26 July 2019

**Letter of Explanation in respect of a Proposal to amend the Royal New Zealand Foundation of the Blind Incorporated (RNZFB) rules**

This letter includes:

* The proposal
* The explanation for the proposed change
* The process to be followed

At its July 2019 meeting, the RNZFB Board decided to ask Members to consider three small changes to the RNZFB Constitution which will allow the New Zealand public to attend the RNZFB Annual General Meetings as observers without needing to obtain permission.

**The Proposal**

The proposal is to consider the following resolution:

**THAT the following amendments to the Constitution of the Royal New Zealand Foundation of the Blind Incorporated be adopted:**

**9.1.4  Subject always to the discretion of the Chairperson to exclude observers from the Annual General Meeting (at any time, in whole, or in part), the New Zealand public are entitled to attend the Annual General Meeting as observers.**

**9.1.5  Those observing at the Annual General Meeting may be heard on such terms as the Chairperson or the meeting (as the case may be) determines.**

**9.9.1  Written notice of the date, time and place of a meeting of Members must be sent to every Member, Director and the Auditor of the Foundation not less than 20 Working Days before the meeting.  For the Annual General Meeting, the Board shall send a general invitation to the New Zealand public to attend the Annual General Meeting as observers through its normal channels of communication giving full details of the meeting, how to receive the agenda, a statement that observers’ costs will not be met and the date and method by which people should respond to the invitation.**

**The explanation for the proposed change**

The proposed changes to the RNZFB Constitution will create an opportunity for people outside certain selected groups to attend the RNZFB Annual General Meetings as observers.

This proposal arises as a result of the restrictions in rule 9.1.2 of the Constitution which specifies who can and who cannot attend and be heard at meetings of members as of right.

At present the only groups entitled to attend as of right are Members, Directors and the Auditor.

Anyone else wishing or needing to attend, is required to obtain permission to attend or be authorised to attend by either the Board or the Meeting (as is permitted under sub rule 9.1.2.4).

The Board recognises that, apart from members to whom the Board is primarily accountable, there is a community of interest in the Foundation's activities on the part of clients, their families, volunteers, donors and others. The RNZFB is, in addition, a major registered public charity and is, therefore, very reliant on public donations and the support of the public. The Board sees the AGM as one of the most appropriate fora for the Board's performance to be scrutinised by all interested people.

These amendments to the Constitution will provide the groups mentioned above the right to attend and be heard at the Annual General Meeting as observers while preserving the powers for the Chairperson or the meeting to limit their access if necessary. Importantly, such observers do not have any right to vote at the meeting.

**The process**

In respect of any proposal to alter the RNZFB Constitution by the Board, the following process must be followed:

Any resolution to alter the rules must be considered and voted upon by way of a postal ballot, followed by a special meeting of members convened for that purpose. In this instance, The Board must prepare a written notice containing the proposed resolution, an explanation of the resolution and all relevant materials provided by the Board and which the Board, in its opinion, deems reasonable to be included in that written notice.

The Proposal Materials must be circulated to Members via the normal channels of communication employed by the Board (in accordance with the policy on Communications, Preferred Formats and Service of Documents) (occurring on 26 July 2019).

Following circulation of the Proposal Materials a 30 Working Day discussion period will be held, during which time a rebuttal ("Rebuttal") or counterproposal (a "Counter-Proposal") may be lodged by a group of not less than 20 Members. Any Counterproposal must also contain all the information which would be required to be provided were it to become the proposal on which voting will take place.

If, at the end of the 30 Working Day discussion period (6 September 2019), there has been no agreement to withdraw the original proposed resolution, the Proposal Materials, the full details of any Rebuttal or Counter-Proposal and the notice of the special meeting must be sent by the Board within 20 Working Days to all Members (i.e. by 4 October 2019).

Any resolution to alter the rules will ultimately be considered and voted upon in a postal ballot which is followed by a Special Meeting of Members (currently proposed to be 9 November 2019).

After the Proposal Materials and any Rebuttal or Counter-Proposal have been sent to Members (4 October 2019), there will be a further 20 Working Day discussion period, ending 4 November 2019, during which time the Board will invite Members to debate the proposal via such forums as will enable Members to participate and which forums shall be notified by the Board to Members.

During the 20 Working Day discussion period Members may vote by way of postal vote on the original proposed resolution contained in the Proposal Materials and at the conclusion of which a meeting of Members shall be held.

Once the voting period has closed (4 November 2019) and the meeting of Members held (9 November 2019), all the votes will be counted, and the outcome of the resolution announced as soon as possible by the Board.

Any resolution to alter the Constitution must be passed by a two-thirds majority of the Members entitled to vote and voting on the proposal.

**Rick Hoskin**

**RNZFB Chair**