



Notessity Constitution

A. Interpretation

Definitions

1. Unless the context requires otherwise, the following definitions and explanations override the ones for the same words within *the Act*:
 - a. *The Act* always refers to the Companies Act of 1993.
 - b. An *associate* is any person who has agreed in writing to abide by this *constitution*, which includes *shareholders/directors*, employees, interns, alternates, contractors and volunteers.
 - c. The *board* is a *group* made up of members that are both the *directors* and the *shareholders* of the *company*.
 - d. The *company* always refers to Notessity Charity Limited. The *company* is represented by its *board* and is supported by its *associates*.
 - e. A *conflict of interest* exists when the personal well-being of a *board* member or one or more of their family members, close friends, or colleagues in a different organisation will be significantly affected by the outcome of a *company* decision that is determined, at least in part, by the *board* member. However, a *conflict of interest* does not exist when the decision is between the *board* member and the *company* or entails customary terms and conditions.
 - f. *Constitution* refers to this document as modified from time to time.
 - g. The *directors* are also *shareholders* and are responsible for governing and leading the *company*.
 - h. *Fiscal year* refers to the accounting period of the *company*. It is used to define the scope of summary accounting statements. It is just as long as a calendar year; however, it may start and end on different days.
 - i. A *group* is one or more *associates* that repeatedly collaborate to further the *company's* purpose.
 - j. *Indemnity* is relief or excuse from liability, whether before or after the liability arises.
 - k. An *issue* is a significant concern, problem, improvement, or decision brought to a *group* for evaluation within a *meeting*. An *issue* is significant when it can affect *stakeholder* perceptions of how well the *company* fulfils its purpose. *Issues* must be reviewed using the Issue Decision Process in *section F* of this *constitution*.
 - l. A *meeting* is a gathering of a *group* to discuss *company* business. *Meetings* can be recurring, such as annual *meetings*, or arranged as needed, such as special *meetings*.

- m. A *poll* is a request in a *board meeting* for members to vote in favour or against a resolution.
- n. *Repurchase* means to cancel *shares* after all payment (if any) made for the *shares* has been refunded.
- o. *Resolve* refers to the process of the *board* binding the *company* to a resolution.
- p. *Resources* consist of all supplies, capital, property, investments, holdings, data, information, knowledge, wisdom, and time that have been purchased from or donated by *associates*, with the direct or indirect potential to advance a purpose.
- q. A *section* is a set of clauses within this *constitution* or other legal act labelled with the same initial if not all the same code characters or digits.
- r. *Shares* are redeemable units of *company* ownership that confer upon the *shareholder* all the powers and responsibilities of a *director* and determine how many votes they may cast to approve or oppose a resolution.
- s. A *shareholder* is someone who has been recorded in the *share* register of the *company* as the owner of one or more *shares*. *Shares* may only be held by those that agree to hold office as *directors*.
- t. A *signature* is evidence that the person performing the *signing* is informed of the *signed* document. If the document contains specific terms for *signing*, it also indicates acceptance of those terms. A *signature* can be any physical or electronic mark or writing that exclusively identifies the person performing the *signing*. A *signature* is implied when a person consciously and personally presents or publishes a document publicly.
- u. *Stakeholders* include the *company's* *associates*, partners and customers, and because the *company* is a charity, the citizens of New Zealand.
- v. A *student* is one who deliberately takes steps to increase their knowledge.

Encompassments

- 2. This *constitution*, as constrained by *the Act*, is the ultimate source of authority within the *company*. Its provisions take precedence over the provisions of *the Act* that permit alteration, negation or replacement.
- 3. The provisions within the first three *sections* of this *constitution* (Interpretation, Purpose and Principles and Ownership) take precedence over those within the remainder of this *constitution* except to the extent that the other *sections* reflect mandatory statutory requirements. Any *board* member that supports a successful resolution to alter provisions within these first three *sections* must complete and *sign* a certificate that explains how the alteration deepens support for the original aims of these *sections* without compromise.
- 4. Italicised words merely indicate that the words have been defined in *section A.1* of this *constitution*. Words not defined in this *constitution* but defined in *the Act* have the same meaning as in *the Act*.
- 5. Headings are only intended to help readers locate clauses. They do not limit the applicability of the provisions they precede. Additionally, the words "include", "including", "such as", or any other words of similar meaning do not imply any limitation.

6. Words that indicate singular also include plural and vice versa.

B. Purpose and Principles

Purpose

1. The *company's* purpose is to advance education by developing tools to help *students* manage, apply and exchange their discoveries and insights, and make those tools, along with the underlying technologies and research used to create them, available for *students* to adopt and extend.
2. All of the *company's resources* must be applied exclusively toward its charitable purpose after making provision for all lawful debts and liabilities, *associate* wages and salaries, depreciation of the *company's* assets, and reserves that have been deemed prudent by its *board*.
3. The *company* will fulfil its purpose through activities that include:
 - a. developing and maintaining open-source software to help *students* organise and harness the full potential of their knowledge; and
 - b. sharing and promoting technologies that result from the *company's* activities; and
 - c. investigating *issues* that affect or could potentially affect the *company's* ability to fulfil its purpose and disseminating the findings.
4. The *company* may engage in any activities which are incidental, conducive or desirable to its charitable purpose, including:
 - a. providing advice, training, and support materials that help *stakeholders* take full advantage of the tools offered by the *company*; and
 - b. developing capabilities, competencies, skills, education and understandings that support *stakeholders* in fulfilling the purpose of the *company*; and
 - c. fostering a healthy and sustainable environment for *stakeholders*; and
 - d. entering into partnerships, joint ventures and similar agreements with any person or entity provided that either the activity or the revenue from the activity furthers the *company's* charitable purpose; and
 - e. seeking, accepting and receiving subscriptions, donations, subsidies, grants, endowments, gifts, legacies, loans and bequests of value.
5. The *company* shall not be obligated to engage in all prudent activities simultaneously. Priorities will be set according to the *board's* discretion and the availability of *resources* within the *company*.
6. To protect the *company's* purpose from outside influence, the *company* may not rely upon the support of a single donor or donor organisation to employ personnel, acquire property, purchase equipment, or take on projects it cannot maintain without the continued support of that donor.

7. Upon liquidation of the *company*, after all liabilities, debts and liquidation costs have been paid and all *shares* have been *repurchased*, any remaining assets must be transferred to another organisation with a similar charitable purpose as defined in *section 5(1)* of the Charities Act 2005.

Principles

The following principles work together to foster unity rather than division. The *company* has no adversaries, only partners.

8. **Contribution:** Revenue must primarily result from developing and sharing methods that utilise *resources* more efficiently rather than confiscating *resources* from others advantageously. Therefore, the *company's* products and services must be based on original research and experimentation. To encourage continual innovation:
- a. All *associate* roles must include a research component that includes direct interaction with customers.
 - b. To ensure *associates* are not penalised for experimenting, they must be evaluated regarding their investigative process rather than their investigative outcomes.
 - c. *Associates* must have the same rights as the *company* to utilise and further their innovations.
9. **Equality:** The privileged will inevitably be tempted to use their advantage to deprive others because value held by others is more obvious than value that is yet to be created. Therefore, disproportionate *resources*, opportunities and abilities may only be granted as needed to satisfy specific responsibilities or to rectify a pre-existing disadvantage. To foster equality:
- a. All business activities must enrich the *associates* and the *company*. Therefore, *associates* may not accept a task unless they understand how it honours the purpose and principles of the *company* and how it is also an opportunity for them to learn, practice, and innovate.
 - b. Rules must be written as broadly as possible to address situations and activities rather than individuals, ranks or seniority. Everyone must have the same ability to take advantage of new or updated rules.
 - c. Exceptions to rules may not be granted under any circumstances. When people can exempt each other from the rules, they can no longer rely on the rules to protect them and must instead compete for the discretionary loyalty of others, which is rarely distributed equally.
10. **Diversity:** When knowledge from different viewpoints is combined, not only are more ideas produced, decisions also become more reliable through the integration of independent analyses. Additionally, diverse observers are more likely to question assumptions and suboptimal decisions. To foster diversity:
- a. *issues* must go through the Issue Decision Process specified in *section F* to ensure that solutions result from multiple perspectives; and

- b. the *company* must engage in a limited number of complementary activities to create opportunities for combining ideas and expertise; and
 - c. everyone should be considered unique. No demographic may be characterised without referencing research that measured the characterisation within the demographic.
11. **Refinement:** All *company* technologies, processes, roles, assumptions, rules and decisions must be refined and displaced for optimal simplicity, efficiency and impact. However, any system where independent components seek personal benefit and influence one another will drift toward division and failure. It cannot guarantee its own stability or incorruptibility. There must be external fail-safes to identify problems before they compound excessively. Therefore, all *stakeholders*, especially those who may become disadvantaged, must have the ability to continuously and respectfully monitor the system and correct failures. A refinement process will not be successful unless it is:
- a. **Observable** - *Associates* must be open and candid at all times. *Meetings* and notes regarding *company issues* must be made available to all *stakeholders*. The *company* may not participate in non-disclosure agreements. The company must disclose what data it collects, the reason for every collection, when data is collected and how it is used and shared.
 - b. **Verifiable** - *Issues* must be evaluated by comparing options through observation, research or experimentation. Conclusions without verifiable comparative evidence must be questioned.
 - c. **Actionable** - All *associates* have the authority to call a special *meeting* or add an *issue* to the agenda of any recurring *meeting* (including *board meetings*) to question a practice, resolve a disagreement or clear up confusion.
 - d. **Respectful** - When an *associate* needs help with a problem, they must be open about the *issue* and circumstances. Everyone must focus on finding the best solution without regard for assigning blame. Experimental learning in pursuit of the *company's* purpose only makes people more valuable.

Modification

- 12. The *company* may only adopt principles that it recommends and are mutually beneficial to all others. It may not adopt principles based on exclusivity or that rely on the negligence, ignorance or inferiority of others.
- 13. If any of the *company's* principles are ever restricted, even slightly, due to compelling emergency or extenuating circumstances, they must be fully, retroactively and automatically reinstated after no more than one year.
- 14. This *constitution* may only be modified by a special resolution that furthers the purpose, upholds the principles and preserves the original aims of *sections A, B & C* to the extent allowed by law.
- 15. If any clauses in this *constitution* are found by a court of competent jurisdiction or arbitrator to be void, invalid, illegal or otherwise not binding on the parties, then such clauses shall be severed from this *constitution*, but the remaining clauses shall remain in force.

16. This *constitution* may only be revoked by a special resolution to liquidate the *company*.

C. Ownership

Shares

1. The *company* must benefit the community it serves rather than private owners. Therefore, the *company* may only allot *shares* that are redeemable at the option of both the *company* and the *shareholder* and are identical in rank and privileges. Additionally, they must be allotted and *repurchased* according to the following rules:
 - a. The consideration for the allotment and redemption of *shares* is fixed at \$1 per *share*.
 - b. All *shares repurchased* by the *company* must be immediately cancelled.
 - c. *Shares* may only be allotted to individuals. *Shares* may not be allotted to trusts, organisations, representatives, or any other type of ownership collective.
 - d. The *company* must limit the total number of *shares* that it allots such that there are never more than nine *shareholders* who never hold more than 100 *shares* simultaneously.
 - e. The *company* may not continue operating unless at least one *director* owns one *share*. The last allotted *share* may only be *repurchased* as part of the *company's* liquidation.

Privileges

2. *Shares* grant the following privileges:
 - a. *Shares* grant *shareholders* all the powers and responsibilities of *directors*.
 - b. *Shares* allow *shareholders* to cast one vote for every *share* they possess regarding any *board* resolution.
 - c. *Shareholders* who collectively own at least 80 *shares* may *sign* a resolution into effect with the same validity as if it had been approved in a *board meeting*.
 - d. *Shareholders* may submit a *signed* written request for the *company* to *repurchase* any number of their *shares* at any time.
3. *Shares* do not carry the following customary privileges:
 - a. *Shareholders* may not receive a dividend or any other compensation merely because they hold *shares*.
 - b. *Shareholders* may not allow any circumstance to arise that would transfer any of their *shares* to a new owner.
 - c. *Shareholders* do not have a pre-emptive right to buy the number of new *shares* needed to maintain their previous percentage of *company* ownership when the *company* allots new *shares*. Consequently, *section 45 of the Act* does not apply.

- d. The liability of a *shareholder* to the *company* is limited to the damage they cause as a *director* from:
- violating a provision within *sections A, B or C* of this *constitution*; and
 - failing to correct the violation after it is raised as an *issue* for evaluation at a *company meeting* after customary accommodation has been made for their attendance and participation.

Requirements

4. No one may hold *shares* unless they agree in writing that they:
- a. will be the only owner of the *shares* and will not create or attach any contract, mortgage, security interest, charge, lien or other encumbrance or adverse interest to any *share* that they hold; and
 - b. have read and promise to uphold all *associate* responsibilities listed in *section D.1* of this *constitution*; and
 - c. will act as a *director* of the *company*; and
 - d. will allow the *company* to *repurchase* any number of *shares* at any time for any reason by refunding the payment received for their *shares*.

D. Associates

Responsibilities

1. All *associates* must agree in writing that while acting in a professional capacity for the *company* they:
 - a. have read this *constitution* and will act in good faith to comply with its provisions, uphold its principles, pursue its charitable purpose and do nothing that would contradict it or *the Act*; and
 - b. will make proper inquiry when the need for inquiry is indicated by the circumstances from relevant, sound and substantiated sources while disregarding assertions that are unverifiable except to fulfil a legal requirement to divulge such assertions; and
 - c. will never assure a customer, supplier, partner or any other *stakeholder* that the *company's associates*, products or services will fulfil an obligation without an informed reason for that conclusion; and
 - d. will only use other people's confidential information for the stated business purpose for which it was collected; and
 - e. will attribute ownership of intellectual property they create for the *company* to themselves and the *company* such that both have an equal ability to modify and utilise the property perpetually; and

- f. will allow any messages, records, notices, statements, reports, accounts, or information resulting from *employment* to be *electronically communicated* and publicly disclosed except for unique personal identifiers; and
 - g. will keep the *company* informed of their current personal contact information; and
 - h. will give feedback to the *board* regarding how well this *constitution* supports the purpose and principles of the *company*.
2. *Associates* (including *directors*) may delegate any task not prohibited from delegation by *the Act* to other *associates*. However, if a task is delegated to an individual or firm not bound by this *constitution*, the delegate must agree to uphold the Observable requirement specified in *section B.11.a.* of this *constitution* by following the procedure specified in *section F.3.*

Compensation

3. *Associates*, or the firms they represent, may receive compensation in the form of money, benefits or advantage for any professional services they render in pursuit of the charitable purpose of the *company* if:
- a. such compensation is reasonable and relative to that which would be paid or received in a typical arm's length transaction for work of a similar type, quantity, quality and depth; and
 - b. neither they nor any of their personal associates influenced the valuation of the rendered services. *Associate* contributions must instead be valued according to average wages for similar services rendered in the same locality as determined by reputable independent sources with recognised expertise in the valuation of professional services.
4. *Associates* may receive compensation from other companies, including partners and associates of the *company*, even if the opportunity results from conducting *company* business. However, *associates* must disclose professional ties to other individuals or firms that the *company's* activities might affect by recording such employment in the interest register of the *company*.
5. *Company* assets, including revenue, may not be transferred to the possession of any individuals or firms who will not be obligated to utilise such assets for the purpose stated in *section B* (Purpose and Principles) of this *constitution* unless:
- a. the asset is reasonable and proper compensation for goods purchased for *company* use, services rendered, time expended, or any other activity related to the affairs of the *company*; or
 - b. the asset is reimbursement for expenses properly incurred while conducting *company* business; or
 - c. another charity is likely to generate more value from the asset than the *company* can generate in pursuit of its purpose; or
 - d. the remaining projected value of the asset is less than the projected cost of holding the asset.

Indemnity

6. When present or former *associates* incur liabilities for professional acts or omissions in service of the *company*, they will be indemnified from:
 - a. the costs incurred by them in defending or settling any claims or proceedings relating to any such liabilities that are not criminal and do not concern a breach of fiduciary duty or a breach of the duty to act in good faith and the best interests of the *company*; and
 - b. the costs incurred by them in any proceedings that are discontinued or result in an acquittal or a favourable judgement.
7. The *board* may *resolve* to insure any *associate* against the costs of liabilities described above in *section D.6.* of this *constitution*.

Volunteer Alternates

8. Contingent upon *board* approval, *associates* may appoint alternates to assume their *company* responsibilities temporarily. Alternates will not be compensated for their services by the *company*. Still, they will be reimbursed for expenses incurred while substituting for the *associate* as if the alternate were the *associate*.
9. Alternates are subject to identical requirements and receive identical powers and responsibilities as the *associates* they replace, except for the power to appoint an alternate. Alternates filling in for *directors* may cast as many votes as the *director* who appointed them owns *shares*.
10. No one may become a volunteer alternate unless:
 - a. they are appointed by an *associate* that would like to be temporarily replaced; and
 - b. the *board* *resolves* to accept the appointment of the alternate; and
 - c. the appointed individual agrees in writing to all the same conditions that a *director*, employee or volunteer would have to accept, depending on the position to be occupied by the alternate.
11. An alternate may no longer act as a volunteer for the *company* after:
 - a. they give the *board* a *signed* resignation notice; or
 - b. the appointing *associate* or the *board* revoke the appointment of the alternate at any time for any reason; or
 - c. the *board* discovers a circumstance that requires them to remove the alternate; or
 - d. they become incapable of performing as a volunteer alternate.

E. Board of Directors

Appointment and Removal of Directors

1. The *company* is governed by one to nine *shareholders*, who are all required to act as its *board of directors*. All of the powers and responsibilities of *directors* described in *the Act* are conferred to the *shareholders* with the modifications imposed by this *constitution*. The *company* is bound by the resolutions passed by its *board*.
2. *Board* membership is regulated in the following manner:
 - a. The initial *directors* are those named as *shareholders* in the *company's* registration application. They remain *directors* as long as they hold *shares*.
 - b. The *board* may add subsequent *directors* by allotting *shares* that conform to the provisions of *section C* of this *constitution* (Ownership) to individuals that are qualified according to those terms and agree to abide by those terms.
 - c. The *board* may remove a *director* for any reason by *resolving* to *repurchase* all of their *shares*. Likewise, a *director* may resign for any reason by asking the *board* in writing to *repurchase* all of their *shares*. The previous acts of *directors* remain valid after they resign or are removed, even when the removal is because the *director* was discovered to be unqualified.
 - d. The *board* must remove a *director* who:
 - either circumvents or fails to correct known lapses in their responsibilities; or
 - relinquishes their *shares* due to death, incapacitation, debt, or other reasons; or
 - is discovered to be unqualified to act as a *director*.

Director Responsibilities

3. All the conditions and responsibilities that apply to *associates* also apply to *directors*. *Directors* are also responsible for managing and supervising the business and affairs of the *company* and for ensuring that the *constitution* supports the purpose of the *company* in an optimally efficient and impactful manner. The specific responsibilities of the *board* include:
 - a. *resolving issues* according to this *constitution*; and
 - b. *signing* or authorising other *associates* to *sign* written contracts or obligations on behalf of the *company*; and
 - c. employing others and forming partnerships to help the *board* pursue the charitable purpose of the *company*; and
 - d. entering into deeds provided that the *board* has *resolved* to do so and after which two *directors* have *signed* the deed, or if the *board* only has one *director*, that *director* has *signed* the deed in the presence of a witness; and
 - e. carrying out all other activities necessary or desirable to fulfil the charitable purpose of the *company* except for acting as an auditor of the *company* or any other activity that this *constitution* or *the Act* prohibits.
4. The *board* must hold an annual *meeting* not later than six months after the close of each *fiscal year* and never more than 15 months since the previous annual *meeting* or date of registration. During the annual *meeting*, the *board*:
 - a. must review the financial statements for the prior *fiscal year*; and
 - b. must assess the financial health of the *company*; and

- c. may appoint an auditor for the current *fiscal year*; and
- d. may conduct any other pending business.

F. Issue Decision Process

Overview

1. The best solutions do not always come to mind immediately upon being informed of an *issue*. Therefore, *issues* must be addressed using this process consisting of three stages separated by breaks for reflection, research and experimentation.
2. Stages cannot be skipped, but any stage can be repeated as necessary. All previously created artifacts that remain relevant may still be utilised when reverting an *issue* to an earlier stage.
3. Whenever an *associate* delegates an *issue* to a party outside the *company*, the *associate* must lead the party through this *Issue Decision Process* and publish the resulting notes in the same manner as internally produced *issue* notes.

Stages

4. **Definition:** The *issue* originator should begin by presenting background information to everyone reviewing the *issue*. If there are materials to read, time should be set aside in the *meeting* rather than expecting participants to read the materials in advance. Participants should then debate answers to the following questions:
 - a. What is the core *issue*, and to what degree does it affect the fulfilment of the *company's* purpose? The definition of the *issue* should not mention any solutions. Instead, *issues* should be defined along the lines of "What is the best way to ..."?
 - b. Is there more than one *issue*, or conversely, should it be combined with another *issue*?
 - c. What concerns are various *stakeholders* likely to have about the *issue*?
 - d. How much time is there to research options before the level of risk increases?
 - e. Which other affected parties, missing subject matter experts, and observers should be invited to the decision-making process?

The answers to the above questions should be entered in the *meeting* minutes with the background information needed to understand the *issue*. The minutes should then be referenced in the invitations sent to those invited to the next stage of the review.

(Break until the next *meeting* to allow participants to question the cause of the *issue* and imagine options)

5. **Evaluation:** The objective of the second stage is to collect and compare options for responding to the *issue*. Participants should discuss the following questions:

- a. What are at least three possible responses to the issue?
- b. What are the criteria for success for each possible response?
- c. What factors are most likely to cause each possibility to fail? For each factor, consider its predictability and influence on the success of the response.
- d. What will it cost to test and implement each response, and how does that compare to the *issue's* significance?

After assessing possible responses, plans must be made to either repeat the stage with more data, conduct experiments or implement a solution depending on the consensus of the *meeting* participants. When approving either an experiment or a more permanent solution, participants must decide:

- e. Who will develop and implement the test or solution, and how much time will they invest?
- f. Which business variables will be measured, and at what intervals, to determine if the *issue* has successfully been addressed? Who will monitor this, and how often will they report the findings back to the decision *group*?
- g. Under what conditions would a different response be preferred?
- h. Which potential or waiting tasks will this work displace?

Answers to the questions listed above must be recorded in the *meeting* minutes.

(Break until the next *meeting* to allow participants to conduct experiments or implement the solution)

6. **Reassessment:** The last stage is a chance to examine successes and failures and should be repeated according to the reporting schedule developed in the last stage. If significant adjustments seem warranted, the *issue* should return to the Evaluation stage to determine the needed adjustments. If the solution now seems impractical or obsolete, the *issue* should return to the Definition stage to seek a new solution. The *meeting* minutes should include:

- a. a listing of positive and negative results from the experiment or implementation; and
- b. a decision to continue monitoring or revert to a previous decision process stage.

Issues should never be abandoned. Those that seem to be fully addressed should still be reviewed at least annually. However, *issues* may be redefined or combined with other *issues* in light of new insights by reverting them to a previous stage.

G. Facilitated Meetings

Introduction

1. Facilitated *meetings* are held to discover optimal solutions to *issues* by leveraging a variety of viewpoints and diverse expertise. *Issues* should be reviewed in facilitated *meetings* using the Issue Decision Process specified in the previous *section*. It is designed to ensure that decisions result from comprehensive analysis rather than forceful opinions. The three-stage process is also intended to be inconvenient enough to discourage matters that do not require *group* analysis.
2. The following rules govern *board meetings* and any other facilitated *meetings* where *associates* representing different roles and responsibilities raise *issues* to test their assumptions and coordinate their activities. Because *board meetings* include both *shareholder* and *director* business, the following rules replace Schedule 1 and Schedule 3 of *the Act*.
3. No *group* is ever required to review matters that they consider defamatory (as defined by the Defamation Act 1992) and may remove materials they consider defamatory, frivolous or vexatious.

Notices

4. Any *associate* may call a special *meeting* if waiting for the next scheduled *meeting* of the required participants is likely to be significantly more expensive. However, *groups* that have a history of holding special *meetings* once or more a month, or are required to meet regularly (like the *board*), should instead hold recurring facilitated *meetings*. Any *meeting* may be cancelled if there are no *issues* to review.
5. Facilitated *meetings* may occur in any manner that allows all participants to simultaneously hear each other speak without having to purchase new devices or software. However, anyone corresponding to such a *meeting* by mail is not participating in the *meeting*.
6. Recurring *meetings* should be scheduled during the previous occurrence of the *meeting*. Special *meetings* should be scheduled one week in advance, if possible, but at least one day in advance.
7. Notices of upcoming *meetings* must be published on the *company* website in a section reserved for such announcements. Additional notices or reminders may be sent in any manner. *Meeting* notices should contain the time, date, location and topic of the *meeting*. Notices for facilitated *meetings* should add a list of the *issues* on the agenda and the stage of each *issue*.
8. Any failure to announce a *meeting* properly is excused if all potential participants either fail to protest or agree to excuse the failure. Proceedings within *meetings* remain valid despite any noticing problems.

Roles and Procedure

9. *The facilitator* or another attendee they permit to lead the meeting in their place is responsible for:

From the start of the meeting

- a. recognising and recording the arrivals and departures of attendees; and
- b. arranging the next *meeting* (if it is a recurring *meeting*) by:
 - confirming the date, time and location of the next *meeting*; and
 - leading the selection of a facilitator for the next *meeting*; and

During the meeting

- c. guiding the attendees through each *issue* on the *meeting* agenda; and
- d. assisting the originator of each *issue* in performing the correct tasks for the current stage of their *issue*; and
- e. conducting polls and tallying votes as needed using any method preferred by the facilitator as long as it allows for the accurate recording of the votes cast according to the votes attached to the shares of each participating shareholder; and

At the end of the meeting

- f. asking the attendees of the current *meeting* if they have made, or are in the process of making, any assumptions or decisions that the *group* should evaluate as a future *issue*; and
- g. setting the agenda for the next *meeting* based on the *issue* backlog of the *group*; and
- h. asking the *meeting* participants for feedback regarding the three-stage decision process and the facilitated *meeting* steps; and
- i. adjourning the *meeting* at their discretion; and

After the meeting

- j. preparing the *meeting* minutes from their facilitation notes and the artifacts given to them by the *issue* owners; and
- k. certifying that the minutes are an accurate account of the *meeting* by *signing* them; and
- l. publishing the *meeting* minutes for the benefit of all *stakeholders*; and
- m. publishing and sending notices for the next meeting.

The role of the facilitator has no bearing on an individual's ability to otherwise participate in a *meeting*. A substitute must be selected if the previously selected facilitator is not present at the *meeting*. The facilitator may determine any unspecified aspects of the *meeting* procedure.

10. *Issue originators* lead the review process for their *issue*, which varies depending on its stage. In each stage, information should be provided to the *meeting* participants, feedback should be gathered from them, and sometimes decisions should be made with them. The *issue* originator must compile the artifacts produced by each review stage and forward them to the facilitator for inclusion in the *meeting* minutes.
11. *Attendees* contribute their insight, expertise and assistance in assessing *issues*. After entering a *meeting*, attendees are assumed to be full participants until the facilitator expressly

recognises their absence. Attendees must obtain the express consent of the facilitator before leaving a *meeting* if there is any chance of their departure going unnoticed.

H. Resolutions

Introduction

1. *Groups* that cannot decide how to conclude the second review stage of an *issue* may send the *issue* to the *board* to *resolve*. In such a case, the *board* must return to the first review stage; however, it may utilise the previously completed artifacts. The *issue* originator continues to lead the review process whether or not they are a *board* member. Once the *board* completes the second review stage, it may transfer the *issue* back to the *group* that originated it.
2. The requirements for approving a resolution sometimes depend on whether the resolution is ordinary or special. Special resolutions require more votes to pass than ordinary resolutions, and they can only be reversed by another special resolution. All resolutions are ordinary except for the following types of resolutions that are special:

Type of resolution	Requirement
Adopt or alter this <i>constitution</i>	<i>Sections 32 & 106 of the Act;</i>
Approve a major transaction	<i>Section 106 of the Act;</i>
Approve an amalgamation of the <i>company</i>	<i>Section 106 of the Act;</i>
Put the <i>company</i> into liquidation	<i>Section 106 of the Act;</i>
Appoint a liquidator	<i>Section 241 of the Act;</i>
Remove the <i>company</i> from the Register	<i>Section 318 of the Act;</i>
Transfer the place of incorporation	<i>Section 352 of the Act.</i>

3. Adopting a resolution may also depend on whether or not any *Board* members have a *conflict of interest* in it. Those that do may participate in meetings, cast votes, *sign* related documents, and perform any other *board* member functions as long as they remind the *board* of their *conflict of interest* and record it in the interest register of the *company*. However, the threshold needed to approve a resolution will be greater in this situation. *Board* members generally have a *conflict of interest* in resolutions that:
 - a. alter their compensation or insurance benefits; or
 - b. change the number of *shares* they possess; or
 - c. potentially impact their well-being or that of one or more of their family members, close friends, or colleagues in another organisation.

Procedure

4. *Board* members may approve resolutions by voting on them in a *meeting* or *signing* them into effect. The *company* is bound by resolutions passed by the *board* when:

Preparation

- a. *share* redemption disclosure notices are communicated to all *shareholders* between 10 and 30 working days before *resolving* to *repurchase shares*; and
- b. the effect of the resolution on existing *company* provisions is displayed within the context of the surrounding text; and
- c. the provisions of the resolution all contribute to solving the same *issue* as defined within the first stage of the Issue Decision Process; and

Determination

- d. the nature and magnitude of every *board* member's *conflict of interest* in the resolution has been declared to all other members before their consideration of the resolution; and
- e. all *board* members are given a one-time opportunity to postpone a decision on the resolution for at least one week; and
- f. a sufficient threshold of approval is achieved. When *board* members vote on a resolution in a *meeting*, the threshold is achieved when:
 - all the *board* members cast votes in favour of the resolution; or
 - if no voting *board* member has a *conflict of interest* in the resolution, members that collectively own at least 75 *shares* cast votes in favour of the resolution; or
 - if no voting *board* member has a *conflict of interest* in the resolution and it is not a special resolution, members that collectively own at least 51 *shares* cast votes in favour of the resolution.

When *board* members collect *signatures* in support of a resolution, the threshold is achieved when:

- all the *board* members *sign* it; or
- if no voting *board* member has a *conflict of interest* in the resolution, members that collectively own at least 80 *shares* *sign* it.

And:

Completion

- g. the *board* members that approved the resolution have completed and *signed* all required certificates; and
- h. the changes to *company* provisions required by the resolution are applied, published and made accessible to all *stakeholders*; and
- i. copies of resolutions *signed* into effect are communicated to all *shareholders* within five days of adoption; and
- j. the Share Register and statements of *shareholder* rights are created, updated and distributed as necessary after *resolving* to allot or *repurchase shares*.

Certificates

5. *Board* members must fill out and *sign* certificates that explain why they supported successful resolutions if such resolutions have any of the following objectives:

Resolution Objective	Required Explanation
Any type of <i>director</i> compensation	Attest to why the amount of compensation is fair to the <i>company</i> as required by <i>section 161 of the Act</i> .
<i>Indemnity</i> insurance for a <i>director</i>	State that the cost of indemnity insurance for a <i>director</i> is fair to the <i>company</i> as required by <i>section 162 of the Act</i> .
Unanimous consent for less restricted <i>repurchasing</i> of <i>shares</i> or <i>director</i> compensation	Attest to how the <i>company</i> will remain solvent as required by <i>section 108(2) of the Act</i> .
<i>Repurchasing Shares</i>	Explain why the <i>repurchase</i> is beneficial to the remaining <i>shareholders</i> , why the purchase price is fair and reasonable, and how the <i>company</i> will remain solvent as a result, as required by sections 69(4), 70(2) and 71(3) of <i>the Act</i> .
Allotment of new <i>shares</i>	State the nature and value of consideration required to purchase the <i>shares</i> and explain why it is fair and reasonable as required by <i>section 47 of the Act</i> .
Modification of provisions within the first three <i>sections</i> of this <i>constitution</i> (A. Interpretation, B. Purpose and Principles and C. Ownership)	Attest to how the alteration expands support for the original aims of these <i>sections</i> without compromise.
Consolidation of amendments into this <i>constitution</i>	Confirm to the Registrar of Companies the delivery of the consolidated <i>constitution</i> as required by <i>section 33(4) of the Act</i> .
Amalgamation	Attest to how the amalgamation is in the <i>company's</i> best interest and is expected to result in a new solvent <i>company</i> as required by <i>section 221(2) of the Act</i> .
Amalgamation proposal registration	State that the amalgamation has been approved in compliance with <i>the Act</i> and this <i>constitution</i> and promise to treat the creditors of the previous companies equally after the amalgamation, as is required by <i>section 223 of the Act</i> .

I. Company records

1. The *company* must ensure the following documents are maintained and kept at its registered office in paper form or in a form that is easily accessible and convertible to paper records:
 - a. This *constitution*
 - b. Certificate of Incorporation
 - c. *Meeting* minutes, including approved resolutions and required certificates in the case of *board meetings*
 - d. Interests Register
 - e. Directors Register
 - f. Share Register that complies with *section 87 of the Act*.
 - g. Statement of *shareholder* rights that complies with *section 83 of the Act*.
 - h. Copies of written communications to all *shareholders* during the preceding ten years, including:
 - *share* redemption disclosure notices that must include the effected *shareholders*, the nature and terms of the *repurchase*, and the implications for the *company* and the remaining *shareholders*; and
 - copies of resolutions *signed* into effect; and
 - annual reports as described by *section 211 of the Act*; and
 - financial statements and summary financial statements
 - i. Accounting records that accurately document the last seven years of *company* transactions and allow for the generation of financial assessments and summary statements with the ability to audit those findings, such as:
 - transaction journals; and
 - balance sheets; and
 - profit and loss statements; and
 - any notes that are related to balance sheets or statements
 - j. Records of correspondence with the Companies Office which include:
 - notices of change of address; and
 - notices of subsequent share allotments
 - k. Deeds or similar obligations which, if entered into by a natural person, would be legally classified as a deed
 - l. Annual Returns consisting of the *company* address and details regarding its *directors/shareholders*, which must be delivered to the Registrar of Companies in each calendar year apart from the year of registration
 - m. Person Properties Securities Register of Charges

Certificate of Constitution

The preceding document is hereby certified as a true copy of the Constitution of Notessity Charity Limited.

Name

Joseph Inman

Signature

Joseph Inman

Date

22/04/2022