



# Rules

September 2019

## AMENDMENT TO RULES

Clause	Amendment	Board Minute
7.2.2	Clarify Complaint Process	December 2016
5.1.3	Clarify Requirements for Honorary Membership	August 2017
14.3	Change the time period before that nominations are to be lodged prior to the AGM	September 2018
6.7	Add a new rule regarding member termination	September 2018
2	Change definition of 'Working Day' and minor grammar and punctuation changes	September 2019
5.1	Change Affiliate Member to Associate Member	September 2019
14.1	Change Board composition rule	September 2019
14.2	Add new rule providing for independent Board members	September 2019
14.3	Clarify eligibility of Corporate members	September 2019
14.5	New wording to cover co-opted Board members	September 2019
14.7.1	Clarify Board members to appoint Chair and Vice-Chairperson	September 2019
15	Add a new rule covering remuneration of certain Board members, and reimbursement of all Board members' expenses	September 2019
	Throughout the Rules replace 'Deputy' for 'Vice-Chairperson'	September 2019

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## 1. NAME

The name of the Association is the "New Zealand Security Association Incorporated".

## 2 DEFINITIONS

For the purpose of these Rules and any By-Laws the following definitions are used.

**“Act”** means the Private Security Personnel and Private Investigators Act 2010 and any enactment replacing that Act.

**“Association”** means the New Zealand Securities Association Incorporated

**“Auditor”** means a person or persons approved by the Association’s Board Members to audit Corporate members under the Codes of Practice published by the Association from time to time. The auditor will be contracted under terms and conditions as set out by the Association.

**“Board”** means the Board of the Association.

**“Business”** means any profession, trade, manufacture, or undertaking carried on for pecuniary profit.

**“Certificate of Approval”** means a certificate granted to any person who is employed by a corporate member and who is required to hold a Certificate of Approval under the Act

**“Discipline”** means the type of security business, or businesses, a member undertakes.

**“Entity”** means a limited liability company, partnership or sole trader or other entity having legal personality.

**“Manned Services”** means security services that rely on human resources rather than technology.

**“Manned Services Contractor”** means a business that holds a licence under the Act, and is specifically contracted to provide services for a Corporate member.

**“Security Industry”** means the group of organisations, entities and individuals in both public and private sectors that provide security and security-related products and/or services, whether for commercial or non-commercial reasons. This includes (inter alia):

1. security staff services; and
2. electronic security - installation, fault rectification, maintenance, and monitoring; and
3. physical security systems; and
4. information management, destruction and storage; and
5. security management, consultancy, and investigation; and
6. vehicle security systems and installation.

**“Voting Member”** means a Corporate or Life Member carrying a prescribed number of votes.

**“Working Day”** means any day other than:

Saturday, Sunday or public holiday in New Zealand.

### **3 OBJECTS**

The objects of the Association are:

- 3.1 to enhance the professional standing of the Association's members;
- 3.2 to secure and maintain public recognition of the Association for the benefit of its members and of the community;
- 3.3 to foster the training, education and qualification of persons practising or intending to practice in the security industry;
- 3.4 to exchange and extend information and to provide lectures, meetings, conferences and publications and to promote research in the security industry so as to enhance the skills of members generally;
- 3.5 to promote and encourage ethical conduct amongst members;
- 3.6 to institute, promote and support, or oppose, legislative or other measures or proceedings affecting the interests of the security industry;
- 3.7 to carry out any other related activities that are in the interests of the security industry.

### **4 POWERS**

In furthering its objects, the Association shall have the following powers:

- 4.1 to raise funds by levy, subscriptions or fees, and by any other means, and to accept donations and gifts of any kind;
- 4.2 to purchase, take on lease or in exchange, and to hire or otherwise acquire, any real or personal property that may be deemed necessary or convenient for any of the objects of the Association, and to dispose of such property or any part thereof;
- 4.3 to record, print and publish such material as the Board or the members in general meetings, may think desirable for the promotion of the objects of the Association;
- 4.4 to invest moneys of the Association not immediately required for any of its objects in such manner as the Board may from time to time determine;
- 4.5 to affiliate with anybody or association having similar objects or to join, co-operate with, or subscribe to the funds of, any such body or association for the purpose of the objects of the Association;
- 4.6 to organise conferences, seminars, workshops and other events for the benefit of the members of the Association;
- 4.7 to provide for accommodation and travel that may be required for the purposes of the meetings of the Board;
- 4.8 to employ staff and engage professional assistance under the direction and supervision of the Board;
- 4.9 to make by-laws for purposes specified elsewhere in these Rules ("By-Laws");
- 4.10 to borrow, raise, or secure the payment of moneys in such lawful manner as the Board may consider expedient, and to discharge any such securities; and
- 4.11 to do all such other lawful things as, in the opinion of the Board, are incidental or conducive to attaining the objects of the Association.

## **5 MEMBERSHIP**

- 5.1 The Association has four classes of membership, namely, Corporate members, Associate members, Honorary members and Life members. Eligibility for membership shall be as follows:
- 5.1.1 Eligibility for membership shall be open to any person or organisation who can meet NZSA's requirements in terms of professionalism as determined through our application process; and who agree to abide by Association Code of Ethics and Professional Conduct
- 5.1.2 Eligibility for Corporate membership is limited to entities which, at the time of application for membership, are engaged in the security industry and, where applicable, are licensed under the Act or any enactment replacing that Act.
- 5.1.3 Eligibility for Associate membership may be accorded to those entities who provide services to the security industry or have an interest in the security industry but do not qualify for Corporate membership. Honorary membership may be accorded by the Board to any entity where it is believed such relationship may bring strategic advantage to the Association in achieving its mission, mission and goals.
- 5.1.4 Life membership may be accorded in terms of the By-Laws to those persons who have made an outstanding contribution to the Association.
- 5.2 The Board may create further classes of membership and make By-Laws fixing categories and definitions of membership within the classes of membership of the Association, the respective qualifications, if any, for admission to the various categories of membership and all other matters touching the classification of members, and to determine from time to time the fees for membership of the Association.
- 5.3 Any entity who satisfies the criteria for admission to a category of membership and who undertakes in writing to be bound by these Rules may, upon payment of such application fee as may from time to time be fixed by the Board (if any) and upon payment of the appropriate subscription in respect of the financial year then current (or such proportion thereof as the Board in its discretion may determine), be elected by the Board as a member of the Association.
- 5.4 Every entity who becomes a member of the Association shall be entitled to be supplied free of charge with a copy of these Rules, and a copy of any By-Laws made hereunder, and is entitled to attend any General Meeting of the Association.
- 5.5 For the purpose of these Rules and any By-Laws, only Corporate members and Life members ("Voting members") are entitled to vote at meetings of the Association.
- 5.6 The Chief Executive Officer shall keep a register of all members containing such particulars as may from time to time be prescribed by the Board.

## **6 TERMINATION OF MEMBERSHIP**

- 6.1 Any member may resign from the Association by giving the Chief Executive Officer notice in writing to that effect. With the exception of notices of termination received within twenty (20) Working Days of the issue of the annual membership fee invoice, all such notices shall take effect from the end of the current financial year. No member so resigning after twenty (20) Working Days of the annual membership fee invoice, shall be entitled to a refund of any subscription or levy paid by them and/or waiver of any monies owing by them.

- 6.2 The Board may by written notice terminate the membership of:
- 6.2.1 any member who is convicted on an indictable offence punishable by imprisonment;
  - 6.2.2 any member who becomes bankrupt or which is liquidated or wound up;
  - 6.2.3 any member who makes a composition with their creditors;
  - 6.2.4 Any member whose subscription is outstanding and remains unpaid for a period of not less than twenty (20) Working Days after the date payment was due.
  - 6.2.5 Any member pursuant to the provisions of Rule 7.
  - 6.2.6 Except in the case of termination under Rule 6.2.5, termination of membership shall take effect twenty (20) Working Days after the date on which notice was given. In the case of termination under Rule 6.2.5, termination shall take effect 3 days after the date of on which notice was given.
- 6.3 Any member who resigns pursuant to Rule 6.1, or is removed from the register of members pursuant to Rule 6.2 shall continue to be liable for all arrears of subscriptions due and unpaid at the time of the resignation or removal of the member, and for all other monies due by the member to the Association.
- 6.4 Any member aggrieved by the Board's decision in applying Rule 6.2 in respect of its membership, may in writing appeal to the Chairperson of the Association for a review of that decision and on receipt of such an appeal the Chairperson, the Vice-Chairperson and a representative (selected by the Chairperson of the Association) of the Branch, if any, to which the member belongs, shall review the decision and give a written appeal decision for effecting by the Board.
- 6.5 If the member is not satisfied with the decision on the appeal, the decision shall be submitted to the arbitration of one arbitrator, to be agreed upon by the Board and the member, who shall conduct the arbitral proceedings in accordance with the Arbitration Act 1996 or any enactment replacing that Act.
- 6.6 If the parties are unable to agree on the arbitrator, an arbitrator shall be appointed, upon the request of either party, by the President or Vice-President for the time being of the District Law Society of the district within which the registered office of the Association is situated. The appointment and decision shall be binding on both parties to the arbitration and shall not be subject to appeal.
- 6.7 In additions to where a member is terminated under Rule 6.2 of the Association, should the situation arise where it is deemed that the individual has not acted or behaved in accordance with the NZSA Code of Ethical Conduct, then the process of withdrawing the Life Membership or Naming Recognition shall follow the application process detailed in Bylaw 2.4.5. That is:
- a) Application for withdrawal of Life Membership or Naming Recognition may be initiated by a member of the Association for consideration by the Board
  - b) The Board shall table the application as a motion and shall record all supporting material
  - c) The member, on unanimous agreement of the Board, shall be suspended for a minimum period of six (6) months pending a unanimous decision to recommend or otherwise withdrawing naming recognition for presentation at the next scheduled Annual General Meeting.
  - d) The application will be presented at the Annual General Meeting and the withdrawal of life membership or naming recognition will be approved with the support of a three-quarter majority vote of voting members present at

the meeting.

## **7 DISCIPLINE**

### **7.1 Powers and Procedures:**

- 7.1.1 Members shall be subject to the disciplinary powers and procedures contained in these Rules.
- 7.1.2 If any member contravenes any of the provisions of these Rules, the Association's By-Laws, Codes of Practice or Code of Ethical Conduct in any material way, the Board may initiate the exercise of disciplinary powers and procedures against that member in accordance with these By-Laws by referring the matter as a complaint to the Chief Executive Officer.

### **7.2 Complaints:**

- 7.2.1 Grounds for complaints shall be limited to allegations against a member of NZSA of breaching NZSA rules as determined by:
  - a) The NZSA Code of Professional and Ethical Conduct; or
  - b) A relevant NZSA Code of Practice.
- 7.2.2 Complaints must be lodged in writing, with the Chief Executive Officer of the Association who will act as the Complaint Investigation Officer.
- 7.2.3 If the view is formed that the complaint has no substance in terms of 7.2.1 above, or is frivolous or vexatious; the Complaint Investigation Officer will advise the complainant accordingly.
- 7.2.4 The Complaint Investigation Officer shall within five (5) Working Days acknowledge in writing the receipt of the complaint to the complainant.
- 7.2.5 The Complaint Investigation Officer will within ten (10) working days of receipt of the written complaint forward a copy of the substance of the complaint to the member against whom the complaint is made and seek an explanation in writing and to be received within twenty (20) Working Days. Unless the Complaint Investigation Officer believes the release of the complainant's identity would place their reputation, business or safety at risk, such detail will be made available within the substance of the complaint.
- 7.2.6 On receipt of the written explanation, the Complaint Investigation Officer will commence appropriate investigation.

### **7.3 Investigation of Complaints:**

- 7.3.1 The Complaint Investigation Officer shall consider the complaint and the written explanation from the member and determine if further investigation is required. The Complaint Investigation Officer may determine to conduct this investigation by him/herself or may request assistance from the Board should he/she believe that specialist investigative resources or expertise are required.
- 7.3.2 In conducting the investigation, the Complaint Investigation Officer will gather such information as may be required. They may interview the complainant, the member or any other relevant person. They may require the member to produce any document(s) relevant to the inquiry. It shall be the duty of the member and any other members identified as being relevant



to the investigation, to assist in the inquiry.

7.3.3 The Complaint Investigation Officer will conduct the investigation as promptly and efficiently as possible.

7.3.4 After conducting and completing an inquiry into the complaint the Complaint Investigation Officer shall within ten (10) Working Days prepare a report for the Board. The report shall include a recommendation on how the complaint ought to be dealt with by the Board. The report shall be delivered to the Board by the Chief Executive Officer or in his/her absence, by the Complaint Investigation Officer.

#### **7.4 Action by Board**

7.4.1 Unless a Board Meeting is scheduled for within ten (10) Working Days of the Chief Executive Officer receiving the report, the Chief Executive Officer shall within the ten (10) Working Day period arrange the distribution of the report to Board Members and provide a means for review and agreement on the appropriate action to be undertaken.

7.4.2 The Board may either adopt or vary the report or refer it back to the Chief Executive Officer for further investigation.

7.4.3 If the Board decides that disciplinary action should be taken the Board may determine to do any one or more of the following:

- Determine that a caution should be given to the member;
- Suspend the member for a period of time not exceeding six (6) months;
- Order the member to pay any costs and expenses of and incidental to the inquiry;
- Expel the member from the Association

7.4.4 The Board shall inform the Chief Executive Officer of the disciplinary action (if any) to be implemented

#### **7.5 Notification of Parties**

7.5.1 The Chief Executive Office shall within five (5) working days of receiving instruction from the Board, advise the complainant and the member of the Board's decision.

#### **7.6 Appeal**

7.6.1 Should either the complainant or member be aggrieved by the Board's decision with respect to a complaint, they may within twenty (20) Working Days of being notified of the decision, appeal in writing to the Chairperson of the Association for a review of that decision. On receipt of an appeal the Chairperson and the Vice-Chairperson shall review the decision, including the consideration of any further information or additional investigation, and give a written appeal decision for effecting by the Board.

#### **7.7 Arbitration**

7.7.1 If a member is not satisfied with the decision on the appeal, they may request arbitration by one arbitrator, to be agreed upon by the Board and

the member, who shall conduct the arbitral proceedings in accordance with the Arbitration Act 1996 or any enactment replacing that Act.

- 7.7.2 If the parties are unable to agree on the arbitrator, an arbitrator shall be appointed, upon the request of either party, by the President or Vice-President for the time being of the District Law Society of the district within which the registered office of the Association is situated. The appointment and decision shall be binding for both parties to the arbitration and shall not be subject to appeal.

## **8 RE-ADMISSION**

Any former member whose membership has been terminated by the Board for whatever reason, or who has resigned from the Association, may apply for re-admission by making application as if it were a new member.

## **9 SUBSCRIPTIONS**

- 9.1 Every member, except Honorary and Life members, shall pay to the Association an annual subscription of such amount, and by such method of payment, as is from time to time fixed by the Board.
- 9.2 Subscriptions are due on the first day of the financial year of the Association and must be paid before the 21<sup>st</sup> May immediately following the first day of the financial year of the Association.
- 9.3 In fixing the annual subscriptions referred to in Rule 9.1 the Board shall not be bound to prescribe a uniform subscription in respect of all members.

## **10 AUDITING**

### **10.1 Audits**

Audits are conducted against NZSA Codes of Practice. Members who successfully complete the audit process can use the designation Accredited Member.

### **10.2 Voluntary Audit**

A Corporate member, whose business includes discipline(s) subject to one or more Association Codes of Practice, may at any time apply in writing to the Association to have any or all of the disciplines audited. The cost of such audit will be paid by the member.

### **10.3 Compulsory Audit**

The Board, after receiving a report from the Disciplinary Committee of the Association, may instruct that an audit be undertaken in respect of the practices of the member the subject of the complaint. The cost of the audit will be met by the Association where the audit establishes in the reasonable opinion of the Board that that member's practices comply substantially with the relevant Code(s) of Practice, and by the member where the audit establishes in the reasonable opinion of the Board that the member's practices do not comply substantially with the relevant Code(s) of Practice.

#### **10.4 Certificate of Compliance**

After an audit is completed and the auditor is satisfied that the member's practices comply in all respects to the discipline or disciplines being audited, the auditor will advise the Board accordingly. The Association will then issue an appropriate Certificate of Compliance, upon receipt of payment of the relevant fee.

#### **10.5 Accredited Member**

Upon receipt of a Certificate of Compliance a member may advertise that they are an Accredited Member for that specific discipline. Accredited Members will be listed on the NZSA website with details of the disciplines they are accredited for and a summary of the audit results.

#### **10.6 Duration of Accreditation**

The duration of a member's accreditation will be either three (3) years or five (5) years dependant on the outcome of the audit and on the recommendation of the auditor. At the end of that period the member must be re-audited to retain Accredited status. An Accredited Corporate member who is not re-audited or does not meet the audit requirements, will not be entitled to call themselves Accredited Corporate members, but will remain as Corporate members.

#### **10.7 Fees**

Fees for an audit will be set by the Board and may vary depending on the nature and extent of each audit.

### **11 GENERAL MEETINGS**

#### **11.1 Annual General Meetings**

The Annual General Meeting ("AGM") of the Association shall be held during the calendar year of the end of the financial year of the Association at such place as the Board shall determine.

#### **11.2 Special General Meetings**

11.1.2 Any meeting of the Association, other than the Annual General Meeting, shall be called a "Special General Meeting" ("SGM").

11.1.3 The Board may at any time convene an SGM of the Association.

11.1.4 The Board shall, within twenty (20) Working Days of the receipt of a requisition in writing to that effect stating the purpose of such a meeting and signed by not less than twelve (12) members of the Association who are entitled to vote, convene an SGM of the Association.

### **12 NOTICE OF GENERAL MEETINGS**

12.1 Notice of every AGM or SGM shall be sent to every member not less than fifteen (15) Working Days before the meeting.

12.2 If the General Meeting is an AGM, the notice shall be accompanied by a copy of

the annual report, financial statements and auditor's report.

- 12.3 A member who wishes to bring before the AGM any motion or business not relating to the ordinary annual business of the Association shall give notice in writing to the Chief Executive Officer setting out the wording of the motion or the nature of the business not less than ten (10) Working Days before the day of the meeting. No motion or business other than business brought forward by the Board shall come before the AGM unless such notice has been given, and no motion shall be discussed unless seconded at the meeting. A notice setting out the motions and business proposed for that meeting notified in accordance with this Rule shall be sent to every member not less than five (5) Working Days before the AGM.
- 12.4 Notices sent to members may be sent by letter, facsimile or electronic communication.

### **13 PROCEEDINGS AT GENERAL MEETINGS**

- 13.1 The business of the AGM of the Association shall be to receive and consider the annual report, financial statements and auditor's report for the preceding financial year, to elect officers and to consider such other business as the Board or any member on due notice may bring before it.
- 13.2 At all General Meetings, each voting member shall be entitled to one vote on each matter on which a vote is to be cast for each \$100, or part thereof, paid by that member under Rule 9 but no member shall be entitled to exercise more than 35 votes on each matter.
- 13.3 At all General Meetings Voting members may vote either personally or by proxy. The proceedings for voting by proxy shall be set out in the By-Laws.
- 13.4 The Chairperson or, in the absence of the Chairperson, the Vice-Chairperson of the Association or, in the absence of both, a member of the Board chosen by those Voting members present, shall chair each General Meeting. If at any meeting no such person is present within fifteen (15) minutes after the time appointed for holding the meeting, then the Voting members present shall nominate a member to be Chairperson of that meeting until the Chairperson or the Vice-Chairperson arrives.
- 13.5 A quorum for all General Meetings is twelve (12) Voting members. No business shall be transacted at any General Meeting unless there is a quorum from the time an item of business is formally proposed until the vote on that item of business is put and determined.
- 13.6 No Voting member shall be entitled to attend or to vote at any General Meeting, or to be considered in a quorum, if their subscription is due and unpaid.
- 13.7 If within thirty (30) minutes after the time appointed for any General Meeting there is no quorum, the meeting shall be re-convened in ten (10) Working Days' time. In the absence of a quorum at the re-convened meeting, it shall be abandoned.
- 13.8 A motion submitted to a meeting shall be decided in the first instance by voices or a show of hands.
- 13.9 At any General Meeting, unless a poll is demanded by at least two (2) Voting members personally present and entitled to vote, a declaration by the Chairperson that a resolution has been carried or lost and an entry to that effect made in the Minutes of the meeting shall be conclusive evidence of the fact.

- 13.10 If a poll is demanded in accordance with Rule 13.9, it shall be taken forthwith and in writing and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuation of the meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn. Any poll demanded concerning the election of a Chairperson of a meeting, or on any question of adjournment, shall be taken at the meeting and without adjournment.
- 13.11 The General Meeting at which a poll is demanded shall appoint two (2) people to act as scrutineers. The Chairperson shall disclose the outcome to the meeting and this shall be conclusive evidence of the result of the poll.
- 13.12 In the case of an equality of votes, the Chairperson shall, both on a show of hands and/or a poll, have a casting vote in addition to the vote to which they are entitled as a member or as a representative of a member.
- 13.13 The Chairperson may, with the consent of the meeting, adjourn the meeting, but no business shall be transacted at any adjourned meeting other than the business unfinished at the meeting from which the adjournment took place.
- 13.14 Minutes of all resolutions and proceedings of meetings of the Association shall be recorded in the Minute Book and signed by the Chairperson of the meeting to which it relates or by the Chairperson of a subsequent meeting.
- 13.15 Any non-Voting member of the Association may speak at General Meetings by applying to the Chairperson at the meeting, who shall ascertain the will of the meeting before giving such member leave to speak.

## **14 BOARD**

- 14.1 The Board will consist of a minimum of eight (8) Board members appointed in accordance with clause 14.4. The Chairperson and two (2) other Board members may be independent and one (1) Board member must be a Corporate member. The Association may decide from time to time to increase the number of Board members, who will be elected in accordance with clause 14.4.
- 14.2 A Board member is independent if they are not:
- 14.2.1.1 employed by, or an officer of New Zealand Security Association; or
  - 14.2.1.2 employed by, a member of the Board of, or an officer of any of its New Zealand Security Association's Corporate members.
- 14.3 The Corporate members referred to in Rule 14.1 shall each have a minimum of one (1) years continuous Corporate membership prior to the Board election. A Corporate member who becomes ineligible for election due to no longer being employed by the Corporate member may be eligible for election as an independent Board member subject to meeting the criteria in 14.2.
- 14.4 At its AGM the Association shall elect members of the Board to hold office from that AGM for a term of no more than three (3) years. A retiring Board member shall be eligible for re-election. Nominations, duly seconded, for the position of a Board member must be lodged with the Chief Executive Officer not less than ten (10) Working Days before the date of the meeting.
- 14.5 The Board may co-opt, at its discretion, either one or two members additional to the existing Board members in clause 14.1 who have special skills and knowledge to the board or to any committee of the Board established pursuant to Rule 17.1. A co-opted Board member will be co-opted for a renewable period of twelve (12) months. A co-opted member cannot hold the position of Chairperson or Vice-Chairperson but otherwise shall have full voting rights. The termination provisions in Clause 14.7

shall apply to any co-opted Board members.

14.6 A member of the Board shall cease to be a member of the Board when:

14.6.1 he or she ceases to be a member of the Association;

14.6.2 he or she resigns his or her position on the Board;

14.6.3 he or she is absent from three consecutive Board meetings without leave of absence granted by the Board or without just cause;

14.6.4 the Association passes a resolution to remove him or her from office by a two thirds majority of the Voting members who vote in person or by proxy at a General Meeting, provided that the Board member has been given notice in writing at least ten (10) days before the meeting of the intention to propose the resolution to remove his or her from office.

14.7 The following provisions shall apply in respect of the Chairperson and Vice-Chairperson:

14.7.1 The Board shall elect a Chairperson and Vice-Chairperson each year from the appointed Board members.

14.7.2 (a) A former Chairperson may be re-elected from the appointed Board members as Chairperson.

14.7.3 If a vacancy occurs in the offices of Chairperson or Vice-Chairperson, the Board shall appoint another member of the Board to fill the office for the balance of the term of that Board.

14.8 No act or proceeding of the Board, or of any person acting as a member of the Board, shall be invalidated in consequence of there being a vacancy in the membership of the Board at the time of the act or proceeding, or of the subsequent discovery that there was some defect in the election or appointment of any member of the Board or of any person so acting or that they were not eligible to be a member of the Board.

## **15 REMUNERATION/REIMBURSEMENT OF BOARD MEMBERS**

15.1 Subject to the Association Members' approval, the Association may pay the Chairperson and the independent Board members reasonable remuneration for services provided to the Association. Any such remuneration may be set by the Association but must not exceed fair market value (that is, an arm's length rate) for the services provided.

15.2 The Association may pay reimbursement for the incurrence of reasonable expenses to all Board members in the course of acting as a Board member and in furtherance of acting for the Association.

## **16 INDEMNITY OF OFFICERS**

16.1 The Chairperson, the Vice-Chairperson, members of the Board, the Executive Officer, and other officers, shall be indemnified by the Association from and against all losses and expenses incurred by them in the discharge of their respective duties, except such as may happen from their own dishonesty or wilful default.

16.2 No officer of the Association shall be liable for the acts or default of any other officer or member, or for any loss or expense suffered or incurred by the Association unless the same happens from their own dishonesty or wilful default.

## **17 DUTIES AND POWERS OF BOARD**

- 17.1 It shall be the duty of the Board generally to govern, manage, conduct and control the affairs of the Association and for those purposes the Board shall have vested in it all such necessary powers as are not expressly required by these Rules or the By-Laws to be exercised by the Association. The Board may from time to time establish Codes of Conduct, a Governance Manual and Codes of Practice as the Board sees fit.
- 17.2 In particular it shall be the duty of the Board to see to the proper collection and disbursement of the funds of the Association, the keeping of all usual and proper accounting records, the compilation and verification of minutes and other records of the business of the Association, and the preparation, audit and submission to the AGM of a report and financial statements for the preceding year.
- 17.3 The Board shall have the authority to appoint staff as required.
- 17.4 The income and property of the Association shall be applied towards the promotion of the objects of the Association.
- 17.5 All moneys received on account of the Association shall be paid promptly into the bank accounts of the Association.
- 17.6 All cheques or other negotiable instruments drawn on the Association's bank accounts shall be signed by such persons as may be authorised for that purpose by the Board.
- 17.7 Cheques or other negotiable instruments received by the Association and requiring endorsement shall be endorsed by such person or persons as may be authorised for that purpose by the Board.
- 17.8 The Board may authorise the funds of the Association to be invested in bank deposits, securities or investments in accordance with the Trustee Act and in any land and buildings required for the purposes of the Association.
- 17.9 The Board may exercise on behalf of the Association all of the Association's powers and functions.

## **18 PROCEEDINGS OF BOARD**

- 18.1 The Board shall meet, adjourn and otherwise regulate its meetings as it may think fit. It may set up committees, for such purposes and with such powers and duties as the Board thinks fit, to deal with particular aspects of the Association's affairs and to report back to the Board.
- 18.2 A meeting of the Board may be convened at any time upon the request of the Chairperson or of any three (3) members of the Board.
- 18.3 The quorum for a Board meeting shall be half of its actual number of members for the time being and no business shall be transacted at any Board Meeting unless the requisite quorum is present.
- 18.4 At any meeting of the Board, the members shall have one vote each, and in the case of an equality of votes the Chairperson shall have a second or casting vote.
- 18.5 Any casual vacancy in the office of Chairperson or Vice-Chairperson shall be filled at the next meeting of the Board after the occurrence of the vacancy.
- 18.6 The Board shall keep minutes of the proceedings at its meetings and of the names of those present at such meetings.
- 18.7 At all meetings of the Board, the Chairperson, or in the absence of the

Chairperson then the Vice-Chairperson, shall preside, and in the absence of both of them a Chairperson shall be elected from amongst the members of the Board to preside.

- 18.8 The Minutes of any meeting signed by the Chairperson of the meeting or of the succeeding meeting shall be prima facie evidence of the transactions recorded in such Minutes.
- 18.9 A resolution in writing, copies of which have been forwarded to all members of the Board and which have been signed by at least two thirds of them, shall be as valid and as effectual as if passed at a meeting of the Board duly called and constituted.
- 18.10 Resolutions of the Board shall be available to members of the Association on request.

## **19 BY-LAWS OF THE ASSOCIATION**

The Board, by a resolution passed by not less than two thirds of its members, or the Association by a resolution passed by a two thirds majority of the Voting members who vote in person or by proxy of a General Meeting of which due notice has been given, may make By-Laws for the better administration of the Association's affairs provided that these do not conflict with the Rules, and the Board or the members of the Association may, in like manner, suspend, alter, add to, or revoke any By-Laws so made, by a resolution of similar majority.

## **20 LIQUIDATION**

The Association may be put into liquidation in accordance with the Incorporated Societies Act 1908. If the Association is liquidated and after satisfaction of all its debts and liabilities there remain any assets whatsoever, they shall not be paid or distributed among the members of the Association, but shall be distributed to a charitable organisation or organisations within New Zealand which do not operate for the private pecuniary profit of any individual, and whose objects are similar to those of the Association.

## **21 PERSONAL BENEFIT**

No member of the Association, Board Member or person associated with a member shall participate in, or materially influence, any decision made by the Association in respect of the payment to, or on behalf of, that member, Board Member or associated person of any income, benefit, or advantage whatsoever. Any such income shall be reasonable and relative to that which would be paid in an arm's length transaction (being open market value).

## **22 CONFLICTS**

A Board member:

- 22.1 may enter into a transaction with the Association; or



- 22.2 may be interested in any arrangement in which the Association is or might be interested; or
- 22.3 may act or not act in any other circumstances even though the fiduciary or other duty of the Board member to the Association conflicts with other duties or with the Board member's personal interest; IF
- 22.4 the Board member first discloses to the other Board members the nature and extent of any material interest conflicting with the Board member's duties; and
- 22.5 the Board members in respect of whom there is no conflict of interest consider that the transaction arrangement or action is not contrary to the general interest of the Association; and
- 22.6 such disclosures are registered the Board Minutes; and
- 22.7 the Board member in respect of whom there is a conflict may not vote on the conflict issue or be present at the Board discussion in relation to the conflict issue.

## **23 ALTERATION OF RULES**

- 23.1 These Rules may be altered, added to or rescinded by resolution passed by a two thirds majority of the Voting members who vote in person or by proxy at a General Meeting of which proper notice has been given to every member setting forth the purport of the proposed change.
- 23.2 Any alterations to Rules 20 and 21 or shall not be effective without the prior approval of the Inland Revenue Department.

## **24 REGIONS**

There shall be the following Regions of the Association:

- Northern Region: From Cape Reinga in the north to a line from Awakino (on the Tasman) through Taupo to Gisborne (on the Pacific).
- Central Region: The balance of the North Island, south of the Northern Region, including the Nelson and Marlborough Provinces.
- Southern Region: The balance of the South Island.

## **25 COMMON SEAL**

- 25.1 The Chief Executive Officer shall keep the Common Seal of the Association in safe custody.
- 25.2 The Board shall use the Common Seal where required for official documents, or as otherwise deemed necessary. The signatures of the Chairperson or Vice-Chairperson and one other Board member or the Chief Executive Officer shall attest its use.

**26 EXECUTIVE DIRECTOR**

The Board may appoint an Executive Director to manage the Association on such terms and conditions as the Board thinks fit. The responsibilities and accountabilities of the Executive Director shall be laid down by the Board and shall be consistent with the Board directives, Rules and By-Laws. The Chief Executive Officer of the Association may also be appointed Executive Director.

**27 FINANCIAL YEAR**

The financial year of the Association shall be from 1 April to 31 March, unless the Board decides otherwise.

**28 REGISTERED OFFICE**

The registered office of the Association shall be situated at such place in New Zealand as the Board of the Association may from time to time decide.