



# NEW ZEALAND INTERNET EXCHANGE INC

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Incorporation Number: 2636857  
IRD Number: 119-649-161

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To the members the New Zealand Internet Exchange Incorporated,

The NZIX committee have passed a resolution to support a set of rule changes at the 2021 AGM. These rule changes have two goals; update the rules to reflect some operational realities, and modify the Internet Association of Australia (IAA) oversight rules to reflect the maturity of NZIX.

While NZIX was in the start-up phases and was leveraging the assets and financial support of the IAA, having the ultimate oversight powers resting with IAA was appropriate. The NZIX committee believe that now that the NZIX has proven itself over the last 5 years to be of stable governance and financially independent, the ultimate governance of the society should rest with the NZIX membership, not an external overseas organisation.

Two letters from members "Lightwire Limited" and "Vocus Group NZ Limited" have been received by the NZIX secretary to formally bring these rule change proposals to the 2021 AGM. IAA governance have also seen, and have given their support to, the proposed changes.

The rule changes can be summarised as follows:

1. Update the founding member from WAIA to IAA to reflect the name change.
2. Change the AGM timetable to one that puts less pressure on the officers and admin staff involved in the end of year accounts and audit.
3. Clarify the society audit requirements – it is unusual of a society of our size to require a full audit every year, and the proposed changes follows the NZ societies office example to firmly put the decision to audit or not to the AGM itself each year.
4. Reduction in IAA oversight:
  - a. 4.1.2 changed so that NZIX no longer must consult IAA governance on major decisions, including expansion. (Note this is separate from our requirements under the IAA support agreement which will continue to require us to consult IAA operationally)
  - b. 11.1 changed so that NZIX AGM/SGM's do not need IAA's written permission to change the NZIX society rules, while locking a few sections from alteration to preserve the societies founding principles –
    - i. Section 4 - our purpose and objectives
    - ii. Section 9.2 – Our requirements to be not-for-profit (rules dictating how profit/gain works)



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- iii. Section 12.3 – Rules governing distribution of assets in the event we wind up.

If the rules are adopted as proposed, then the rules would continue to contain much of the original spirit of the original rules and would continue to bind a close relationship between NZIX and IAA. Many rules granting special privileges or rights to IAA remain including:

- Two reserved committee seats
- Guaranteed membership to NZIX in its own unique membership tier
- Protection from expulsion and removal by committee
- Approval rights regarding any winding up process

What changes is that the NZIX members (via a Annual General Meeting or Special General Meeting) will gain the power to change the society rules in the future without requiring IAA's written approval. The changes also lock certain elements of the society rules to prevent the founding objectives of the society and profit rules to be changed.

It is worth noting that the committee does not believe further rule changes regarding the IAA are required - this is not about changing how we interact or operate in anyway. WAIA/IAA funding and vision is what created NZIX and we continue to value the journey together through a close relationship and a continuing operating service agreement through which NZIX outsources many elements of day to day operations to the IAA.

Please find in the AGM the rule changes proposal that has been prepared by the NZIX lawyer. This document will be used for consideration and voting on at the 2021 AGM

Chris Browning  
Chair  
New Zealand Internet Exchange Incorporated