

## CONSTITUTION OF NEW ZEALAND ANGUS ASSOCIATION INCORPORATED

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# CONSTITUTION OF NEW ZEALAND ANGUS ASSOCIATION INCORPORATED

NOTE: Words or phrases in *italics* are defined in Rule 1.7

## 1.0 THE ASSOCIATION

### The Association

- 1.1 The name of the *Association* is **New Zealand Angus Association Incorporated**, generally known as “Angus NZ.”
- 1.2 The *Association* was incorporated on 17 June 1918 under the Incorporated Societies Act 1908. The *Association’s* registered office address is 75 South Street, Feilding, 4702, New Zealand, and this address may be altered in accordance with Rule 4.9.

### Association Purposes and Powers

- 1.3 The primary purposes of the *Association* are to:
- (a) Promote, lead, and foster appreciation of *Angus* cattle to ensure *Angus* remains a growing, vibrant, influential cattle breed,
  - (b) To promote, educate, and encourage measurement and recording of the productive characteristics of *Angus* cattle, and
  - (c) Support and provide services to those who breed and stock the *Angus* cattle breed.
- 1.4 The *Association* must not operate for the purpose of, or with the effect of:
- (a) Any *Member* of the *Association* or *Related Person* deriving any personal financial gain from membership of the *Association*, other than as may be permitted by law, or
  - (b) Returning all or part of the surplus generated by the *Association’s* operations to *Members*, in money or in kind, or
  - (c) Conferring any kind of ownership in the *Association’s* assets on *Members*, but the *Association* would not operate for the financial gain of *Members* in breach of the *Statute* simply if the *Association*:
    - (i) Engages in trade,
    - (ii) Pays a not-for-profit *Member* or *Related Person* (namely, a *Member* that is an incorporated entity that is not, carried on for the private pecuniary profit of any individual) for matters that are incidental to the purposes of the *Association*,
    - (iii) Reimburses a *Member* or *Related Person* for reasonable expenses legitimately incurred on behalf of the *Association* or while pursuing the *Association’s* purposes,
    - (iv) Provides benefits to members of the public or of a class of the public and those persons include *Members* or their families,
    - (v) Pays a *Member* or *Related Person* a salary or wages or other payments for services to the *Association* 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), or

- (vi) Provides a *Member* or *Related Person* with incidental benefits (for example, trophies, prizes, or discounts on products or services) in accordance with the purposes of the *Association*.

**1.5** Despite Rules 1.3-1.4:

- (a) The *Association* shall not be required to advance all of its primary purposes all of the time, and
- (b) Otherwise this constitution shall be read and interpreted subject to the provisions of Rule 1.3.

**1.6** Subject to Rules 1.3-1.4, the *Association* shall have power:

- (a) To represent and promote the interests of *Members* of the *Association*,
- (b) To make regulations, bylaws, codes of conduct and policies under Rule 5.12 to advance or achieve any of the above purposes, and
- (c) To do any act or thing related or contributing to advancing or attaining any of the above purposes.

### **Interpretation of this Constitution**

**1.7** In this constitution, unless the context otherwise requires the following words and phrases have the following meanings:

- (a) "**Angus**" is a description of a breed of cattle generally known as *Angus*, but the *Association* recognises that:
  - (i) *Angus* cattle have, as a result of selective breeding of cattle over many generations, become established as a generally acknowledged breed of cattle,
  - (ii) Modern testing methods may identify some cattle within a breed line that may not in fact be *Angus* cattle or may not be pure *Angus* cattle, but
  - (iii) If such beasts or the progeny of such beasts conform to those characteristics generally recognised as *Angus* cattle, the lack of total purity should not necessarily disqualify such beasts or their progeny from being regarded as *Angus* cattle,
- (b) "**Affiliate Member**" has the meaning given in Rule 2.2(b),
- (c) "**Associate Member**" has the meaning given in Rule 2.2(e),
- (d) "**Association**" is the Association referred to in Rule 1.1,
- (e) "**Board**" means the *Association's* governing body referred to in Rule 4.1,
- (f) "**clear days**" means complete days excluding the first- and last- named days (for instance, excluding the date a notice of meeting is posted or transmitted and the date of the meeting),
- (g) "**complaint**" means an allegation that the conduct or discipline of any *Member(s)* has/have fallen short of expected standards of conduct for *Association Members*, and the *complaint* may allege:
  - (i) A breach or failure to observe a specific *Association* Rule, bylaw or policy, and/or
  - (ii) Other misconduct likely to cause distress, embarrassment or concern to other *Members* or members of the public or tend to damage the reputation of the *Association*,

BUT the *Association* is not concerned with *Members'* conduct outside of or away from *Association* activities, unless there is some identifiable

connection with the *Association*, or the reputation of the *Association* may be affected, or both,

- (h) **“Director”** includes the *Association’s* Chairperson, Vice-Chairperson and other *Directors* elected under Rule 4.3, appointed under Rule 4.5, or co-opted under Rule 5.5,
- (i) **“E-Book”** is the recording system for *Angus* cattle maintained pursuant to Rule 1.8(b),
- (j) **“Entitled Member”** means a *Member* entitled to exercise membership rights under Rule 2.7(b) and includes an *Affiliate Member*, *PRAC Member* and an *Honorary Life Member*,
- (k) **“Full Breeding Member”** has the meaning given in Rule 2.2(a),
- (l) **“Full Breeding Member Entity”** means, in relation to a *Full Breeding Member* that is a body corporate, the legal entity that is the *Member*,
- (m) **“grievance”** means a formal concern raised by a *Member* relating to the *Member’s* rights and interests as a member which the *Member* considers is affecting the *Member* in a significant (not trivial or incidental) way, and the effect on the *Member* or other affected *Members* may not necessarily include financial losses or costs to the *Members*, but a *Member* raising a grievance should be able to point to a significant negative effect on that *Member*, or on other *Members* in similar circumstances, or on all *Members*,
- (n) **“Manager”** is the person or company employed or contracted under Rule 5.16 to be the *Association’s* manager to administer and manage the affairs of the *Association*,
- (o) **“Member”** is a *Full Breeding Member*, *PRAC Member*, *Youth Member*, *Affiliate Member*, *Associate Member*, *Honorary Life Member* or *Life Member* (see also Rule 2.2),
- (p) **“Membership Register”** is the register of *Members* kept under Rule 2.5(a),
- (q) **“Register of Disclosures”** is the register referred to in Rule 5.8(b),
- (r) **“registered”** with reference to *Angus* cattle means an *Angus* cattle beast or beasts that are recorded as being registered with the *Association* as *Angus* cattle pursuant to regulations or bylaws made pursuant to Rule 5.12,
- (s) **“Registered Office”** means the place determined in accordance with Rule 4.10,
- (t) **“Related Person”** means a person who is a spouse, partner, parent, child, business associate (partner, director, officer, board member, or trustee of a person), employer or employee of a *Member*,
- (u) **“remote ballot”** is a ballot held in accordance with the procedures set out in Rule 3.21,
- (v) **“Statute”** means the Incorporated Societies Act 1908 or any statute passed in substitution of the same, including amendments to it from time to time,
- (w) **“working day”** means any day of the week other than a Saturday, Sunday, or national statutory holiday, and
- (x) **“written notice”** means communication by post, electronic means (including email, and website posting), or advertisement in periodicals, or a combination of these methods.

**1.8** Subject to Rules 1.3-1.4, in addition to its statutory powers, the *Association*:

- (a) May invest in improved methods to assess and record *Angus* cattle beasts,
- (b) May maintain and improve records of the *Angus* cattle breed in New Zealand for the benefit of its members and the public, and for that

purpose:

- (i) Arrange for the testing and examination of cattle belonging to *Members* to determine their purity,
- (ii) Maintain an *E-Book* of recognised *Angus* cattle, including records of pedigree as known to the *Association*, and the degree to which the purity of such cattle can be ascertained by such means the *Board* from time to time deems are reasonably and economically available to the *Association*,
- (iii) May co-operate with equivalent overseas organisations whose purposes are similar to those of the *Association*, and
- (iv) May by means of regulations, bylaws or policies made under Rule 5.12 establish:
  - Methods of testing cattle to establish the purity of cattle believed to be *Angus* which are recorded in the *E-Book* or which a *Member* seeks to register in the *E-Book*,
  - Criteria for inclusion, exclusion and removal of beasts from the *E-Book*, and
  - Procedures to resolve disputes about whether beasts are or are not *Angus* and about processes and decisions concerning the inclusion, exclusion and removal of beasts from the *E-Book*,
- (c) May employ or engage people to assist in undertaking the tasks necessary to achieve its purposes and, specifically, the activities referred to in Rule 1.8(a) and (b),
- (d) May use its funds to pay the costs and expenses to advance or carry out its purposes, and to employ or contract with such people as may be appropriate,
- (e) May invest in any investment in which a trustee might invest, and
- (f) Shall have power to borrow or raise money by debenture, bonds, mortgage and other means with or without security.

**1.9** No *Member* or any *Related Person* shall participate in or materially influence any decision made by the *Association* relating to the payment to or on behalf of that *Member* or *Related Person* of any income, benefit or advantage whatsoever.

**1.10** The *Association* may, subject to the provisions of the *Statute*, indemnify *Members* and employees who act in good faith in seeking to advance the *Association's* activities, and to take insurance for the purposes of that indemnity, but no such indemnity or insurance shall be provided where a *Member* or employee is criminally liable for the actions or inaction in respect of which indemnity or insurance is sought.

**1.11** In this constitution, unless the context otherwise requires:

- (a) Any word or phrase identifying a person extends to and includes the executors, administrators, successors and assignees of that person,
- (b) The singular number includes the plural and *vice versa* and words indicating one gender include the other genders,
- (c) Reference to any Act extends to and includes any statutory or other modification or re-enactment thereof and any other like provision for the time being in force in New Zealand, and
- (d) The headings of the Rules in this constitution will not affect the interpretation given to it.

## 2.0 MEMBERSHIP AND HONOURS

### Membership

**2.1** The *Association* shall maintain the minimum number of members required by the *Statute*.

**2.2** The classes of membership and the method by which *Members* are admitted to different classes of membership are as follows:

- (a)** Full Breeding *Member* A Full Breeding *Member* will be allocated an “Angus New Zealand Registered Herd Number”, “Registered Herd Brand” and “Prefix”, each as approved by the Board, and is:
- (i) An individual of or over the age of 18, or
  - (ii) A partnership of people over the age of 18, or
  - (iii) A body corporate (see also Rule 3.16(c)) (i.e. a *Full Breeding Member Entity*),
  - (iv) With at least one *registered* female *Angus* cattle beast,
  - (v) Admitted to membership under Rule 2.3, and
  - (vi) Who or which has not ceased to be a *Member* under any other Rule, but
  - (vii) Does not include an Affiliate, Associate, PRAC, Honorary Life, or Life *Member*.
- (b)** Affiliate *Member* An Affiliate *Member* is:
- (i) an individual of or over the age of 18 who is a *Related Person* of a *Full Breeding Member*,
  - (ii) Admitted to membership under Rule 2.3, and
  - (iii) Who has not ceased to be a *Member* under any other Rule, and:
  - (iv) An Affiliate *Member* shall be entitled to a copy of Association newsletters and communications to *Members*, and may attend and speak at General Meetings. If the Affiliate *Member* a *Related Person* of a *Full Breeding Member Entity* and authorised as the representative for such *Full Breeding Member Entity* under Rule 3.16(c), the Affiliate *Member* may vote on behalf of that *Full Breeding Member Entity* at General Meetings and Special Meetings,
  - (v) Shall comply with all regulations, bylaws or policies made under Rule 5.12 whether applying to all *Members*,
  - (vi) Shall otherwise have all the rights and privileges of a financial *Full Breeding Membership* (including the right to hold office on the Board) and shall be subject to all the duties of a *Full Breeding Member*.
- (c)** PRAC *Member* A PRAC *Member* will be allocated an “Angus New Zealand Registered Herd Number”, “Registered Herd Brand” and “Prefix”, each as approved by the Board, and is:
- (i) An individual of or over the age of 18, or
  - (ii) A partnership of people over the age of 18, or

- (iii) A body corporate,
  - (iv) With at least one approved PRAC female *Angus* cattle beast,
  - (v) Admitted to membership under Rule 2.3, and
  - (vi) Who or which has not ceased to be a *Member* under any other Rule, and:
  - (vii) Shall comply with all regulations, bylaws or policies made under Rule 5.12 whether applying to all *Members*, specifically to PRAC *Members*, or specifically to *Members* who have PRAC cattle,
  - (viii) Shall otherwise have all the rights and privileges of a financial Full Breeding *Member* (including the right to hold office on the *Board*) and shall be subject to all the duties of a Full Breeding *Member*.
- (d) *Youth Member* A *Youth Member* is an individual between the ages of 18 and 25 with an interest in *Angus* cattle admitted to membership under Rule 2.3 and who has not ceased to be a *Member* under any other Rule, and a *Youth Member* shall cease to be a *Youth Member* on attaining the age of 25 years. A *Youth Member* may attend and speak but not vote at General Meetings (see also Rules 3.1(b) and 3.4(b)(ii)), and shall have no other membership rights or privileges.
- (e) *Associate Member* An *Associate Member* is an individual of or over the age of 18 or an organisation (incorporated or unincorporated) admitted to membership under Rule 2.3 and who or which has not ceased to be a *Member* under any other Rule. An *Associate Member* has no right to record *Angus* cattle in the records of the *Association* or to register those cattle in the herd book of the *Association*. An *Associate Member* shall be entitled to a copy of *Association* newsletters and communications to other *Members*, and may attend but not vote at General Meetings, and may not speak at General Meetings except with the Chairperson's prior consent, but otherwise shall have no other membership rights or privileges.
- (f) *Honorary Life Member* An *Honorary Life Member* is a *Member* honoured for highly valued services to the *Association* elected as an *Honorary Life Member* following a recommendation from the *Board* by resolution of a General Meeting. An *Honorary Life Member* shall have all the rights and privileges of a financial Full Breeding *Member* (including the right to hold office on the *Board*) and shall be subject to all the duties of a Full Breeding *Member* except those of paying subscriptions and levies.
- (g) *Life Member* A *Life Member* is an individual who holds that classification on the adoption of this version of the *Association* Constitution in 2022 and shall have all the membership rights, privileges or duties (except those of paying subscriptions or levies) of a Full Breeding *Member*, and shall be entitled to hold any office and may attend, speak and vote at General Meetings.

### 2.3 Admission of Members:

- (a) Every *Member* must be nominated for membership by a Full Breeding *Member* and must expressly consent to becoming a *Member* and agree to comply with any Code of Conduct made pursuant to Rule 5.12 (the consent of an incorporated entity or partnership to become a *Member* may be given on its behalf by two (2) directors or partners, or if it is a company with only one (1) director, by that director), and an applicant for membership as a

*Member* shall complete any application form provided by the *Board*, pay any application fee fixed the *Board*, supply such information as may be required by the *Board* and lodge the application with the *Manager* with any application fee prescribed by the *Board*.

- (b) Membership applications shall be considered by the *Board* which may interview an applicant or representative/s of an incorporated entity or partnership applicant.
- (c) The *Board* shall have a discretion whether or not to admit a membership applicant, and shall advise the applicant of its decision (but shall not be required to provide reasons for that decision), and:
  - (i) A successful applicant to be a *Full Breeding Member* or a *PRAC Members* shall be allocated an *Association Station Number*, *Station Brand* and *Prefix* approved by the *Board* (and may then or later be allocated or associated with more than one *Association Station Number*, *Station Brand* or *Prefix* but shall be entitled to exercise only one vote), and
  - (ii) A successful applicant shall immediately pay the annual subscription or such proportion of it as may be specified by the *Board*, or
  - (iii) If the application is declined any application fee paid shall be refunded to the applicant.
- (d) Until admitted to membership by the *Board*, no-one is entitled to claim the benefits of *Association* membership.

#### 2.4 Readmission of former Members:

- (a) Any former *Member* may apply for re-admission in the manner prescribed for new applicants, and may be re-admitted only by resolution of the *Board*.
- (b) However, if a former *Member's* membership was terminated pursuant to the processes under Rule 2.18 and the Schedule to this Constitution, the applicant may be re-admitted only by a General Meeting on the recommendation of the *Board*.

#### Membership Register and Access to Association Information

##### 2.5 The *Manager* shall:

- (a) Keep an up-to-date *Membership Register* of all *Members* (including *Life*, *Honorary* and *Supporting Members*) recording:
  - (i) Their names, postal and email addresses, phone numbers, occupations, the dates each *Member* became a *Member*, and whether or not the *Member* is financial under Rule 2.13,
  - (ii) The *Ward* to which each *Member* belongs (determined by where they reside), with the *Wards* being defined as follows:
    - Northland *Ward*,
    - Auckland, Waikato and Bay of Plenty *Ward*,
    - Taranaki King Country *Ward*,
    - East Coast *Ward*,
    - Hawke's Bay *Ward*,
    - Wairarapa Wellington *Ward*,
    - Manawatu, Rangitikei, Wanganui *Ward*,
    - Marlborough-Nelson *Ward*,
    - Canterbury-Westland *Ward*, and



- Southern Ward, and the geographical area of the Wards shall be as defined by the *Board* from time to time,

- (b) On reasonable notice and at reasonable times:
  - (i) Make available for inspection by *Entitled Members* copies of this constitution and of any *Association* regulations, bylaws or policies, and copies shall be provided (at a reasonable cost) to any *Entitled Member* on request,
  - (ii) Make available for inspection (but not copying) by *Entitled Members* at the Association's Registered Office copies of the minutes of a *Board* meeting (excluding any part of those minutes relating to "in committee" business) after those minutes have been confirmed as a true and accurate record of that *Board* meeting,
  - (iii) Permit *Directors* and *Entitled Members* to inspect the *Membership Register* at the Association's Registered Office,
  - (iv) Permit *Directors* and *Entitled Members* to inspect the *Register of Disclosures* at the Association's Registered Office, and
  - (v) Provide *Entitled Members* with access to the financial statements presented to the last Annual General Meeting and the minutes of any previous General Meetings.

**2.6** Every *Member* (including Life, Honorary and Supporting *Members*) shall advise the *Manager* of any change of name, postal and email address, phone number, and occupation, and if any *Member* fails to do so or provides incorrect information that *Member* shall have no ground of complaint if as a result the *Member* fails to receive any notice from the *Association*.

**2.7** Membership obligations and rights:

- (a) All *Members* (including *Directors*) shall promote the interests and purposes of the *Association* and shall do nothing to bring the *Association* into disrepute.
- (b) A *Member* is entitled to exercise the applicable rights of membership for the *Member's* class of membership (including, as applicable, attending and voting at General Meetings, accessing or using the *Association's* premises, facilities, equipment and other property) only if all subscriptions and any other fees have been paid by due date (see Rule 2.14), but no *Member* or *Honorary Life Member* is liable for an obligation of the *Association* by reason only of being a *Member*.
- (c) Membership does not confer on any *Member* any right, title, or interest (legal or equitable) in the property of the *Association*.

**2.8** Other than as permitted under Rule 2.5(b), or by resolution of the *Board*, a *Member* is not entitled to inspect or copy the minutes of *Board* or *Board* sub-committee meetings or the *Association's* records, but is entitled, subject to the provisions of the *Statute*, to access information the *Association* holds about that *Member* (but not about other *Members*).

**2.9** The *Association* shall be entitled to collect and record information about *Members* and their *Angus* cattle for the *Association's* purposes, including information in the

*Membership Register* and in the agenda and minutes of *Board* meetings and General Meetings.

**2.10** The *Board* may decide whether and how *Members* may access or use premises, facilities, equipment or other property owned, occupied or otherwise used by the *Association*, including any conditions of and fees for such access or use.

**2.11** Honorary Life Members:

The *Board* may from time to time recommend to a General Meeting that it should, pursuant to Rule 2.2(f), elect as an Honorary Life *Member* of the *Association* any person the *Board* believes has materially advanced the purposes of the *Association*.

#### Subscriptions and levies

**2.12** The annual subscription and any other fees for different classes of membership for the then current financial year and the date for payment of the same shall be set by resolution of the *Board*.

**2.13** The *Board* or a General Meeting may by resolution:

(a) Impose a levy or levies on *Members* in different classes of membership (except Life and Honorary Life *Members*) in any financial year up to a maximum totalling 50% of the annual subscription for that year for each class of *Member*, or

(b) Impose a levy or levies on *Members* in different classes of membership (except Life and Honorary Life *Members*) in any financial year for any specific purpose proportionate to the number of *Angus* cows owned by *Members*, and shall set the date for payment of any such levy.

**2.14** Any *Member* failing to pay the annual subscription or any levy by the date for payment of the same shall be considered as unfinancial and shall (without being released from the obligation of payment) have no membership rights and shall not be entitled to participate in any *Association* activity or meeting or to access or use the *Association's* premises, facilities, equipment and other property until all the arrears are paid together with an administration fee as set by the *Board* from time to time. If such arrears are not paid within six months of the due date for payment of the subscription, any other fees (including any administration fee payable under this Rule), or levy, the *Board* may terminate the *Member's* membership (without being required to give prior notice to that *Member*).

#### Cessation of Membership

**2.15** Any *Member* is deemed to have ceased to be a *Member* on death (or if an incorporated entity on liquidation or if a partnership on dissolution of the partnership), and may resign from that *Member's* class of membership by *written notice* to the *Manager*, and each such resignation shall take effect on the date of receipt by the *Manager* or any subsequent date stated in the notice of resignation, and Rule 2.17 shall apply.

(a) Where a *Member*:

- (i) Dies the executors, trustees or administrators of the deceased *Member's* estate shall, following their advice to the *Manager* that they are administering the estate, be entitled to exercise the deceased *Member's* rights under this Constitution, or
  - (ii) If the *Member* is an incorporated entity that has been placed in receivership or liquidation the receiver or liquidator shall, following their advice to the *Manager* that they have been appointed, be entitled to exercise the *Member's* rights under this Constitution if that *Member* is financial, and
  - (iii) If the *Member* is a partnership, on its dissolution *Member's* cattle and herd shall be removed from the *E-Book* if they have not been transferred to some other *Member* or person or entity who becomes a *Member* within three months of such dissolution.
- (b) The provisions of Rule 2.15(a) shall apply to PRAC *Members* and, in addition, where any PRAC *Member* has, in the opinion of the *Board*, ceased to comply with any regulations, bylaws or policies made under Rule 5.12 applying specifically to PRAC *Members* the *Board* may by resolution terminate that PRAC *Member's* membership.

**2.16** The *Board* may declare that a *Member* is no longer, from the date of that declaration or such date as may be specified:

- a. a *Member*, if that *Member* ceases to be qualified to be a *Member* or is convicted of any offence for which a convicted person may be imprisoned, is declared bankrupt, makes a composition with creditors, enters the no asset procedure under the Insolvency Act 2006, or (if an incorporated entity) is wound up or placed in receivership or liquidation,
- b. a Full Breeding *Member*, if the *Board* believes that *Member* is not using the *E-Book* of recognised *Angus* cattle maintained pursuant to Rule 1.8(b) to record all the Full Breeding *Member's* *Angus* cattle that are eligible to be registered in the *E-Book*,
- c. a Full Breeding *Member*, if the *Board* believes that *Member* is obtaining and/or publishing performance data regarding *Angus* cattle from and/or to a service provider not approved by the *Association*.

**2.17** When a *Member* resigns or when a *Member's* membership is terminated under this constitution:

- (a) The *Member*:
  - (i) Remains liable to pay all subscriptions, levies and other fees to the end of the *Association's* next balance date under Rule 4.15, and any costs ordered to be paid in respect of any *grievance* or *complaint*,
  - (ii) Shall cease to hold themselves or itself out as a *Member* of the *Association*, and
  - (iii) Shall return to the *Association* all material provided to *Members* by the *Association* (including any membership certificate, badges, handbooks and manuals), and
  - (iv) May later re-apply for membership in accordance with Rule 2.4 (in which event the reasons for the previous termination of membership may be taken into account in considering that application), and
  - (v) Shall cease to be entitled to any of the rights of *Association Members*,

- and
- (b) The former *Member's* cattle and herd shall be removed from the *E-Book*.

### **Grievances, Disputes, Complaints and Discipline**

- 2.18** All disputes (including *Member* grievances, and complaints and disciplinary action against *Members*) shall be dealt with in accordance with the *Statute* and the procedures set out in the Schedule to this constitution.

## **3.0 GENERAL MEETINGS**

### **Annual General Meetings**

- 3.1** The Annual General Meeting shall be held not later than 6 months after the balance date under Rule 4.15 and not later than 15 months after the previous Annual General Meeting) on a date, at a time and at venue/s fixed by the *Board* and:
- (a) *Full Breeding Members, PRAC Members, Life Members, and Honorary Life Members* are entitled to attend, speak, and vote at the Annual General Meeting,
  - (b) *Affiliate Members* may attend and speak at Annual General Meetings, but may not vote at Annual General Meetings unless they are a *Related Person* of a *Full Breeding Member Entity* and have been appointed as the proxy for such *Full Breeding Member Entity* entitled to vote,
  - (c) *Youth Members* may attend and speak but not vote at Annual General Meetings,
  - (d) Where any *Related Person* of a *Member* (excluding an *Affiliate Member*) is themselves an *Affiliate Member*, that *Related Person* may attend and speak at Annual General Meetings in their capacity as an *Affiliate Member*,
  - (e) Where a *Related Person* of a *Member* (excluding an *Affiliate Member*) is not themselves an *Affiliate Member*, that *Related Person* may attend and speak at Annual General Meetings, provided that no more than one *Related Person* of a particular *Member* may attend any Annual General Meeting,
  - (f) *Associate Members* may attend but may not vote at Annual General Meetings, and may not speak at Annual General Meetings except with the Chairperson's prior consent.
- 3.2** The agenda and business of the Annual General Meeting shall include:
- (a) Announcement of the number of proxies held by each *Member* in attendance,
  - (b) Receive and call for apologies,
  - (c) Confirmation of unconfirmed Minutes of previous General Meeting(s),
  - (d) Annual Report of the *Board* on the affairs of the *Association*,
  - (e) Adoption of the audited financial statements of the *Association* for the most recent financial year,
  - (f) Appointment of a member of the New Zealand Institute of Chartered Accountants who is not a *Member* to conduct a financial audit of the annual accounts of the *Association* (see also Rule 4.16),
  - (g) A summary of the nature and extent of any disclosures or the types of disclosures made by *Directors* in matters being considered by or affecting the *Association*, recorded since the previous Annual General Meeting (see Rule

- 5.8),
- (h) Announcement of the result of *Board* Elections conducted pursuant to Rules 4.1-4.3,
  - (i) Motions of which notice has been given under Rule 3.3,
  - (j) Approval of any levies on *Members* recommended by the *Board*, and
  - (k) General business.

**3.3** Any *Entitled Member* wishing to give notice of any motion for consideration at the Annual General Meeting shall forward *written notice* of the same to the *Manager* at least 35 *clear days* before the date of the Meeting. The *Board* may consider all such notices of motion and may notify *Entitled Members* of its recommendations in respect of such notices of motion at any time before the Annual General Meeting in accordance with Rule 3.8 or at the Annual General Meeting. The *Board* has no obligation to consider any notice of motion that has not been notified in accordance with this Rule 3.3.

### **Special General Meetings**

- 3.4** Special General Meetings shall be called by:
- (a) The *Board*, or
  - (b) Within a calendar month of written requisition to the *Manager* signed by not less than 20% *Entitled Members* and such requisition must specify the business to be considered by the Special General Meeting, and
    - (i) *Full Breeding Members, PRAC Members, Life Members, and Honorary Life Members* are entitled to attend and vote at a Special General Meeting,
    - (ii) *Affiliate Members* may attend and speak at Special General Meetings, but may not vote at Special General Meetings unless they are a *Related Person* of a *Full Breeding Member Entity* and have been appointed as the proxy for such *Full Breeding Member Entity* entitled to vote,
    - (iii) *Youth Members* may attend and speak but not vote at a Special General Meeting,
    - (iv) Where any *Related Person* of a *Member* (excluding an *Affiliate Member*) is themselves an *Affiliate Member*, that *Related Person* may attend and speak at Special General Meetings in their capacity as an *Affiliate Member*,
    - (v) Where a *Related Person* of a *Member* (excluding an *Affiliate Member*) is not themselves an *Affiliate Member*, that *Related Person* may attend and speak at Special General Meetings, provided that no more than one *Related Person* of a particular *Member* may attend any Special General Meeting, and
    - (vi) *Associate Members* may attend but may not vote at Special General Meetings, and may not speak at Special General Meetings except with the Chairperson's prior consent.
- 3.5** A Special General Meeting shall consider and deal only with the business specified in the *Board's* resolution or the written requisition calling the Meeting.
- 3.6** If within 21 *clear days* of receipt of a written requisition under Rule 3.4(b) the *Board* fails to give notice of a Special General Meeting to be held within 2 calendar

months of the date of receipt of the written requisition, those requisitioning the Special General Meeting may convene it in accordance with the procedures set out in Rules 3.7-3.8.

### **Calling and Notice of General Meetings**

- 3.7** At least 42 *clear days* before any Annual General Meeting or at least 28 *clear days* before any Special General Meeting the *Manager* shall, in accordance with Rule 3.8:
- (a)** Give *written notice* to all *Entitled Members* and *Honorary Life Members* of the venue/s, date, time and business to be conducted at the General Meeting. The physical venue for each General Meeting will be the *Association's* Registered Office unless the Manager notifies an alternate venue and provides reasons for the choice of alternate venue, and
  - (b)** In the case of Annual General Meetings send all *Entitled Members* copies of the Annual Report, financial statements of the most recent financial year, and notice of any motions and the *Board's* recommendations in respect of any notices of motion.
- 3.8** *Written notice to Members:*
- (a)** If sent by email shall be deemed to have been received the day it was sent, and
  - (b)** If sent by post or courier, shall be deemed to have been received the seventh day after being sent, and
- the failure for any reason of any *Member* to receive such notice or information shall not invalidate the meeting or its proceedings.

### **Procedure at General Meetings**

- 3.9** Notwithstanding anything in Rules 3.1, 3.4 or 3.7 the *Board* may by a majority vote authorise a General Meeting to be held at two or more venues using any audio, audio and visual, or electronic communication technology that gives each *Entitled Member* attending in person or by proxy a reasonable opportunity to participate to the extent of that *Entitled Member's* rights and privileges only.
- 3.10** General Meetings may be attended by all *Entitled Members* in person, or by proxy appointed in accordance with Rule 3.16.
- 3.11** If within half an hour after the time appointed for a General Meeting to commence the quorum required under Rule 3.13 is not present the meeting shall stand adjourned for seven days to the same time and venue/s, and if at such adjourned meeting the required quorum under Rule 3.13 is not present those present in person or by proxy appointed in accordance with Rule 3.16 shall be deemed to be a sufficient quorum.
- 3.12** An *Entitled Member* whose class of membership includes speaking and voting rights shall have the following rights at a General Meeting:
- (a)** An individual *Entitled Member* shall be entitled to attend, speak and vote by a signed original written proxy (an email or copy not being acceptable), subject to Rule 3.10, in favour of some individual entitled to be present at

the meeting and received by or handed to the *Manager* at least 48 hours before the commencement of the General Meeting, and

- (b) The *Affiliate Member* authorised under Rule 3.16(c) by a *Full Breeding Member Entity* that is an *Entitled Member* shall be entitled to attend, speak and vote on behalf of that Full Breeding Member Entity.

**3.13** The quorum for General Meetings held in any manner authorised under Rule 3.9 is:

- (a) Subject to paragraph (b) of this Rule, 25% of *Entitled Members* in attendance in person or by proxy (as provided for in Rule 3.10) or if partnership by a representative authorised pursuant to Rule 3.16(d), when the meeting is called to order and present throughout the meeting, but:
- (b) In the event of uncommon or emergency situations brought about by bad weather, natural disasters, pandemics, or any similar circumstances the *Board* may by a majority vote reduce the quorum specified in paragraph (a) of this Rule but not to a percentage lower than 10% of *Entitled Members*, and
- (c) Any decisions made when a quorum required under paragraph (a) or (b) of this Rule is not present are invalid.

**3.14** Every General Meeting shall be chaired by:

- (a) The Chairperson, or
  - (b) In the Chairperson's absence, by the Vice-Chairperson, or
  - (c) In the absence of both the Chairperson and the Vice-Chairperson, by some other *Director* elected for the purpose by the meeting, or
  - (d) By some independent person appointed by resolution of the *Board*, or
  - (e) Failing the election or appointment of a chairperson under the foregoing provisions, by a person elected for the purpose by the meeting,
- and any such chairperson shall have the following powers and discretions:
- (f) To decide the order of business,
  - (g) To exercise a deliberative and a casting vote,
  - (h) To direct that any person not entitled to be present at the Meeting, obstructing the business of the Meeting, behaving in a disorderly manner, being abusive, or failing to abide by the directions of the chairperson be removed from the Meeting, and
  - (i) In the absence of a quorum or in the case of emergency, to adjourn the Meeting or declare it closed.

**3.15** The *Board* may by majority adopt a guide to or rules of meeting procedure for General Meetings and *Board* meetings, and in the absence of such guide or rules all General Meetings and *Board* meetings shall be conducted in accordance with any procedure set out in these Rules, and otherwise in accordance with standard New Zealand meeting procedure. All such guides or rules applicable to General Meetings will be taken as read at General Meetings, and any *Member* may receive from the Board, upon request, a copy of such guides or rules.

### **Proxy voting**

**3.16** Proxy voting is permitted only as follows:

- (a) Only *Full Breeding Members* and *Affiliate Members* who are *Entitled Members* and *Related Persons* of *Entitled Members* can be appointed as a proxy,
- (b) No *Entitled Member* may exercise more than one proxy vote,
- (c) Each *Full Breeding Member Entity* shall provide the *Manager* with the name and contact details of the *Affiliate Member* who is the *Full Breeding Member Entity's* authorised representative (and Rule 2.6 shall apply to those details), and if the *Full Breeding Member Entity* is an *Entitled Member* that person shall be deemed to be the *Full Breeding Member Entity's* proxy for the purposes of Rule 3.10 and entitled to vote for that *Member* pursuant to Rule 3.19. No *Affiliate Member* authorised under this Rule 3.16(c) may exercise more than one proxy vote in addition to the vote exercised for any *Full Breeding Member Entity* that person represents pursuant to this Rule 3.16(c), and
- (d) Any *Member* that is a partnership admitted to membership under Rule 2.3 shall provide the *Manager* with the name and contact details of the person who is the partnership's authorised representative (and Rule 2.6 shall apply to those details), and if the partnership is an *Entitled Member* that person shall be deemed to be the partnership's proxy for the purposes of Rule 3.10 and entitled to vote for that *Member* pursuant to Rule 3.19. No representative of a partnership authorised under this Rule 3.16(d) may exercise more than one proxy vote in addition to the vote exercised for the partnership that person represents pursuant to this Rule 3.16(d).
- (e) Any other *Entitled Member* who wishes to appoint a proxy must provide the *Manager* with the name and contact details of the person who is nominated as proxy (such person themselves being either an *Entitled Member* or a *Related Person* of the *Member*).

**3.17** Each proxy must be lodged with the *Manager* not less than 24 hours prior to the notified commencement time for a General Meeting. At each General Meeting, the *Manager* shall:

- (a) Record the number of proxies held by each individual entitled to be present at the meeting, and
- (b) Announce at the commencement of each General Meeting the number of proxies held by individuals present at the meeting,

And, except in accordance with this Rule 3.17, no other proxy voting shall be permitted. If, within 24 hours before the commencement time for a General Meeting, unforeseen circumstances arise that prevent or impede an *Entitled Member* from attending the General Meeting, the *Entitled Member* may appoint a proxy in accordance with Rule 3.16 if the *Manager* and *Chairperson* both agree (at their sole discretion) to allow a proxy appointment by that *Entitled Member*.

### **Voting at General Meetings and by Remote Ballot**

**3.18** The *Board* in its discretion may:

- (a) Decide that postal votes/electronic may be permitted at any General Meeting, and
- (b) In relation to any motion that would otherwise be brought before a General Meeting determine that the motion should be voted upon by way of *remote ballot* rather than at the General Meeting.



- 3.19** An *Entitled Member* whose class of membership includes voting rights is entitled to exercise one vote on any motion at a General Meeting or by *remote ballot*, and voting at a General Meeting shall be by voices or by show of hands or, on demand of the chairperson or of two or more *Entitled Members* present, by secret ballot. No more than one vote may be exercised on behalf of any *Member*. Where an individual person enjoys more than one type of membership (for example, as a Life *Member* and as a Full Breeding *Member*), only one vote may be exercised on behalf of that person. However, where an individual person holds multiple paid memberships (e.g. is a Full Breeding *Member* in respect of more than one herd), this Rule 3.19 does not prevent that person exercising a vote in respect of each such *Member*.
- 3.20** Unless otherwise required by this constitution, all questions shall be decided by a simple majority of those in attendance in person or by proxy (as provided for in Rule 3.13) and voting at a General Meeting.
- 3.21** In respect of *remote ballots* held under this constitution:
- (a)** Only *Entitled Members* whose class of membership includes voting rights may vote in any *remote ballot* notified to them in accordance with the procedures under Rule 3.8,
  - (b)** The resolution to hold a *remote ballot* shall set a closing date and time for ballots to be received by the *Manager*, but the closing date shall be no earlier than 15 *clear days* after the date ballot papers are notified to *Entitled Members* whose class of membership includes voting rights,
  - (c)** In respect of any motion to amend this constitution by *remote ballot*, the motion shall be accompanied by reasons and recommendations from the *Board*, and such motion must be passed by a two-thirds majority of those voting,
  - (d)** Votes in a *remote ballot* shall be exercised in such a manner as may be determined by the *Board* and shall then be notified to *Members* with details of the motion or motions in respect of which *Members* are invited to vote,
  - (e)** The *Manager* shall declare the result of the *remote ballot*,
  - (f)** The result of any *remote ballot* shall be as effective and binding on *Members* as a resolution passed at a General Meeting, and
  - (g)** The failure for any reason of any *Entitled Member* to receive any notice relating to a *remote ballot* or of the *Manager* to receive any completed ballot paper shall not invalidate the result of the *remote ballot*.
- 3.22** A resolution passed by the required majority at any General Meeting or by *remote ballot* binds all *Members*, irrespective of whether or not they were present or represented at any General Meeting when the resolution was adopted and whether or not they voted.

## **4.0 BOARD AND OFFICERS**

### **Constitution and election of Board**

- 4.1** The Association's *Board* shall consist of:
- (a)** Seven *Entitled Members* elected under Rules 4.2 and 4.3,

- (b) Any one or more National *Directors* appointed by the *Board* under Rule 4.1(g),
  - (c) Any *Director* co-opted under Rule 5.5,
  - (d) Plus any *Director* appointed by the *Board* under Rule 4.5, and each elected *Director* shall hold office for a term expiring at the end of the Annual General Meeting held in the third year following that *Director's* election and shall be eligible for re-election at the expiry of that three year term (subject to Rule 4.3(b)), and:
  - (e) Three *Directors* shall be elected by South Island *Entitled Members* ("Membership Elected Directors"), and
  - (f) Four *Directors* shall be elected by North Island *Entitled Members* ("Membership Elected Directors"),
- provided always that no more than two Membership Elected Directors belonging to the same individual Ward can be elected;
- (g) One or two National *Directors* appointed by the *Board* from time to time. The term of each National Director's term will be:
    - a. For an initial term that expires at the end of the next Annual General Meeting;
    - b. On expiry of the initial term, automatically renewed for a further 2 year term (a "renewal term"), unless it is determined by the *Board* prior to the then-upcoming Annual General Meeting that the term will not be renewed or the National Director gives the *Board* not less than 6 weeks' notice prior to the then-upcoming Annual General Meeting that they wish for their appointment to not be renewed;
    - c. On expiry of each renewal term, renewable for a further 1 year renewal term by determination of the *Board* prior to the then-upcoming Annual General Meeting, but must cease at the expiry of six years from the date of initial appointment. In addition, the *Board* may at any time terminate a National Director's appointment by giving not less than six weeks' written notice.

**4.2** Nominees for election must be *Entitled Members* whose class of membership includes voting rights and who are not prevented from serving on the *Board* under Rule 5.9.

**4.3** The election of *Directors* shall be conducted as follows:

- (a) The *Board* shall fix the date for the election (if required) of *Directors* in each year, and such date (the "Election Date") shall be not less than 31 clear days before the date of the Annual General Meeting in that year,
- (b) Retiring *Directors* shall not be eligible to stand for re-election after serving for 9 years as an elected Director,
- (c) At least 62 *clear days* before the date for the closing of nominations under Rule 4.3(d) the *Manager* shall, in accordance with the procedures under Rule 3.8, notify all *Entitled Members* by posting or emailing to a notice setting out the names of those *Directors* whose terms expire at the end of the forthcoming Annual General Meeting, the number of vacancies to be filled by election, and calling for nominations.
- (d) Candidates for election to the *Board* shall forward to the *Manager* a written nomination in a form approved by the *Board* signed by the candidate and by

another *Entitled Member* residing in the same Island as the candidate, and such nomination form shall be received by the Manager by mail or email at least 31 *clear days* before the Election Date.

- (e) If, after taking into account Rules 4.1(a) and (c), the number of valid nominations received by the closing date for nominations under Rule 4.3(d) matches or are less than the number of vacancies for either or both Islands those nominated shall be deemed to have been elected, and if insufficient nominations have been received the incoming *Board* may fill any remaining vacancy or vacancies by appointing one or more *Full Breeding Members, PRAC Members, Life Members, Honorary Life Members, or Affiliate Members* who are *Entitled Member(s)* to fill that remaining vacancy or vacancies and any such appointee shall hold office as if the appointee had been elected under Rule 4.1.
- (f) If, after taking into account Rules 4.1(a) and (c), more valid nominations are received by the closing date for nominations under Rule 4.3(d) than there are vacancies for either or both Islands, then at least 21 *clear days* before the Election Date the *Manager* shall, in accordance with the procedures under Rules 3.8, notify the *Entitled Members* residing in the respective relevant Island or Islands by posting or emailing to them a voting paper listing all nominees and such information (not exceeding one side of an A4 sheet of paper) as may have been supplied to the *Manager* by or on behalf of each nominee in support of the nomination.
- (g) Voting shall be conducted either by having:
  - (i) Voting papers returned to the *Manager* not later than midday on the Election Date and if the Manager fails for any reason to receive any voting papers that failure shall not invalidate the election, or
  - (ii) By conducting a *remote ballot* pursuant to Rule 3.21(a) and (d) with votes being tallied or verified by the scrutineers appointed pursuant to Rule 4.3(h).
- (h) The *Board* shall appoint two scrutineers to tally the votes received under Rule 4.3(g) and:
  - (i) Those candidates gaining the most valid votes required to fill the vacancies shall be deemed to have been elected,
  - (ii) Where two or more candidates gain an equal number of votes to fill a vacancy the successful candidate shall be chosen by lot conducted by the scrutineers,
  - (iii) *Written notice* of the names of the successful candidates shall be given to *Members* by the *Manager* within 24 hours of the votes being counted, and
  - (iv) If there is any dispute concerning the election or the counting of the votes that dispute shall be notified in writing to the Manager within 14 *clear days* of the Annual General Meeting, and if no such dispute is raised the voting papers shall be destroyed by the *Manager* not earlier than 30 *clear days* after the Annual General Meeting.
- (i) The failure for any reason of any *Entitled* any notification under Rule 4.3(c), (f) or (h)(iii) or of the Manager to receive a completed voting paper under Rule 4.3(g) shall not invalidate the election.

- 4.4** At each Annual General Meeting, the Meeting (i.e. the *Entitled Members*) shall, by secret ballot, elect one of the *Directors* elected under Rule 4.3 or appointed under Rule 4.1(g) as Chairperson and another as Vice-Chairperson, and they shall hold office until the close of the next Annual General Meeting. Should the Chairperson's position become vacant before the next Annual Meeting that office shall be filled by the Vice-Chairperson until the close of the next Annual General Meeting. Any vacancy in the office of Vice-Chairperson shall be filled by the *Board*.
- 4.5** If a vacancy in the position of any Membership Elected *Director* occurs between Annual General Meetings (whether under Rule 5.9 or by death, resignation in writing delivered to the *Association's* Registered Office, removal or retirement) that vacancy may be filled:
- (a)** By appointment by resolution of the *Board* of an *Entitled Member* who meets the criteria set out in Rule 4.2, in which event the person so co-opted shall hold office until the next Annual General Meeting, or
  - (b)** If the *Board* so resolves, by an election conducted in accordance with Rules 4.3(c)-(i), and any person so elected shall hold office until the next Annual General Meeting.

#### **Chairperson and Vice-Chairperson**

- 4.6** The Chairperson shall, in addition to all other duties described in this constitution, generally oversee and direct the affairs and business of the *Association* and act as spokesperson for the *Association*.
- 4.7** The Vice-Chairperson shall:
- (a)** Assist the Chairperson and, in the absence or in the event of the inability of the Chairperson, the Vice-Chairperson shall undertake all duties and have all the powers of the Chairperson, and
  - (b)** Be the *Association's* contact officer whom the Registrar of Incorporated Societies can contact when needed, and must be at least 18 years of age and must at all times be resident in New Zealand and not disqualified under the *Statute* or under Rule 5.9 from holding that office, and any change in that contact officer or that person's name or contact details shall be advised to the Registrar of Incorporated Societies within 20 working days after that change occurs or after the *Association* became aware of the change.

#### **Manager, Records and Registered Office**

- 4.8** The *Manager* shall arrange for the recording of the minutes of all General Meetings and *Board* meetings (including by delegating this task to a secretary), and, in the absence of proof to the contrary, all such minutes when confirmed by the next such meeting and signed by the chairperson of that meeting shall be:
- (a)** Confirmation that that meeting was duly called, and
  - (b)** Accepted as a true and correct record of what occurred at that meeting.
- 4.9** The *Manager* shall have the following responsibilities, which tasks may be delegated to a secretary:
- (a)** Maintain the Membership Register,
  - (b)** Hold the Association's records, documents, and books (and paper records may be digitally recorded and stored),
  - (c)** Maintain the Register of Disclosures,

- (d) Lodge with Registrar of Incorporated Societies annual return in a form and as required by the Statute,
  - (e) Deal with and answer Association correspondence, and
  - (f) Perform such other duties as directed by the *Board*.
- 4.10** The Registered Office of the *Association* shall be at such place as the *Board* 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 *Statute*.

#### **Treasurer and Financial Procedures**

- 4.11** The Treasurer shall:
- (a) Keep such written books of account as may be necessary to provide a true record of the *Association's* financial position,
  - (b) Maintain an assets register recording the assets of the *Association*,
  - (c) Report on the *Association's* financial position to each *Board* meeting,
  - (d) Present financial statements of the most recent financial year (in such format as may be required by law) to the Annual General Meeting, and
  - (e) File copies of those financial statements with the Registrar of Incorporated Societies in a form and as required by the *Statute*.
- 4.12** The *Board* shall maintain bank accounts in the name of the *Association*, and all financial transactions shall be signed and electronic banking systems operated by any two of the people designated by the *Board* for that purpose.
- 4.13** All money received on account of the *Association* shall be banked within seven *clear days* of receipt.
- 4.14** All accounts paid or for payment shall be submitted to the *Board* for approval of payment.
- 4.15** The *Association's* financial year shall commence on 1 January of each year and end on 31 December (the latter date being the *Association's* balance date) in the same year.
- 4.16** The Annual General Meeting each year shall appoint a member of the New Zealand Institute of Chartered Accountants who is not a *Member* to conduct an audit of the annual accounts of the *Association*, and if any such person is unable to act the *Board* shall appoint a replacement.
- 4.17** Despite any other provision in this constitution, *Directors*, and its sub-committee members:
- (a) May be offered such honoraria as may be approved by resolution of a General Meeting, and
  - (b) Shall be entitled to be reimbursed by the Association for any reasonable actual expenses incurred by them on behalf of the Association as approved by resolution of the Board.

## **5.0 GOVERNANCE AND MANAGEMENT**

### **Governance, Functions and Powers of Board**

- 5.1** From the end of each Annual General Meeting until the end of the next, the *Association* shall be governed by the *Board*, which shall be accountable to the

*Members* for the advancement of the *Association's* purposes and the implementation of resolutions approved by any General Meeting, and at all times each *Director*:

- (a) Shall act in good faith and in what he or she believes to be the best interests of the *Association*,
- (b) Must not permit any other person, other than another *Director* or professional adviser, to have access to or to copy any documents received by him or her from the *Association* or any other *Director* in his or her capacity as a *Director*,
- (c) Must exercise all powers for a proper purpose,
- (d) Must comply with the *Statute*, the duties required of them under the *Statute*, and with this constitution, except where the constitution contravenes the *Statute*, and must not act, or agree to the *Association* acting, in a manner that contravenes the *Statute*,
- (e) When exercising powers or performing duties as a *Director*, must exercise the care and diligence that a reasonable person with the same responsibilities would exercise in the same circumstances taking into account, but without limitation, the nature of the *Association*, the nature of the decision, and the position of the *Director* and the nature of the responsibilities undertaken by him or her,
- (f) Must not agree to the activities of the *Association* being carried on in a manner likely to create a substantial risk of serious loss to the *Association* or to the *Association's* creditors, or cause or allow the activities of the *Association* to be carried on in a manner likely to create a substantial risk of serious loss to the *Association* or to the *Association's* creditors, and
- (g) Must not agree to the *Association* incurring an obligation unless he or she believes at that time on reasonable grounds that the *Association* will be able to perform the obligation when it is required to do so.

**5.2** Subject to this constitution and any resolution of any General Meeting the *Board* may:

- (a) Adopt resolutions pursuant to Rule 5.11,
- (b) Exercise all the *Association's* powers, other than those required by the *Statute* or by this constitution to be exercised by the *Association* in General Meeting,
- (c) May assign duties and/or delegate powers to *Directors*, and
- (d) Enter into contracts on behalf of the *Association* or delegate such power to a *Director*, sub-committee, employee or other person.

**5.3** The *Board* shall meet as required at such times and venue/s and in such manner (including by audio, audio and visual, or electronic communication, provided that all such meeting participants must at all times be able to hear all participants speaking at the meeting) as it may determine, and otherwise where and how as convened by the Chairperson, or any three *Directors*, or the *Manager*.

**5.4** All *Board* meetings shall be chaired by the Chairperson or in the Chairperson's absence by the Vice-Chairperson, or in the absence of both of them by some other *Director* elected for the purpose by the meeting, and any such chairperson shall have a deliberative and casting vote.

- 5.5** The *Board* may co-opt any person to the *Board* for a specific purpose, or for a limited period, or generally until the next Annual General Meeting, and unless otherwise specified by the *Board* any person so co-opted shall have full speaking and voting rights as a *Director*.
- 5.6** The quorum for *Board* meetings is at least half the number of the *Directors* (see also Rule 5.8(c)). Only the Chairperson and Vice-Chairperson and *Directors* elected under Rule 4.3, appointed under Rule 4.5, or co-opted under Rule 5.5 who are present in person or by audio, audio and visual, or electronic communication at a *Board* meeting shall be counted in the quorum and entitled to vote.
- 5.7 Termination of Directorship**
- (a)** A *Director* shall immediately cease to hold office as a member of the *Board* if that *Director* ceases to be an *Entitled Member* or provides the *Manager* with a written resignation from the *Board*.
- (b)** A *Director* shall immediately cease to hold office as a member of the *Board* if Rule 5.9 applies to that *Director*.
- (c)** A *Director* shall immediately cease to hold office as a member of the *Board* if that *Director* is absent from 3 consecutive meetings of the *Board* without leave of absence having been applied for and granted.
- (d)** If any complaint is made about a *Director* relating to that *Director's* behaviour or performance as a *Director*:
- (i)** The *Director* must be given reasonable notice of the complaint, a reasonable time to prepare a response, and a fair opportunity to respond to the complaints at a General Meeting, and
- (ii)** If the complaint is upheld, must be given a fair opportunity to make submissions on possible penalties, and
- that *Director* may then be removed from the *Board* or otherwise penalised by a resolution of a General Meeting, passed by a majority of those present and voting.
- 5.8 Conflicts of interest or loyalty of Directors**
- (a)** A *Director* shall be considered to have an interest in a matter being considered by or affecting the *Association* if he or she:
- (i)** May derive a financial benefit from the matter, or
- (ii)** Is the spouse, civil union or de facto partner, child, or parent of a person who may derive a financial benefit from the matter, or
- (iii)** May have a financial interest in a person or entity to which the matter relates, or
- (iv)** Is a partner, director, officer, board member, or trustee of a person who may have a financial interest in a person or entity to which the matter relates,
- but excluding the following interests:
- (v)** Arising merely because the *Director* may receive any indemnity, insurance cover, remuneration or other benefits authorised by the *Statute*, or
- (vi)** Remote or insignificant interests of a nature that could not reasonably be regarded as likely to influence the *Director* when carrying out his or her responsibilities, and

- (vii) An interest that the *Director* has in common with other *Directors* as a result of membership of the *Association*.
- (b) Any *Director* having any such interest in a matter shall, as soon as practicable after becoming aware of the interest, disclose the same, and the *Manager* shall record such disclosures in the *Register of Disclosures* (see also Rules 2.5(b)(iv) and 3.2(f)).
- (c) Where any such interest in a matter has been disclosed:
  - (i) That *Director* must not vote in any decision on the matter, but that person can be present at the time of the decision and can contribute to the discussion leading to the decision and must not sign any document relating to the entry into a transaction or the initiation of the matter, but
  - (ii) The *Board* may, where it considers it appropriate, exclude that person from any further discussion or involvement with the matter, but
  - (iii) The person who is prevented from voting on a matter because he or she has an interest in it may continue to be counted as part of the quorum of the *Board*, and
  - (iv) Where 50 per cent or more of those forming the *Board's* quorum are prevented from voting on the matter because they have disclosed an interest, then the remaining *Directors* must call a Special General Meeting to determine the matter.

**5.9** No *Member* may stand for office on the *Board*, and any person who is on the *Board* shall cease to be a *Director*, if that person:

- (a) Is or becomes an undischarged bankrupt, or
- (b) Is or becomes prohibited from being a director or promoter of, or being concerned or taking part in the management of an incorporated or unincorporated body under the Companies Act 1993, the Financial Markets Conduct Act 2013, or the Takeovers Act 1993, or
- (c) Is or becomes a person who is prohibited from 1 or more of the following under an order made, or a notice given, under a law of a country, State, or territory outside New Zealand that is prescribed for the purposes of section 151(2)(eb) of the Companies Act 1993:
  - (i) Being a director of an incorporated entity incorporated outside New Zealand (an overseas company), or
  - (ii) Being a promoter of an overseas company, or
  - (iii) Being concerned in or taking part in the management of an overseas company, or
- (d) Is or becomes disqualified from being an officer of a charitable entity under section 31(4) of the Charities Act 2005, or
- (e) Has been or is convicted:
  - (i) Of an offence under subpart 6 of Part 4, or under any of sections 217 to 266 of the Crimes Act 1961, within the past 5 years, or
  - (ii) Within the past 5 years, in a country other than New Zealand, of an offence that is substantially similar to an offence specified in subparagraph (i), or
  - (iii) Of a money laundering offence or an offence relating to the financing of terrorism, whether in New Zealand or elsewhere,
- (f) Is or becomes a person subject to:
  - (i) A banning order under the *Statute*, or



- (ii) A management banning order under the Financial Markets Conduct Act 2013 or the Takeovers Act 1993, or
- (iii) An order under section 108 of the Credit Contracts and Consumer Finance Act 2003, or
- (iv) A confiscation order under the Proceeds of Crime Act 1991, or
- (v) A property order made under the Protection of Personal and Property Rights Act 1988, or whose property is managed by a trustee corporation under section 32 of that Act, or
- (g) Is not or ceases to be an *Entitled Member*.

### Subcommittees

- 5.10** The *Board* may appoint sub-committees consisting of such persons (whether or not *Members* of the *Association*) and for such purposes as it thinks fit. Unless otherwise resolved by the *Board*:
- (a) The Chairperson shall be an *ex officio* member of all sub-committees,
  - (b) The quorum of every sub-committee is half the members of the sub-committee,
  - (c) No sub-committee shall have power to co-opt additional members,
  - (d) A sub-committee must not commit the *Association* to any financial expenditure without express authority, and
  - (e) A sub-committee must not further delegate any of its powers.

### Incidental Powers

- 5.11** The *Board* may act by resolution approved in the course of a telephone conference call or through a written ballot conducted by email, electronic voting system, or mail.
- 5.12** The *Board* from time to time may make and amend:
- (a) Regulations, bylaws and policies for the conduct and control of *Association* activities (which may include provision for financial and other penalties that may be imposed for non-compliance with this constitution or non-compliance with such regulations, bylaws and policies)
  - (b) Codes of conduct which shall be applicable to and binding on all *Members*, but
- no such regulations, bylaws, policies or codes of conduct shall be inconsistent with the *Statute* or this constitution.
- 5.13** Other than as prescribed by the *Statute* or this constitution (including under Rule 3.15), the *Board* may regulate its proceedings as it thinks fit.
- 5.14** Subject to the *Statute*, this constitution and the resolutions of General Meetings, the decisions of the *Board* on the interpretation of this constitution and all matters dealt with by it in accordance with this constitution and on matters not provided for in this constitution shall be final and binding on all *Members*.
- 5.15** Each *Director* shall within 14 *clear days* of submitting a resignation or ceasing to hold office deliver to the *Manager* all books, papers and other property of the *Association* possessed by such former *Director*.
- 5.16** The *Board* shall employ or contract with:
- (a) A person or company to be the *Association's Manager* to administer and manage the affairs and operations of the *Association*, and

- (b) A person or company to be the *Association's* Treasurer to perform the duties of the Treasurer.

#### **5.17 Indemnity for Board**

- (a) No *Director* shall be liable for the acts or defaults of any other *Director* or any consequential loss caused by such acts or defaults, unless caused by their own wilful default or by their own wilful acquiescence.
- (b) The *Board* and each *Director* shall be indemnified by the *Association* for all liabilities and costs incurred by them acting in good faith in the proper performance of their functions and duties, other than as a result of their own wilful default or by their own wilful acquiescence, but no such indemnity shall be provided where this is prohibited by the *Statute*.

#### **Association Contracts and Execution of Documents**

**5.18** The *Association* shall have a Common Seal which shall be retained by the *Manager*.

**5.19** Unless entered into by a delegate authorised under Rule 5.2 or by an employee or contractor engaged under Rule 5.16 and acting in accordance with the terms or the employee's or contractor's authority, documents shall be executed for the *Association* pursuant to a resolution of the *Board*:

- (a) By affixing the Common Seal witnessed by the Chairperson or Vice-Chairperson and counter-signed by some other *Director*, or
- (b) Where the document is not required by law to be executed under common seal, by the Chairperson or Vice-Chairperson and some other *Director* signing on behalf of the *Association*, and all such signatories must be at least 18 years of age.

### **6.0 AMENDMENT OF THIS CONSTITUTION**

**6.1** This constitution may be amended or replaced in accordance with Rule 6.4, provided that no amendment may be made which would:

- (a) Alter any provision in this constitution precluding *Members* from obtaining any personal benefit or profit from their membership, or
- (b) Otherwise conflict with the provisions of the *Statute*, but no change shall be made to the *Association's* balance date without the prior approval of the Registrar of Incorporated Societies pursuant to the *Statute*.

**6.2** Any proposed motion to amend or replace this constitution:

- (a) May be proposed by the *Board*, or
- (b) Shall be signed by at least 20% *Entitled Members* and given in writing to the *Manager* at 35 *clear days* before the General Meeting at which the motion is to be considered, and accompanied by a written explanation of the reasons for the proposal, and the *Board* shall decide whether to submit any such proposal to a General Meeting or to hold a *remote ballot*.

**6.3** Unless the proposed motion is to be voted upon by *remote ballot*, the *Manager* shall in accordance with Rules 3.7 and 3.8 notify all *Entitled Members* of the proposed motion and of the General Meeting at which any such proposal is to be considered, of the reasons for the proposal, and of any recommendations from the *Board* in respect such notice of motion.

- 6.4** Any resolution to amend or replace this constitution must be passed by a two-thirds majority of all *Entitled Members* whose class of membership includes voting rights:
- (a)** Present and voting, or
  - (b)** Voting by *remote ballot*.
- 6.5** Every alteration to this constitution, including any change of its name, shall be promptly registered with the Registrar of Incorporated Societies as required by the Statute.

## **7.0 WINDING-UP**

- 7.1** The *Association* may be wound up or liquidated or removed from the Register of Incorporated Societies under the provisions of the *Statute*.
- 7.2** In accordance with Rules 3.7 and 3.8 the *Manager* shall notify all *Entitled Members* of the proposed motion to wind up the *Association* or remove it from the Register of Incorporated Societies and of the General Meeting at which any such proposal is to be considered, of the reasons for the proposal, and of any recommendations from the *Board* in respect such notice of motion.
- 7.3** Any resolution to wind up the *Association* or remove it from the Register of Incorporated Societies must be passed by a two-thirds majority of all *Entitled Members* whose class of membership includes voting rights present and voting.
- 7.4** If the *Association* is wound up or liquidated or removed from the Register of Incorporated Societies no distribution shall be made to any *Member* except to the extent permitted by the *Statute* and approved by a resolution passed by a two-thirds majority of all *Entitled Members* whose class of membership includes voting rights present and voting.
- 7.5** On the winding up or liquidation or removal from the Register of Incorporated Societies of the *Association* its surplus assets after payment of all debts, costs and liabilities shall be vested as is determined by a resolution passed by a two-thirds majority of all *Entitled Members* whose class of membership includes voting rights present and voting . Where the *Members* do not make such a determination, the distribution of surplus assets will be as the Registrar of Incorporated Societies directs, in accordance with the *Statute*.

## **SCHEDULE – GRIEVANCES, DISPUTES, COMPLAINTS AND DISCIPLINE**

The following disputes procedures are designed to enable and facilitate the fair, prompt and efficient resolution of *grievances* and *complaints* in a manner that complies with the requirements set out in the *Statute* and in accordance with the requirements of natural justice. All *Members* (including the *Board*) are obliged to comply with these procedures to resolve *grievances* and *complaints*, and to cooperate to resolve disputes efficiently, fairly, and with minimum disruption to the *Association's* activities.

- (a)** Any *grievance* by a *Member*, and any *complaint* by anyone, is to be lodged in writing by the complainant with the *Manager* and/or *Chairperson*.
- (b)** The complainant raising a *grievance* or *complaint* and the *Board* must consider and discuss whether a *grievance* or *complaint* may best be resolved through informal

discussions, mediation or arbitration. Where mediation or arbitration is agreed on, the parties will sign a suitable mediation or arbitration agreement.

- (c) Rather than investigate and deal with any *grievance* or *complaint*, the *Board* may:
  - (i) Appoint a sub-committee to deal with the same, or
  - (ii) Refer the same to an external arbitrator, arbitral tribunal, or external visitor (or referee), so long as minimum standards of natural justice are satisfied, and the *Board* or any such sub-committee or person considering any *grievance* or *complaint* is referred to in the balance of this Rule as the “decision-maker.”
- (d) The decision-maker:
  - (i) Shall consider whether to investigate and deal with the *grievance* or *complaint*, and
  - (ii) May decline to do so (for instance, if the decision-maker is satisfied that the complainant has insufficient interest in the matter or otherwise lacks standing to raise it, the matter is trivial or does not appear to disclose material misconduct or material, the matter raised appears to be without foundation or there is no apparent evidence to support it, some damage to *Members’* interests may arise, or the conduct, incident, event or issue has already been investigated and dealt with by the *Association*).
- (e) Where the decision-maker decides to investigate and deal with a *grievance*, the decision-maker must comply with the principles of natural justice and the following steps shall be taken:
  - (i) The complainant and the *Member* complained against must be advised of all details of the *grievance*,
  - (ii) The *Member* or the *Association* which is the subject of the *grievance* must be given an adequate time to prepare a response,
  - (iii) The decision-maker may engage an independent expert to investigate and report on the *grievance*,
  - (iv) The complainant and the *Member* or the *Association* which is the subject of the *grievance* must be given an adequate opportunity to be heard, either in writing or at an oral hearing if the decision-maker considers that an oral hearing is required, and
  - (v) Any oral hearing shall be held by the decision-maker, and/or any written statement or submissions shall be considered by the decision-maker.
- (f) Where the decision-maker decides to investigate and deal with a *complaint*, the decision-maker must comply with the principles of natural justice and the following steps shall be taken:
  - (i) The complainant and the *Member* complained against must be advised of all allegations concerning the *Member* and of all details of the *complaint*,
  - (ii) The *Member* complained against must be given an adequate time to prepare a response,
  - (iii) The decision-maker may engage an independent expert to investigate and report on the *complaint*,
  - (iv) The *Member* complained against must be given an adequate opportunity to be heard, either in writing or at an oral hearing if the decision-maker considers that an oral hearing is required, and
  - (v) Any oral hearing shall be held by the decision-maker, and/or any written statement or submissions shall be considered by the decision-maker.

- (g)** A *Member* may not make a decision on or participate as a decision-maker regarding a *grievance* or *complaint* if two or more *Directors* or the decision-maker considers that there are reasonable grounds to infer that the person may not approach the *grievance* or *complaint* impartially or without a predetermined view (and such a decision must be made taking into account the context of the *Association* and the particular case, and may include consideration of facts known by the other *Members* about the decision-maker so long as the decision is reasonably based on evidence that proves or disproves an inference that the decision-maker might not act impartially).
- (h)** The decision-maker may:

  - (i)** Dismiss a *grievance* or *complaint*, or
  - (ii)** Uphold a *grievance* and make such directions as the decision-maker thinks appropriate (with which the *Association* and *Members* shall comply),
  - (iii)** Uphold a *complaint* and:

    - Reprimand or admonish the *Member*, and/or
    - Suspend the *Member* from membership for a specified period, or
    - Terminate the *Member's* membership, and
  - (iv)** Order the complainant (if a *Member*) or the *Member* complained against to meet any of the *Association's* reasonable costs in dealing with a *complaint*.
- (i)** If the *Member* complained against resigns after a *complaint* is received, the *Association* shall have power to continue to follow the procedures set out for investigating and making decisions on the *complaint* and, if the *complaint* is upheld, of imposing penalties and making orders for payment of costs.
- (j)** The *Association* shall keep a record of all *grievances* and *complaints* received and of the decisions made in respect of those *grievances* and *complaints* and each such record:

  - (i) Shall be retained for a period of not less than 6 years, and
  - (ii) Shall only be accessed by those authorised to do so by resolution of the *Board*.