

CONSTITUTION

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RULES

1 Constitution and Name

1.1 The Trustee Corporations Association of New Zealand Incorporated ("the Society") is constituted by resolution dated 21 June 2007.

2 Objects

2.1 The primary objects of the Society are to:

- (a) Promote high professional, ethical and service standards in the business activities of its Members;
- (b) Promote public awareness of the important role played by professional trustees in New Zealand commercial and community life and of the services offered by them;
- (c) Contribute to the development and implementation of sound public policy in respect of:
 - (i) The provision, regulation or performance generally of trustee and similar services;
 - (ii) The application of those services within the community including establishing, managing or administering private trusts and similar engagements, or public trusts or similar engagements having investor protection or other public benefits;
 - (iii) Other matters relating to the business activities of its Members and their clients;
- (d) Provide, or foster the provision, of work-based education programmes to improve the skills and capabilities of the people employed or engaged in the business activities of its Members;
- (e) Liaise, associate or affiliate with New Zealand or overseas organisations having similar objects to the Society;
- (f) Do any act or thing incidental or conducive to the attainment of any of the above objects.

2.2 Without detracting from the primary objects, the secondary objects of the Society are to:

- (a) Set and encourage compliance with one or more Codes of Practice that promote the observance of high ethical, business and service standards by its Members;
- (b) Make policies and regulations to advance the attainment of any of the objects in clauses 2.1 or 2.2.

2.3 Notwithstanding any other provision, the Society shall not expend any money:

- (a) Other than to further purposes recognised by law, nor
- (b) For the sole personal or individual benefit of any Member.

3 Powers

3.1 In addition to its statutory powers, the Society may:

- (a) Use such of its funds to pay the costs and expenses of furthering or carrying out its objects, and for that purpose may employ such people as may seem expedient, and
- (b) Exercise all the powers that a trustee might exercise, and
- (c) Invest in any investment in which a trustee might invest.

4 Classes of Membership

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

(a) **Full Members**

Full Members are:

- (i) The New Zealand Guardian Trust Company Limited;
- (ii) Trustees Executors Limited;
- (iii) Perpetual Trust Limited;
- (iv) Public Trust;
- (v) NZ Permanent Trustees Limited;
- (vi) Other incorporated or unincorporated bodies supportive of the objects of the Society admitted to Full Membership under Rule 5 and who have not ceased to be a Full Member under Rule 7.

(b) **Associate Members**

Associate Members are incorporated or unincorporated bodies supportive of the objects of the Society admitted to Associate Membership under Rule 5 and who have not ceased to be an Associate Member under Rule 7.

4.2 The Secretary shall keep a membership register of Full and Associate Members recording their names, addresses and telephone numbers.

4.3 Full and Associate Members shall advise the Secretary of any change of name, address or telephone number.

4.4 All Members, and members of the Executive, shall promote the interests and the objects of the Society and shall do nothing to bring the Society into disrepute.

4.5 Associate Members shall have no rights other than those expressly specified in these Rules or conferred on them from time to time by resolution of the Executive.

5 Admission to Membership

5.1 Applicants for membership of the Society as Full or Associate Members shall complete any application form provided, and supply such information as may be required.

5.2 The Executive shall consider all membership applications and may, if it thinks fit, interview membership applicants.

5.3 The Executive shall have complete discretion whether or not to admit a membership applicant, and shall advise the applicant of its decision, and that decision shall be final.

6 Subscriptions and Levies

6.1 The annual subscription for different classes of membership, and any amount payable on joining the Society, shall be set by resolution of a General Meeting.

6.2 The Executive may by resolution impose a levy or levies on Full Members, or Associate Members, or both, of such sum or sums as it thinks fit.

6.3 Any Member failing to pay the annual subscription, or any levy, within one calendar month of due date (as determined from time to time by the Executive) shall be considered to be non-financial and shall (without being released from the obligation of payment) have no membership rights and shall not be entitled, without leave of the Executive, to participate in any Society activity until all the arrears are paid in full.

7 Cessation of Membership

7.1 Any Member may resign from membership by written notice to the Secretary, and each such resignation shall take effect from the end of the Society's then current financial year.

7.2 The Executive may declare that a Full Member, or an Associate Member, admitted to membership under Rule 5 is no longer a Member (from the date of that declaration or such date as may be specified) if:

(a) That Member is convicted of any indictable offence or offence for which a convicted person may be imprisoned, is adjudicated bankrupt, or makes a composition with creditors, or (if a body corporate) is wound up or placed in receivership or liquidation; or

(b) In the opinion of the Executive (whose decision thereon, after giving the Member an opportunity to be heard, shall be final) by reason of any failure or failures of that Member to comply with Codes of Practice, policies or regulations set or made by the Society under clause 2.2, or any other acts or omissions of that Member, the Society has been, or is likely to be, brought into disrepute.

7.3 A Member whose membership is terminated under Rules 7.1 or 7.2 shall remain liable to pay all subscriptions and levies to the end of the Society's then current financial year.

8 Re-admission of Former Members

8.1 Any former Member may apply for re-admission in the manner prescribed for new applicants under Rule 5, but if the former Member's membership was terminated under Rule 7.2, the applicant shall not be readmitted without the approval of a General Meeting.

9 The Executive

9.1 The Executive of the Society comprises the authorised representative of each of the Full Members.

9.2 For the purposes of these Rules:

- (a) The authorised representative of a Full Member means the Chief Executive of that Full Member, or, if and for so long as that Full Member does not have a Chief Executive, such other person as the Board of that Full Member may from time to time nominate;
- (b) In the event the authorised representative of a Full Member is from time to time unable to participate in the proceedings of the Executive, the nominee of that authorised representative may participate in those proceedings as fully and effectually as if the nominee were the authorised representative of that Full Member; and
- (c) References to Members, or to members of the Executive shall, where the context permits, include references to the authorised representatives.

10 Election or Appointment of Officers

10.1 The Chair of the Executive (who must be the authorised representative of a Full Member) shall be elected annually by the Executive and subject to Rule 10.4 shall hold office until the next annual election of the Chair.

10.2 No person shall serve as Chair for longer than the date of the next annual election following completion of three consecutive years as Chair unless, due to special circumstances:

- (a) The Executive recommends to the Members that the term shall be extended for another term until the next annual election, and
- (b) this recommendation is passed by the unanimous resolution of those Full Members present and voting at a General Meeting.

10.3 Notwithstanding Rule 10.2, no person shall serve as Chairman for longer than the date of the next annual election following completion of six consecutive years as Chair.

10.4 If the position of Chair becomes vacant between annual elections, the Executive shall fill that vacancy from amongst the authorised representatives of the Full Members. Any such appointee shall hold office only until the next annual election.

10.5 An Executive Director (who may but need not be a member or employee of a Full Member) may be appointed from time to time by the Executive and may be paid such remuneration or honorarium as the Executive may from time to time determines. The Executive Director shall undertake the duties and responsibilities of the Secretary and the Treasurer of the Society.

10.6 If, and for so long as, the position of Executive Director is vacant the Executive shall appoint from time to time some other person or persons (who may but need not be a member or employee of a Full Member) to be the Secretary and/or Treasurer of the Society.

11 Management by the Executive

11.1 From the end of each Annual General Meeting until the end of the next, the Society shall be administered, managed and controlled by the Executive, which shall be accountable to the Members for the establishment and implementation of the policies of the Society.

11.2 Subject to these Rules and the resolution of any General Meeting, the Executive may exercise all the Society's powers, other than those required by statute or by these Rules to be exercised by the Society in General Meeting.

11.3 The Executive shall meet at such times and places and in such manner as it may determine and otherwise where and as convened by the Chair or the Executive Director.

11.4 The Chair shall preside over all Executive meetings. In the Chair's absence some other Executive member elected for the purpose by the meeting shall preside over that meeting. The presiding officer shall have a deliberative vote only.

11.5 The Executive may:

- (a) co-opt any Associate Member to the Executive for a specific purpose, or for a limited period, or generally until the next Annual General Meeting; or
- (b) otherwise invite any Associate Member to participate in the proceedings of the Executive on such terms and for such period as the Executive from time to time thinks fit.

11.6 The quorum for Executive meetings is not less than three Full Members.

11.7 The Executive may appoint subcommittees consisting of such persons as it thinks fit and with or without power to co-opt. Such subcommittees shall have no power to commit the Society to any financial expenditure without express authority by resolution of the Executive.

11.8 The Executive or any subcommittee may act by resolution approved (in the case of the Executive) by not less than three Full Members or (in the case of a subcommittee) by a majority of the members of that committee, in the course of a telephone conference call or through a written ballot.

11.9 The Executive may from time to time make regulations for the conduct and control of Society activities.

- 11.10 The Chair shall, in addition to all other duties described in these Rules, generally oversee and direct the affairs and business of the Society.
- 11.11 Other than as prescribed by statute or these Rules, the Executive may regulate its proceedings as it thinks fit.
- 11.12 Subject to statute, these Rules and the resolutions of General Meetings, the decisions of the Executive on the interpretation of these Rules and all matters dealt with by it in accordance with these Rules and on matters not provided for in these Rules shall be final and binding on all Members.

12 Secretary

- 12.1 The Secretary shall record the minutes of all General Meetings and Executive meetings, and all such minutes when confirmed by the next such meeting and signed by the presiding officer of that meeting shall be *prima facie* evidence that that meeting was duly called and shall *prima facie* be a true and correct record of what occurred at that meeting.
- 12.2 The Secretary shall hold the Society's records, documents and books.
- 12.3 The Secretary shall deal with and answer correspondence and perform such other duties as directed by the Executive.

13 Registered Office

- 13.1 The Registered Office of the Society shall be at such place as the Executive from time to time determines.

14 Finance

- 14.1 The Treasurer shall keep such books of account as may be necessary to provide a true record of the Society's financial position, report on the Society's financial position to each Executive meeting, and present an annual Statement of Accounts (Statement of Financial Performance and Statement of Financial Position) to the Annual General Meeting.
- 14.2 Bank accounts shall be maintained in the name of the Society, and all cheques and withdrawal forms shall be signed by the Treasurer and countersigned by the Chair or some other member of the Executive.
- 14.3 All money received on account of the Society shall be banked within seven days of receipt.
- 14.4 All accounts paid or for payment shall be submitted to the Executive for confirmation or approval of payment.
- 14.5 The Society's financial year shall commence on 1 June of each year and end on 31 May of the following year.
- 14.6 The Annual General Meeting each year may, but need not, appoint an auditor (who is a member of the New Zealand Institute of Chartered Accountants and not a Member of the Society) to audit the annual accounts of the Society for the ensuing year and

provide a certificate of correctness of the same. If any such auditor is unable to act, the Executive shall appoint a replacement auditor.

15 Execution of Documents

15.1 The Secretary shall retain the Common Seal of the Society, if any.

15.2 Documents shall be executed for the Society pursuant to a resolution of the Executive:

- (a) By affixing the Common Seal, if any, witnessed by either the Chair or the Secretary and countersigned by some other member of the Executive, or
- (b) When the document is not required by statute to be executed under seal, by the Chair or the Secretary or some other member of the Executive.

16 General Meetings

16.1 The Annual General Meeting shall be held between 1 July and 30 November in each year at a time and place fixed by the Executive.

16.2 The Executive may call Special General Meetings.

16.3 At least 14 days before any General Meeting, the Secretary shall post to all Members written notice of the business to be conducted at the General Meeting (including in the case of Annual General Meetings copies of the Annual Report, and annual Statement of Accounts), and the failure for any reason of any Member to receive such notice shall not invalidate the meeting or its proceedings.

16.4 General Meetings may be attended by all Members regardless of class of membership, but only financial Full Members are entitled to vote.

16.5 A financial Full Member shall be entitled to vote by written proxy in favour of another financial Full Member who is present, but no other proxy voting shall be permitted.

16.6 The quorum for General Meetings is not less than three Full Members.

16.7 The Chair shall preside over all General Meetings. In the absence of the Chair, some other Executive member elected for the purpose by the Meeting shall preside over that Meeting. The presiding officer shall have a deliberative vote only.

16.8 Voting at General Meetings shall be by voices, by show of hands or, on demand of the Chair or of any Full Member present, by secret ballot. On any secret ballot each Full Member shall be entitled to one vote.

16.9 The business of the Annual General Meeting shall be:

- (a) Minutes of the previous General Meeting(s);
- (b) Annual Report of the Chair;
- (c) Annual Statements of Account;
- (d) Motions of which notice has been given;

- (e) Approval of a budget for the next financial year;
- (f) General business; and
- (g) Place of next Annual General Meeting.

16.10 Any Member wishing to give notice of any motion for consideration at any General Meeting shall forward written notice of the same to the Secretary not less than 28 days before the date of the meeting. The Executive may consider all such notices of motion and provide recommendations to Members in respect thereof.

17 Miscellaneous

17.1 In the event of, and for so long as, one or more Full Members of the Society becomes, or is, a subsidiary of another Full Member, the subsidiary and parent entities shall be entitled to appoint only one authorised representative between them to the Executive and to exercise only one vote at General Meetings of the Society. The test of whether a Full Member is a subsidiary of another Full Member for this purpose shall be determined by whether or not that situation subsists for the purposes of the legislation governing the parent entity.

18 Alteration of Rules

18.1 These Rules may be amended or replaced by resolution of any General Meeting passed by unanimous resolution of those Full Members present and voting at the Meeting.

18.2 Any proposed motion to amend or replace these Rules shall be signed by at least 2 Full Members and given in writing to the Secretary at least 28 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.

18.3 At least 14 days before the General Meeting at which any such proposal is to be considered, the Secretary shall post written notice of the proposed motion, of the reasons for the proposal and of any recommendations from the Executive in respect thereof to all Members.

19 Winding up

19.1 The Society may be wound up under the provisions of the Incorporated Societies Act 1908.

19.2 If the Society is wound up, the surplus assets after payment of all debts, costs and liabilities shall be disposed of for such purposes as may be determined in accordance with the Incorporated Societies Act 1908 or by resolution, but no distribution shall be made to any Member.