



# RULES

OF THE

**NEW ZEALAND  
AUTOMOBILE ASSOCIATION  
INCORPORATED**

as at 28 September 2012

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# THE NEW ZEALAND AUTOMOBILE ASSOCIATION INCORPORATED

AS AT 28 SEPTEMBER 2012

	<b>RULE</b>
1.	Title
2.	Definitions
3.	Binding Relationship
4.	Objects
5.	Membership
6.	Life Members
7.	Misconduct and Disciplining of Members
8.	Districts
9.	District Councils
10.	Election of District Councillors
11.	Retirements from District Councils
12.	Resignations from and Vacancies on District Councils
13.	Election of People to Chair Meetings
14.	Meetings of District Councils
15.	Voting at District Council Meetings
16.	The National Council
17.	Meetings of the National Council
18.	Voting at Meetings of the National Council
19.	Resignations from and Vacancies on the National Council
20.	Election of President and Vice President
21.	The Board
22.	Meetings of the Board
23.	Voting at meetings of the Board
24.	Unanimous Resolutions
25.	Interested Board Members
26.	Disqualification of Officers
27.	Chief Executive
28.	General Meetings of the Association and Annual Conference
29.	General Meetings of the Districts
30.	Voting at Association and District General Meetings
31.	Financial Year
32.	Auditor
33.	Alteration of Rules
34.	Common Seal
35.	Registered Office
36.	Winding Up
37.	Indemnity
38.	Commencement of these Rules

## 1. TITLE

The name of the Association shall be “The New Zealand Automobile Association Incorporated”.

## 2. DEFINITIONS

- (a) “the Association” shall mean “The New Zealand Automobile Association Incorporated”.
- (b) “Board” shall mean the body constituted under Rule 21.
- (c) “the Chief Executive” shall mean the person who for the time being holds such office pursuant to Rule 27.
- (d) “District” shall mean such area under the general control of the National Council pursuant to Rule 8 hereof divided into a separate area to be subject to the immediate control of a District Council.
- (e) “District Council” shall mean the body constituted under Rule 9.
- (f) “District Councillor” shall mean a duly elected or appointed serving member of a District Council.
- (g) “Member” shall include both personal members and vehicle based members.
- (h) “National Council” shall mean the body constituted under Rule 16.
- (i) “National Councillor” shall mean the person who for the time being holds such office pursuant to Rule 16.
- (j) “Officer” shall mean any one of the following: President, Vice President, Board Member, National or District Councillor.
- (k) “Person” includes a firm, a company, an incorporated society, a club, an organisation and an association and “member” and “applicant” have corresponding meanings.
- (l) “Personal members” shall mean those who are a member of the Association personally.
- (m) “Rules” shall mean all the rules contained herein.
- (n) “Vehicle based member” shall mean those members of the Association who hold a vehicle based membership.
- (o) The singular includes the plural.

### **3. BINDING RELATIONSHIP**

- (a) These rules shall bind the Association, and its officers and members, who agree to act in accordance with the rules.
- (b) Every member shall be entitled on request and on payment of a reasonable fee as may be determined by the National Council from time to time, to receive a copy of the Rules.

### **4. OBJECTS**

The objects of the Association shall be:

- (a) To promote an organisation or association of persons who own motor vehicles or are otherwise interested in motoring.
- (b) To provide services and facilities for the benefit and use of members of the Association.
- (c) To co-ordinate, promote, facilitate and protect the interests of its members, whether of international, national or more limited scope, and for such purposes to consult with and where appropriate make such representations and submissions as may be expedient to protect and enhance the interests of its members.
- (d) To acquire, lease or dispose of any property real or personal, erect buildings and invest, borrow or raise money by the issue of debentures or upon mortgage or charge or any other form of security of or over any real or personal property (both present and future) of the Association or without giving security, in furthering the objects of the Association.
- (e) To do all those things which may lawfully be done for the benefit of members and in the interests of the Association.
- (f) To undertake any commercial activities that the Board may consider appropriate and which contribute to the benefits derived by the members of the Association.

### **5. MEMBERSHIP**

- (a) Membership shall be an annual membership.
- (b) The annual subscription shall be determined from time to time by the National Council and shall be due in each year on the first day of the month following the anniversary of the date the member joined the Association.
- (c) The rights and privileges may differ between personal members and vehicle based members.
- (d) Every initial application for membership shall state such information as the Association may from time to time require.

- (e) Every application for a new membership shall be accompanied by the prescribed annual subscription, together with any entrance fee payable. The application shall be considered by the Chief Executive (who shall have the right to delegate this determination to any other one or more employees of the Association), and the applicant shall be notified whether or not the application has been accepted. If any application for membership is declined by the Chief Executive, the aggrieved applicant may appeal that decision to the National Council.
- (f) An existing member may obtain a renewal of membership upon payment of the prescribed annual subscription. Nonpayment of an annual subscription will result in the membership being cancelled.
- (g) The National Council may from time to time determine whether an entrance fee to the Association is payable in addition to the annual subscription, and whether any additional sum is payable to the Association for membership.
- (h) The National Council may from time to time determine the conditions of acceptance and membership of the Association.
- (i) Any Personal member whose entrance fee or annual subscription is unpaid is unable to vote or take part in any meeting of the Association and will not be entitled to any of the privileges of membership while the entrance fee or annual subscription remains unpaid.
- (j) The National Council may, in its absolute discretion, and shall in the case of officers and their spouses, waive payment of or refund to any Personal member the whole or any part of the entrance fee and/or annual subscription payable or paid by that person.
- (k) Any member wishing to resign from the Association shall forward a written resignation.
- (l) All Personal members shall pay a subscription based on the location of the member's residence. Should any member transfer to another location, any adjustment in subscription shall be deferred until the expiry of the current term of the membership.

## **6. LIFE MEMBERS**

The National Council may elect any member to be a Life member of the Association in recognition of the member's outstanding contribution to the activities of the Association over a number of years or for any other reason whatsoever which the National Council may consider fit. The rights and privileges of Life members shall be determined by the National Council from time to time.

## **7. MISCONDUCT AND DISCIPLINING OF MEMBERS**

- (a) The National Council has the discretion to expel or suspend any member from membership of the Association, or to censure any member, where that member has in the opinion of the National Council brought the Association into disrepute or acts in a way which is contrary to the best interests of the Association.

- (b) The National Council shall determine the procedure to be followed when exercising its power under this Rule provided always that in doing so it follows the principles of natural justice.
- (c) There shall be no appeal against the National Council decision under either Rule 7(a) or 7(b), and any expelled member shall only be entitled to apply for membership under Rule 5 with leave of the National Council.

## **8. DISTRICTS**

The National Council shall divide the area under its control into such Districts as it shall in its sole discretion deem desirable.

## **9. DISTRICT COUNCILS**

- (a) Each of the Districts shall have a District Council to manage its affairs as provided in these Rules, and to carry out the functions as delegated by the National Council.
- (b) The District Council shall consist of any number of Personal members not exceeding ten (10) as determined by that Council from time to time. At the respective District Annual General Meetings, District Councillors shall be elected in the manner provided in these Rules and shall hold office until they retire in accordance with the provisions of Rule 11 or otherwise cease to hold office.
- (c) Every year each District shall prior to the Annual General Meeting of the Association hold a District Annual General Meeting of the Personal members belonging to that District.
- (d) Each District Council shall provide a forum to discuss local motoring issues, and promoting matters of important motoring policy on behalf of members. Where any issue of motoring policy is raised locally affecting the interests of members within the District, the District Chairman or his nominated spokesman may speak on behalf of the Association and where motoring policy issues are raised affecting the rights of members nationally, the District Council shall promote the issue through the National Council where the President, and/or the Chief Executive (or their nominated spokesman) shall speak on behalf of the Association.
- (e) In addition to their role in representing the interests of members within the District, each District Council shall have such powers as shall be delegated to them by the National Council PROVIDED HOWEVER that if there is any conflict between a decision of a District Council and one of the National Council the National Council decision shall prevail.

## 10. ELECTION OF DISTRICT COUNCILLORS

- (a) Nominations for a District Council shall be made in writing signed by two Personal members of the Association and by the nominee and deposited with the District Chairman or his nominee at least twenty-one (21) days before the date for the District Annual General Meeting.
- (b) Notice of the date of the District Annual General Meeting and of the date nominations close shall be given first by an advertisement in a public newspaper published in that District and secondly by posting a copy of the notice in the office of the AA Centres in the District at least seven (7) days before the closing date for nominations.
- (c) No person shall be eligible to hold office as a District Councillor unless that person is a Personal member of the Association. Any current employee of the Association or any of its subsidiaries or associated companies shall not be eligible to hold office as a District Councillor. In the event of any doubt as to a person's eligibility to hold office, the question shall be referred to the National Council for determination.
- (d) A statement from the nominee, of not more than 120 words, may be given to the District Chairman or his nominee at the time of nomination, setting out the nominee's position, experience, qualifications, length of membership and views on any matters affecting the Association. This statement shall be made available to members at the District Annual General Meeting and may be available prior to the meeting upon request.
- (e) If the number of candidates nominated for a District Council does not exceed the number of vacancies to be filled, the candidates nominated shall be deemed to be elected but shall take office at the conclusion of the District Annual General Meeting.
- (f) If the number of candidates exceeds the number of vacancies to be filled a ballot shall take place at the District Annual General Meeting, in accordance with Rule 30.

## 11. RETIREMENT FROM DISTRICT COUNCIL

- (a) At the District Annual General Meeting of each District at least two (2) District Councillors shall retire from office. The order of retirement shall be as follows:
  - firstly, any District Councillor who has been appointed by that District Council to fill a vacancy in that District Council in accordance with Rule 12(b),
  - secondly, the longest serving District Councillor. If two or more members have been in office an equal length of time, the members to retire shall, in default of agreement between them, be determined by lot. The length of time a District Councillor has been in office shall be computed from the last election of that person.
- (b) A retiring District Councillor shall retain office until the conclusion of the District Annual General Meeting at which time the successor to the retiring District Councillor shall take office.
- (c) Any retiring District Councillor shall be eligible for election or re-election.

## **12. RESIGNATIONS FROM AND VACANCIES ON DISTRICT COUNCILS**

- (a) Notice of the resignation of a District Councillor from a District Council must be given in writing to the Association and will take effect from the receipt of the notice by the Association.
- (b) A District Council can fill any vacancy which may occur in that District Council. Any such appointment shall only be valid until the conclusion of the next District Annual General Meeting at which time Rule 11 shall apply.

## **13. ELECTION OF PEOPLE TO CHAIR MEETINGS**

- (a) Each District Council at its first meeting after each District Annual General meeting shall elect from among its members a person and a deputy to chair the meetings of the District Council. That person or in their absence the deputy shall preside at all meetings of that District Council. Should a vacancy occur for any reason in this office then the District Council at the next meeting following the vacancy occurring shall appoint another of its Council members to fill the vacancy.
- (b) If the person elected to chair the Meeting or the deputy are not present at any meeting the other members of that District Council present may from among themselves choose one of their number to chair the meeting.
- (c) The role of the District Chairman in each District shall be principally to preside over each meeting of the District Council, to stimulate debate, identify local and national motoring policy issues within the District and to assist the National Councillor for the District to discharge his duties.
- (d) There shall be no fixed term for a person to act as Chairman of a District Council.

## **14. MEETINGS OF DISTRICT COUNCILS**

- (a) Each District Council shall meet at a time and place decided by the District Council from time to time. Any special meetings of the District Council may be convened by the Chairman or shall be convened upon the request of two members of the District Council, and will be held at a time and place to be fixed by the District Chairman.
- (b) The quorum at all meetings of a District Council shall be a majority of sitting District Councillors. Where a District Council is made up of an odd number of Councillors the quorum is to be rounded up to the nearest whole number.
- (c) Should any District Councillor fail to attend three (3) consecutive meetings without a reason which the District Council deems sufficient, that District Council may by resolution declare the office of that person to be vacant and thereupon a vacancy in that District Council shall be created.



## 15. VOTING AT DISTRICT COUNCIL MEETINGS

- (a) Every District Councillor present in person at a meeting of a District Council shall have one vote. The member chairing the meeting shall in all cases have a deliberative vote and in case of equality of voting on a show of hands shall also have a casting vote.
- (b) All questions put to a District Council at any meeting shall be determined by a majority of the votes of the District Councillors who are present at the meeting and entitled to vote. Voting shall be on the voices or by a show of hands as the member chairing the meeting may decide PROVIDED HOWEVER that a secret ballot shall be taken if demanded by any District Councillor.

## 16. THE NATIONAL COUNCIL

- (a) There shall be a National Council to provide a forum at which national motoring policy issues can be addressed and determined and to exercise control and oversight of the affairs of the Association by:
  - (i) Appointing the Board
  - (ii) Approving an annual strategic business plan and budgets as presented by the Board.
  - (iii) Receiving regular reports from the Board on the business affairs of the Association accompanied by appropriate financial information.
  - (iv) Receiving and approving the Associations annual accounts, and the Presidents report prior to each Annual General Meeting of the Association.
  - (v) Approving any major business development which represents a significant departure from the previously approved business plans.
  - (vi) Approving any proposal that materially affects members by way of subscription increase.
    - (i) Delegating such powers duties and obligations to the Board, the Chief Executive, or District Councils as it considers desirable from time to time.
- (b) The National Council shall consist of the President and one representative from each District Council appointed in accordance with this Rule.
- (c) Each District Council shall, prior to the Annual General Meeting of the Association in every year appoint one of its District Councillors to represent it as a member of the National Council.
- (d) No National Councillor may represent more than one District Council but a National Councillor may also serve as District Chairperson.
- (e) Each National Councillor shall hold office following their appointment (or reappointment) until the next Annual General Meeting of the Association at which

his/her successor will be appointed PROVIDED HOWEVER that if during the term of office the National Councillor ceases to be a District Councillor then that person shall immediately resign and the provisions of Rules 19(a) and 19(b) shall apply.

- (f) Any National Councillor shall be eligible for reappointment to the National Council if that person is a District Councillor.
- (g) Each National Councillor representing a District shall be charged with the following duties:
  - (i) to communicate to the District Council such matters as are raised at meetings of the National Council from time to time, and to act as a liaison between the President, the National Council, and the District;
  - (ii) to participate at District Council level in order that the District Council can be fully and fairly informed of the existing Association Motoring Policy, and the rationale for that policy;
  - (iii) to assist the District Council in identifying, addressing and resolving any matters of local or national interest within the District, and where appropriate assisting the District by utilising the Motoring Policy resources or Public Affairs resources of the Association, in terms of any policy set from time to time by the National Council;
  - (iv) to represent the views of the members of the Association based in the District at National Council;
  - (v) to attend and participate at all National Council meetings, emergencies excepted, to promote the best interests of the Association and of the District.

## **17. MEETINGS OF THE NATIONAL COUNCIL**

- (a) The National Council shall meet at a time and place decided by the National Council from time to time. Any special meetings of the National Council may be convened by the President or shall be convened upon the request of three members of the National Council, and will be held at a time and place to be fixed by the Chief Executive.
- (b) The quorum at all meetings of the National Council or of its committee shall be a majority of sitting National Councillors or committee members. Where the National Council or committee is made up of an odd number of members the quorum is to be rounded up to the nearest whole number.
- (c) In the event of a National Councillor (excluding the President) being unable to attend any meeting of the National Council the District Council that appointed the National Councillor shall be entitled to appoint a substitute for the meeting from out of its own District Councillors. The substitute National Councillor shall for that occasion have the full powers of any National Councillor other than the President. Notification of any such appointment shall be given in the manner provided by Rule 19(c).

## **18. VOTING AT MEETINGS OF THE NATIONAL COUNCIL**

- (a) Every National Councillor present in person at a meeting of a National Council shall have one vote. The President (or any Acting President) shall in all cases have a deliberative vote and in case of equality of voting on a show of hands shall also have a casting vote.
- (b) All questions put to the National Council at any meeting shall be determined by a majority of the votes of the National Councillors who are present at the meeting and entitled to vote. Voting shall be on the voices or by a show of hands as the President may decide PROVIDED HOWEVER that a secret ballot shall be taken if demanded by any National Councillor.

## **19. RESIGNATIONS FROM AND VACANCIES ON THE NATIONAL COUNCIL**

- (a) Notice of the resignation of a National Councillor from the National Council must be given in writing to the Secretary of the Association and will take effect upon the acceptance of the resignation by the National Council.
- (b) If a National Councillor resigns, dies or otherwise ceases to be a member of the National Council then the District Council which appointed the National Councillor shall be entitled to appoint another of its District Councillors to fill the vacancy.
- (c) The replacement National Councillor shall be deemed to have been duly appointed when written notification of the appointment has been received by the Secretary of the Association.

## **20. ELECTION OF PRESIDENT AND VICE PRESIDENT**

- (a) Nominations for candidates for President and Vice President shall be:
  - made in writing
  - signed by two National Councillors and by the nominee, and
  - deposited with the Chief Executive at least twenty-eight (28) days before the meeting of the National Council to be held in accordance with Rule 20(d).

Notice of the nominations shall be given by the Chief Executive to all the District Councils.

- (b) No person shall be eligible to hold office as President or as Vice President unless that person is a member of a District Council and has served on the Board or National Council for at least one complete year within the previous five years.
- (c) No person shall hold office as President for more than three (3) consecutive years.
- (d) The National Council shall hold a meeting to take place immediately following the conclusion of the Annual Conference held in accordance with Rule 28. At that meeting the National Council shall elect from the nominations the President and Vice President of the Association. Each shall hold office (subject to these Rules) from the time of the election for a period of twelve months or until the next election conducted after the conclusion of the next Annual Conference.

- (e) The District Council of which the President is a member may appoint another representative to the National Council, to take effect upon the receipt of notice of the appointment by the Secretary of the Association.
- (f) If a vacancy shall occur in the office of President or Vice President the National Council may elect one of its number to fill that office.
- (g) The President, or in his/her absence the Vice President, shall preside at all meetings of the National Council. If the President and the Vice President are absent from the meeting the National Councillors present shall elect one of their number to preside.
- (h) In the event of the temporary absence of the President from New Zealand the Vice President shall act as President or if the Vice President is unavailable the National Council may appoint one of the National Councillors to act as President. Such acting President shall be entitled to exercise all the functions and powers of the President until the return of the President to New Zealand when the appointment of the acting President shall lapse.
- (i)
  - (a) The President shall be the Titular Head of the Association and, with the Chief Executive, shall be charged with ensuring the Association pursues those objects set out in Clause 4 of these Rules.
- (b) In addition to the particular duties set out in these Rules, the President shall, under the guidance of the National Council and the Board as the case may be, promote the interests of the Association through the following avenues:
  - (i) attendance at District Council meetings from time to time;
  - (ii) presiding over National Council and Board meetings;
  - (iii) communications with National Councillor and District Chairman from time to time;
  - (iv) representing the Association on such bodies as the National Council or Board may request;
  - (v) representing the Association at such meetings, or conferences of other groups where the interests of motorists are being considered, either within New Zealand or abroad; and
  - (vi) Promoting at appropriate levels, the motoring policy of the Association.
- (j) The Vice President shall support the President in such a way as the President and Chief Executive may request from time to time to the intent that, should the President be unable to discharge all or any of the Presidential duties, then the Vice President shall step into and fulfil that role on such terms and for such duration as the President, Chief Executive and Vice President may agree.

## 21. THE BOARD

- (a) The Board shall consist of the President, the Vice President, and not more than 6 other Members. No person shall be eligible to hold office as a member of the Board unless that person is a member of a District Council, and has served on the Board or National Council for at least one complete year within the previous five years. The National Council may, upon the recommendation of the Board, appoint one additional Board member at any time (whether that person be a member of the Association or otherwise). If a vacancy shall arise on the Board, the National Council may appoint a replacement.
- (b) The President and the Vice President shall be members of the Board ex officio, and shall retire and be replaced as and when they cease to hold their respective offices. The other members of the Board shall be subject to retirement by rotation two in each year. Those retiring, if eligible through continuing membership of a District Council, may offer themselves for re-election. The Board members to retire in each year shall be those who have been longest in office and if more than two shall be determined by lot.
- (c) Upon appointment to the Board, the Member shall continue as a Board Member (subject always to retirement by rotation) unless he/she resigns in writing, dies, or ceases to be a District Councillor. Where a Board Member ceases to be the National Councillor for a District, the Board Member shall nevertheless continue to attend meetings of the National Council, with a right to speak but with no voting rights. If a Board member retires from the Board then, in order to be eligible to stand for re-election, the person must be a member of a District Council.
- (d) Nominations for candidates for the elected positions on the Board must be:
- made in writing
  - supported by a resolution of the candidates resident District Council
  - signed by a National Councillor from another District and by the nominee, and
  - deposited with the Chief Executive at least twenty-eight (28) days before the meeting of the National Council to be held in accordance with Rule 20(d)

Notice of the nominations shall be given by the Chief Executive to all the District Councils.

- (e) The National Council shall, at the meeting to be held in accordance with Rule 20(d), appoint from the nominations, Members to the Board to fill available vacancies. Each shall hold office (subject to these Rules) from the time of the election.
- (f) All monies and funds of the Association shall be kept in the name of the Association and shall be invested as directed from time to time by the Board. The Associations bank accounts shall be operated by such persons authorised in writing by the Board, from time to time.
- (g) Subject to any express restrictions in these Rules, the Board shall be responsible for managing, directing, and supervising the business and commercial affairs of the Association and shall have and may exercise all the powers necessary to do so, except to the extent that these Rules expressly require those powers to be exercised by the National Council.

- (h) The Board shall:
- (i) Undertake the proper management, administration and conduct of the business and commercial affairs of the Association in terms of the Business Plan and Budget.
  - (ii) Prepare annual strategic Business Plans and Budgets for approval of the national Council.
  - (iii) Identify and pursue commercial opportunities for the Association.
  - (iv) Determine the commercial direction and service delivery of the Association.
  - (v) Supervise the Chief Executive in the discharge of his duties.
  - (vi) Act in good faith and in the best interests of the Association when exercising powers or performing duties.
- (i) The Board may not procure or permit the Association to enter into a Major Transaction unless the transaction is approved by the National Council or made contingent on approval by the National Council.

For the Purposes of this clause, Major Transaction means:

- (a) The acquisition of, or and agreement to acquire, whether contingent or not, assets the value of which is more than half the value of the Associations assets before the acquisition; or
- (b) The disposition of, or and agreement to dispose of, whether contingent or not, assets of the Association the values of which is more than half of the values of the Association's assets before the disposition; or
- (c) A transaction that has or is likely to have the effect of the Association acquiring rights or interests or incurring obligations or liabilities, including contingent liabilities, the value of which is more than half the value of the Association's assets before the transaction.

## **22. MEETINGS OF THE BOARD**

- (a) The President shall chair all meetings which he attends. In his absence, the Vice-President shall assume the chair. If neither is present, the Board shall elect a person to preside.
- (b) The Board shall meet at a time and place decided by the Board from time to time. A special meeting of the Board may be convened by the President or upon the request of at least two Board members, and will be held at a time and place to be fixed by the Chief Executive.
- (c) A meeting of the Board may be held either:
  - (i) by a number of Board members sufficient to form a quorum, being assembled together at the place, date, and time appointed for the meeting, or

- (ii) by means of audio, or audio and visual communication, by which all the directors participating in the meeting and constituting a quorum, can simultaneously hear each other throughout the meeting.
- (d) Where a meeting of the Board is held pursuant to Rule 22(c)(ii), at the commencement of the meeting each Board member participating must acknowledge his or her presence to all the other Board members participating. A Board member may not leave the meeting by disconnecting his or her means of communication unless he or she has previously obtained the express consent of the President.
- (e) Not less than two working days notice of any meeting shall be given to every Board member who is in New Zealand. The notice must include the date, time and place of the meeting and the matters to be discussed.
- (f) A quorum for a meeting of the Board shall be a majority of the Board members. No business may be transacted at a Board meeting if a quorum is not present.
- (g) The Board must ensure that full and accurate minutes are kept of all proceedings at the meetings of the Board. Minutes which have been signed correct by the President are prima facie evidence of the proceedings.

### **23. VOTING AT MEETINGS OF THE BOARD**

- (a) Every member of the Board present at a meeting of the Board shall have one vote. The President (or acting chair) shall in all cases have a deliberative vote and in case of equality of voting on a show of hands shall also have a casting vote.
- (b) All questions put to the Board at any meeting shall be determined by a majority of the votes of the Board members who are present at the meeting and entitled to vote. Voting shall be on the voices or by a show of hands as the President may decide PROVIDED HOWEVER that a secret ballot shall be taken if demanded by any Board member.
- (c) A Board member may vote in respect of any transaction in which the member is interested and if the member does so, the member's vote will be counted and the member will be counted in the quorum present at the meeting.

### **24. UNANIMOUS RESOLUTION**

- (a) A resolution in writing, signed or assented to by all members of the Board then entitled to receive notice of a Board meeting, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held. A copy of any such resolution must be entered in the minute book of Board proceedings.
- (b) A copy of any such resolution may consist of several documents (including facsimile, electronic or other means of communication) in like form each signed or assented to by one or more members.



## 25. INTERESTED BOARD MEMBERS

- (a) A Board member must, forthwith after becoming aware of the fact that he or she is interested in a transaction or proposed transaction with the Association, cause to be entered in the Interests Register, and disclose to the Board:
  - (i) if the monetary value of the interest is able to be quantified, the nature and monetary value of that interest, or
  - (ii) if the monetary value of the interest cannot be quantified, the nature and extent of that interest.
- (b) A Board member is not required to comply with Rule 25(a) if:
  - (i) The transaction or proposed transaction is between the member and the Association; and
  - (ii) the transaction or proposed transaction is or is to be entered into in the ordinary course of the Association's business and on usual terms and conditions.
- (c) For the purposes of Rule 25(a), a general notice entered in the Interests Register or disclosed to the Board to the effect that a member is a shareholder, director, officer or other trustee of another named company or other person and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that company or person, is a sufficient disclosure of interest in relation to that transaction.

## 26. DISQUALIFICATION OF OFFICERS

A person will be disqualified from holding office as a District Councillor, a National Councillor or as a member of the Board if he or she:

- (i) behaves in a manner which in the opinion of a majority of the members of the District Council, National Council or Board (as the case maybe) has brought or may bring the Association into disrepute or in a manner which is contrary to the objects of the Association; or
- (ii) dies; or
- (iii) becomes a protected person under the Protection of Personal and Property Rights Act 1988; or
- (iv) is an undischarged bankrupt.

## 27. CHIEF EXECUTIVE

- (a) The Board shall, after consultation with the National Council, appoint a Chief Executive who shall manage the affairs of the Association. The conditions of employment of the Chief Executive shall be as determined by the Board from time to time.



- (b) The Chief Executive shall be responsible to the Board for the financial performance of the Association and shall be responsible to the National Council for the implementation of such policy and decisions, as the National Council shall determine from time to time. The Chief Executive shall be responsible for the delivery of service to members and the business development of the Association, recommending the strategic direction for the Association and supervising its ongoing commercial performance.

## **28. GENERAL MEETINGS OF THE ASSOCIATION AND ANNUAL CONFERENCE**

- (a) The Annual General Meeting of the Personal members of the Association shall be held as soon as practicable after the 28<sup>th</sup> day of February in every year at a time and place as may be decided by the National Council but with the intent of holding it if possible the evening preceding the Annual Conference. The business of the Annual General Meeting of the Association shall be to receive the Annual Report and Balance Sheet, to be notified of the appointment of the National Councillors, to appoint an Auditor, and to transact any other business of which due notice has been given or which these Rules otherwise provide for.
- (b) A Special General Meeting of the Personal members of the Association may only be called by direction of the National Council. The National Council may at any time of its own volition, call a Special General Meeting, or shall when requested in writing to do so by 500 Personal members or 3 District Councils, consider whether or not the requisition warrants the calling of a Special General Meeting (as opposed to leaving the issue to be raised at the next Annual General Meeting). Any such requisition shall specify the nature of the business to be transacted, and specify the text of any resolution to be put to the proposed Special General Meeting. In the event the National Council decides to call a Special General Meeting, it shall fix the time and place for holding the meeting, and no business shall be transacted at that meeting other than that which is specified in the notice issued by the National Council calling that meeting.
- (c) At least fourteen (14) clear days' notice of any General Meeting of the Association shall be given, at the sole discretion of the National Council, either by advertisement in the Association Journal or similar publication and/or in such daily newspaper or newspapers published in each District of the Association and/or by notice posted to members at their last known address and the notice shall specify the object or objects of the meeting. The accidental omission to give any notice to, or the non receipt of any notice by, any member shall not invalidate the proceedings at any meeting.
- (d) All General Meetings shall be presided over by the President of the Association and, in the absence of the President, by the Vice President. If both the President and the Vice President are absent the members present at the General Meeting shall choose one of the number from among themselves to preside over the meeting.
- (e) A notice of motion to be put to a General Meeting of the Association shall be in writing and in the hands of the Chief Executive not less than one (1) calendar month prior to the General meeting at which the motion is to be considered. The Chief Executive shall upon receipt of any notice of motion forward to each District Council a copy of the notice.
- (f) The quorum at all General Meetings of the Association shall be twenty (20) Personal members present in person.

- (g) As soon as practicable after the Annual General Meeting of the Association, the Association shall convene an Annual Conference at a place in New Zealand as decided by the National Council. The number of delegates eligible to attend the Annual Conference from each District shall be determined by the National Council from year to year. The format of and the procedure at the Annual Conference shall be determined by the National Council from, time to time.

## **29. GENERAL MEETING OF THE DISTRICTS**

- (a) The Annual General Meeting of the Personal members of each District shall be held in the month of February in each year and at a time and place determined by the District Council. In addition to the retirements and election of District Councillors the other business to be conducted by the District Annual General Meeting shall be to receive a report of that District's affairs, to receive the Annual Report and Balance Sheet of the Association and to discuss any general business arising therefrom and to transact any other business of which due notice has been given or for which these Rules otherwise provide.
- (b) The quorum at all General Meetings of a District shall be seven (7) Personal members present in person.
- (c) All of the provisions contained in Rule 28 (b) to (e) (both inclusive) shall with any necessary modifications as to grammar or sense apply to all General Meetings of the Districts.

## **30. VOTING AT ASSOCIATION AND DISTRICT GENERAL MEETINGS**

- (a) At all General Meetings of the Association every Personal member present in person is entitled to one vote or if a Personal member is unable to attend that member may by written notice, on the form prescribed and personally signed by that member, appoint a proxy to attend and vote on that member's behalf.
- (b) At all General Meetings of a District every Personal member present in person is entitled to one vote.
- (c) All questions put to a General Meeting of the Association or of a District shall be determined by a majority of the votes of those entitled to vote subject however to the provisions of Rules 28 and 36.
- (d) All questions put to a General Meeting of the Association shall be decided on the voices or on a show of hands. A secret ballot shall be taken only if demanded by a majority of those members present entitled to vote, or the Chairman.
- (e) All questions put to a General Meeting of a District shall be decided on the voices or on a show of hands. A secret ballot shall be taken only if demanded by a majority of those Personal members present in person and entitled to vote, or the Chairman.

- (f) The member presiding over a General Meeting of the Association or of a District at the time of voting shall in the case of equality of a voting have a casting vote in addition to a deliberative vote.
- (g) The National Council shall prescribe the form of proxy to be used at a General Meeting of the Association and shall cause the same to be available for Personal members upon request. The form of proxy shall be numbered consecutively, may contain all or any of the motions to be determined at the General Meeting (dependent upon whether the member intends to appoint a general or a specific proxy), and may contain a provision directing the proxy as to the manner of voting on all or any of the motions. Proxies must be completed on the prescribed form, and received by the Chief Executive not less than 48 hours before any General Meeting at which that proxy is intended to be used.

### **31. FINANCIAL YEAR**

With effect from the first day of October 2011, the financial year of the Association shall close on the last day of June in each year.

### **32. AUDITOR**

Once at least in every year the accounts of the Association shall be examined by the Auditor and the correctness or otherwise of the same shall be ascertained by an audit and shall be reported to the Association. The Auditor shall at all reasonable times have access to all books and accounts and relative documents and shall be entitled to require from the officers or employees of the Association such information and explanation as may be deemed necessary for the performance of those duties.

### **33 ALTERATION OF RULES**

Subject to Rule 36, no new Rules shall be made and none of the Rules contained here, shall be amended, altered or rescinded except by a resolution passed by a majority of two-thirds of the members present in person or by proxy at an Annual or Special General Meeting of the Association. The Chief Executive shall before the date fixed for the Annual General Meeting or for a Special General Meeting specially called for that purpose send or give notice to members by one of the methods mentioned in Rule 28(c) of any proposed new Rules, amendments, alterations and/or rescissions.

### **34. COMMON SEAL**

The common Seal of the Association shall be kept by the Chief Executive. The Seal shall only be affixed pursuant to a resolution of the Board. Every affixing of the Seal shall be attested by:

- (a) two (2) members of the Board ; or
- (b) a member of the Board and the Chief Executive.

### 35. REGISTERED OFFICE

The Registered office of the Association shall be at such place as may be decided upon from time to time by the National Council.

### 36. WINDING UP

- (a) The Association shall not be wound up voluntarily except by a Resolution duly adopted at a Special General Meeting of its members and duly confirmed by a similar majority at a subsequent Special General Meeting called for that purpose and held not earlier than 30 days after the date on which the resolution to be confirmed was passed.
- (b) Notwithstanding any other Rule in the Rules, no Special General Meeting shall be called to consider a Resolution to Wind Up the Association unless:-
  - (i) The National Council has resolved to call such a Meeting; or
  - (ii) An Extra-ordinary Resolution has been duly adopted at a Special General Meeting of members which calls for such a Meeting.
- (c) Upon the winding up of the Association its assets shall, after payment and discharge of all liabilities, be disposed of, transferred to or applied towards any concern or association or concerns or associations (not being a person or persons who are members of the Association) having substantially similar objects and activities to those of the Association to be used by it or by them for purposes similar to the objects for which the Association was established and in such manner and upon such conditions as the members of the Association in Special General Meeting may determine and if at the time of winding up of the Association there is not in existence any other concern or association having similar objects and activities to those of the Association then the assets of the Association shall be applied towards such purposes in New Zealand as the members of the Association in Special General Meeting may determine PROVIDED HOWEVER that neither the said Special General Meeting nor any other meeting of the Association shall have the power to determine that any assets of the Association shall be distributed to any members of the Association nor shall any assets of the Association be distributed to any members of the Association in any other way howsoever.
- (e) The provisions of this Rule can not be amended altered rescinded or otherwise changed other than by an Extra-ordinary Resolution duly adopted at an Annual or Special General Meeting of the Association called for that purpose.
- (f) For the purposes of this Rule, the adoption of an Extra-ordinary Resolution requires votes in favour from not less than 75 percent of all the Personal Members of the Association. The Personal Members shall be entitled to vote in person or by proxy.

### **37. INDEMNITY**

Every Officer and employee of the Association shall be entitled to be indemnified out of the assets of the Association against all losses or liabilities which he or she may incur in or about the execution of the duties of his or her office or otherwise and no Officer or employee shall be liable for any loss, damage, or other misfortune which may happen to or be incurred by the Association in the execution of the duties of his or her office or otherwise, but this Rule shall only have effect insofar as its provisions are not voided by any of the Statutes of New Zealand. Nothing within this Rule shall be deemed to create a right for an Officer to receive payment for lost commercial or financial opportunities while serving as an Officer of the Association.

### **38. COMMENCEMENT OF THESE RULES**

These Rules of the Association come into force on the 28<sup>th</sup> day of September 2012.

**The New Zealand Automobile Association Incorporated**

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