and requirements for general meetings (see sections 84 to 93), including— (viii) the arrangements and requirements for special general meetings under section 64(3) (unless that provision has been negated under section 67); and	Article 35 Section 1
1 (l)	(l) the nomination of a not-for-profit entity, or a class or description of not- for-profit entities, to which any surplus assets of the society should be distributed on a liquidation of the society or on, or to enable, the removal of the society from the register (see section 5(3) and subpart 5 of Part 5).	Article 41
<b>Section 27</b>	Constitution must not give members rights or interests in society’s property The constitution must not purport to confer on any member any right, title, or interest (legal or equitable) in the property of the society.	Article 20 -Definition of a Person Article 21 Prohibited Purposes and Article 42 Amending the Articles

How to Update Your Club Constitution

Sub-section	Requirement	X-ref or notes
Section 28	28 Bylaws, and tikanga, kawa, culture, or practice, and other matters (1) The constitution may contain any other matters that are not inconsistent with this Act or any other legislation, including providing for— (a) whether and, if so, how the society can make bylaws: (b) the society to express its tikanga, kawa, culture, or practice: (c) reasonable penalties to be imposed on any member (and for the consequences of the non-payment of any subscription or penalty): (d) any other matter relevant to the society’s operations or affairs. (2) A bylaw purportedly made by a society has no effect to the extent that it contravenes, or is inconsistent with, this Act, any other legislation, or the society’s constitution. (3) The making, amendment, revocation, or replacement of a bylaw is not an amendment of the society’s constitution.	
Section 29	29 Effect of constitution (1) The constitution of a society has no effect to the extent that it contravenes, or is inconsistent with, this Act or any other Act. (2) The constitution of a society is binding, in accordance with its terms, as between— (a) the society and each member; and (b) each member. (3) The constitution of a society is binding, in accordance with its terms, on each officer. (4) Subsections (2) and (3) are subject to the rest of this Act.	

## 2023 Review Amendments Constitution

Part 2 Definitions	<b>‘General Meeting’</b>	means either an <b>Annual General Meeting</b> or a <b>Special General Meeting</b> of the <b>Club</b> .	This amendment is made to cover the comment made in the 2023 review at Section 11 on page 27.
		<p><b>Written resolutions may be passed in lieu of a General Meeting pursuant of <a href="#">section 89 of the Act</a>, which provides:</b></p> <ul style="list-style-type: none"> <li>• A written resolution is valid as if it had been passed at a general meeting if it is approved by no less than 75% of the number of <b>Members</b> who are en-</li> </ul>	

How to Update Your Club Constitution

Sub-section	Requirement	X-ref or notes
<p><b>Article 20 -</b>  <b>Article 33</b>                      New                      Section 1</p>	<p>titled to vote.</p> <ul style="list-style-type: none"> <li>• It may consist of 1 or more documents in similar form, each approved by or on behalf of 1 or more of <b>Members</b> who are entitled to vote.</li> <li>• A <b>Member</b> may give their approval by signing the resolution or giving their approval to the resolution in any other manner permitted by the constitution (for example, electronic means).</li> </ul> <p>The old Act year (1908) is replaced by the new Act year ST 16/11/2023 - 2022</p> <p><b>Section 1 - Annual General Meetings</b></p> <p><b>Pursuant to <a href="#">section 86</a> of the Act a Notice of Annual General Meeting must include:</b></p> <ul style="list-style-type: none"> <li>• An annual report on the operations and affairs of the society during the most recently completed accounting period;</li> <li>• The financial statements of the society for that period;</li> <li>• Notices of the disclosures, or types of disclosures, made under disclosure of interests (<a href="#">section 63 of the Act</a>) during that period, including a brief summary of the</li> </ul>	<p>Clarifying wording suggested and added - subsequent sections re-numbered</p>

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Sub-section	Requirement	X-ref or notes
Article 35 Section 3	<p>matters, or types of matters, to which those disclosures relate.</p> <p>Addition “... other than as provided in Article 19”</p>	<p><b>Clarifying wording suggested and added</b></p>
Article 33 Section 6	<p>Addition <b>....in person or a financial Member votes by providing a valid proxy or ballot.</b></p>	<p>Clarifying wording suggested and added</p>
Article 35 Section 4	<p><b>Section 4 - Cessation or Removal of A Director</b></p> <p>(a) A <b>Director</b> shall be deemed to have ceased to be a <b>Director</b> if that person ceases to be a <b>Member</b>; and/or</p> <p>(b) resigns in the manner provided in the constitution, or if this constitution does not provide for a manner by signing a written notice of resignation and giving it to the <b>President</b>; and/or</p> <p>(c) is removed from office in accordance with this constitution; and/or</p> <p>(d) becomes disqualified from being an officer under the Act or the provisions of this Constitution; or</p> <p>(e) dies; or</p> <p>(f) otherwise vacates office in accordance with this constitution.</p>	<p>Clarifying wording suggested and added</p>
Article 35 Section 7	<p>Allow for President to extend office for up to 2 further years (follows current exigencies.</p> <p>“... and in the absence of a Vice President being a President-Elect then for 2 further successive years&gt;”</p>	
Article 36 Section 2	<p><b>Section 8 - Board Meetings</b></p> <p>Board meetings are to be held at least 4 times in each year starting from 1 July to 30 June.</p> <p>Special meetings of the board are called with</p>	<p>New – moved from Bylaws as suggested in 2023 review</p>

How to Update Your Club Constitution

Sub-section	Requirement	X-ref or notes
	reasonable notice by the <b>President</b> or upon the request of two <b>Directors</b> .	

## 2023 Review Amendments Bylaws

Moved into Constitution **See above**

The update model by-laws have had 2 Sections excised and moved into the constitution

Article 7 of the By-laws was suggested to be moved have not been moved as Club's have a variety of arrangements driven by trusts etc

Added to model bylaws

### Article 8 Records and required by the Act or RI

Section 1 - the Register of Members must also contain:

The name of each person who has ceased to be a member of the society within the previous 7 years; and

The date on which each person ceased to be a member.

Section 2 - Contracts and Memorandums of Understanding

Section 3 - Records held in relation to programmes involving children

If any records are created, received or in the custody or control of the Club or its members in relation to any child those records must be controlled in accordance with the RI Code of Policies and any other applicable policies enacted such as the:

RI Policies Insurance Risk and Crisis Management and

The Education (Pastoral Care of International Students) Code of Practice 2021.

How to Update Your Club Constitution

Sub-section	Requirement	X-ref or notes
<p>Article 42 of the Constitution Amended to include suggestion as to process to amend by-laws</p>	<p><b>Article 42 - Amending these Articles and By-laws</b></p> <p>Subject to the provisions of <b>PART 1 - STANDARD ROTARY CLUB CONSTITUTION</b> the <b>Club</b> may amend or replace these <b>Articles</b> and any By-laws promulgated thereunder, at a <b>General Meeting</b> by a resolution passed by a simple majority of those <b>Members</b> present and voting.</p> <p>Any proposed motion to amend or replace these <b>Articles</b>, and under Article 18, the <b>By-laws</b> promulgated thereunder, shall be signed by at least 50 per cent of eligible <b>Members</b> and given in writing to the <b>Secretary</b> at least 10 <b>Clear Days</b> before the <b>General Meeting</b> at which the motion is to be considered, and accompanied by a written explanation of the reasons for the proposal.</p> <p>At least 10 <b>Clear Days</b> before the <b>General Meeting</b> at which any amendment is to be considered the <b>Secretary</b> shall give to all <b>Members</b> notice of the proposed motion, the reasons for the proposal, and any recommendations the <b>Board</b> has.</p> <p>No addition to, deletion from or alteration of these <b>Articles</b> shall be made if the purport or effect may allow personal pecuniary profits to be conferred on any person.</p> <p>Furthermore, the preceding prohibition shall be contained in any subsequent amendment of these <b>Articles</b>.</p> <p>When an amendment to these <b>Articles</b> is approved by a <b>General Meeting</b> it shall be notified to the Registrar of Incorporated Societies in the form and manner specified in <b>the Act</b> for registration, and shall take effect from the date of registration.</p>	

## A Guide For Clubs

### How to Update Your Club Constitution

Sub-section	Requirement	X-ref or notes
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	Amendments to <b>By-laws</b> shall be published by the Board by email to all <b>Members</b> and, if directed, by posting on the Club's website.	
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# DV 8 of the Income Tax Act 2007

(this is the section that requires Rotary Club programme entities to include provisions prohibiting individual benefit to ensure Not-For\_Profit status)

## Income Tax Act 2007

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If you need more information about this Act, please contact the administering agency: **Inland Revenue Department**

 Warning: Some amendments have not yet been incorporated

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Versions and amendments

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### DV 8 Non-profit organisations

#### *When this section applies*

- (1) This section applies when an incorporated or unincorporated organisation—
  - (a) does not have the purpose of making a profit for a proprietor, member, or shareholder; and
  - (b) has a constitution that prohibits a distribution of property in any form to a member, proprietor, or shareholder.

#### *Amount of deduction*

- (2) The organisation is allowed a deduction for the lesser of—
  - (a) \$1,000; and
  - (b) the amount that would be the organisation's net income in the absence of this section.

#### *Link with subpart DA*

- (3) This section supplements the general permission. The general limitations still apply.  
Defined in this Act: [amount](#), [deduction](#), [general limitation](#), [general permission](#), [net income](#), [shareholder](#), [supplement](#)  
Compare: 2004 No 35 s DV 8