

RULES OF THE NEW ZEALAND HEREFORD ASSOCIATION (INCORPORATED)

(These rules replace all existing rules and take effect as from 20 July 2017)

1. NAME

The name of the Association is "The New Zealand Hereford Association Incorporated" in these rules referred to as "the Association".

2. OBJECTS

The objects for which the Association is established are:-

- a. To maintain the purity and improve the breed of Hereford Cattle in New Zealand.
- b. To register purebred Hereford Cattle and to collect, verify and publish information relating to Hereford Cattle. To establish and publish a Herd Book of recognised and purebred Hereford Cattle, particulars of the annual registration and of the pedigrees of such Hereford Cattle as are proved to the satisfaction of the Council to be eligible for entry and such other information concerning registered herds as the Council may from time to time direct.
- c. To offer prizes for Hereford Cattle to ensure the representation at important shows in New Zealand or abroad of the best specimens of the breed, and to contribute from the funds of the Association towards the expense of the carriage of animals recommended for exhibition by the Association.
- d. To appoint and dismiss inspectors with power to examine cattle belonging to members and to recommend such cattle for registration in the Herd Book or to disqualify such cattle from registration in the Herd Book or to conduct tests and examinations of Hereford Cattle to determine their fertility, type, health or general condition.
- e. To organise and hold shows or exhibitions of Hereford Cattle; to raise or provide funds for the expenses thereof; to arrange classes, and to donate or augment prizes and awards of certificates of merit at various shows and sales, and to appoint or recommend judges therefore.
- f. To undertake or manage combined members' Hereford Cattle sales; to appoint auctioneers and agents for the conduct of such sales, to superintend and advise upon sales conducted privately or by auction.
- g. To inspect and recommend Hereford Cattle belonging to members offered for sale, to forbid sales of members' Hereford Cattle for stud purposes and to appoint and dismiss inspectors for any such purposes.
- h. To investigate cases of doubtful or suspected pedigrees and to adjudicate thereon.
- i. To undertake the arbitration upon and settlement of disputes and questions relating to, or connected with Hereford Cattle and the breeding thereof, and for other subsidiary purposes.
- j. To provide rooms and other facilities for holding or conducting meetings and for carrying out other objects or work of the Association.
- k. To purchase, hire, take on lease, receive by way of gift or otherwise acquire for the purposes of the Association any real or personal property and to sell, let, bail or otherwise dispose of the same provided that no land shall be sold without the

approval of the Association by a resolution passed in a general meeting

- l. To borrow or raise money or secure the payment of money owing or the satisfaction or performance of any obligation or liability incurred or undertaken by the Association in such manner as the Association may think fit and in particular by the issue of debentures or by mortgage or charge or lien upon the whole or any part of the Association's property or assets (whether present or future) and to purchase, redeem or pay off any such securities.
- m. To construct, maintain, alter, improve, enlarge, pull down, remove or replace, manage and control any offices, rooms, houses, sheds or other buildings, yards, or improvements likely to advance the Association's interests directly or indirectly or to join with any person or corporation in so doing.
- n. To acquire any rights, concessions, patents, copyrights or privileges which may seem to the Association likely to benefit the Association directly or indirectly.
- o. To effect assurances against risk or loss to the Association by fire, accident, earthquake or otherwise howsoever.
- p. To enter into all such negotiations, contracts and agreements in the name and on behalf of the Association as the Council may consider expedient for the purposes of the Association.
- q. To engage and dismiss servants on such terms as the Council may think fit and if necessary to purchase or construct and maintain any building or part of a building for the purpose of accommodating any servant or servants of the Association.
- r. To affiliate with or enter into any arrangements with any organisation or Society having as one of its objects the promotion of the interests of similar Associations and to procure from and to communicate to any such similar Associations any information as may seem likely to promote the objects of this Association.
- s. To disseminate information with reference to cattle breeding by lectures, discussions, books, correspondence or otherwise and, for any of the objects of this paragraph to co-operate with any university or college or professor or lecturer thereof.
- t. To consider all questions affecting the interests of cattle breeders, to initiate and watch over, and, if necessary, to petition Parliament or any other authority, or to promote deputations in relation to measures affecting cattle breeders, and, where necessary, to procure changes of the laws affecting cattle, and the promotion of improvements in the administration thereof.
- u. To collect subscriptions, fees, fines and other payments for the general purposes of and for services and goods rendered or supplied by the Association to expend so much of the funds of the Association as the Council may from time to time consider necessary to carry out any of the objects of the Association and to invest the moneys of the Association not immediately required upon such securities as may from time to time be determined.
- v. To make any regulations and by-laws for the government of the Association or carrying out any of the objects of the Association.
- w. To engage in or subsidise any branch of scientific research relating to cattle or the products thereof which the Council may consider conducive to the interests of breeders of Hereford Cattle and to expend such sums in fostering such research as the Council may think proper.
- x. To subscribe to or establish any insurance, superannuation, provident or benefit fund,

trust or club for the benefit of the Association's employees or former employees also to pay superannuation to or give pensions, gratuities or charitable aid to any person or persons who have served the Association or to the relatives or dependents of any such persons.

- y. To do all such other lawful acts and things as may be deemed incidental or conducive to the attainment of the above objects, or any of them or may be calculated to protect and further the interests of breeders of Hereford Cattle.
- z. To establish, promote and otherwise assist any Company, Association or undertaking and to acquire, purchase, subscribe for or otherwise howsoever hold shares in any Company, Association or undertaking as may be deemed by the Association likely to advance either directly or indirectly the interests of the Association.

3. INTERPRETATION

These rules shall be construed with reference to the Incorporated Societies Act 1908 and its amendments and any regulations made thereunder, and the terms used in these rules shall be taken as having the same respective meanings as they have when used in that Act unless inconsistent therewith. Words importing the masculine gender only include the feminine and companies and corporations and words importing persons include partnerships, companies and corporations.

4. MEMBERSHIP

- a. The number of Members of the Association shall not be limited but must be not less than fifteen (15). Every member shall be either an Annual Member, an Associate Member, an Overseas Member, an Honorary Member, a Life Member or a Club.
- b. Club Membership
 - i. Clubs, based on geographic areas and whose members are predominantly also members of the NZHA (Inc) and whose general purpose is to co-ordinate and foster the interests of Hereford cattle, shall be eligible for membership under this section.
 - ii. Clubs (Club membership) shall have no voting rights
 - iii. Any Club shall be eligible to advocate to the NZHA (Inc) on behalf of members on any matter, which falls within the rules and regulations of the NZHA (Inc) or is of such a nature that is likely to be in the interests of the NZHA (Inc).

5. ANNUAL MEMBERS

Any person taking an interest in Hereford Cattle, or any company, or corporation intending to breed Hereford Cattle, who shall signify to the Council his or its desire to become a member shall, on approval by the Council, be admitted as an Annual Member and entered on the register of Members. An Annual Member shall pay on admission such entrance fee and thereafter such annual subscription as the Council may from time to time prescribe. Annual Subscriptions will be payable in advance on the first day of the Association's financial year.

6. YOUTH MEMBERSHIP

As of 1 October 2015, NZHA YOUTH MEMBERSHIP rule states -

Any person between the ages of 10 and up to and including the age of 25 taking an interest in Hereford Cattle or intending to breed Hereford Cattle to a maximum ownership of ten female cattle, who shall signify to the Council their desire to become a member, and who shall, on approval by the Council, be admitted as a Youth Member and entered on the register of Members. A Youth Member shall pay on admission an entrance fee and thereafter such annual subscription of \$57.50 (GST incl.) or any other sum as the Council may from time to time prescribe. Annual subscriptions shall be payable in advance on the first day of the Association's financial year.

7. ASSOCIATE MEMBER

Any person, company or corporation taking an interest in Hereford Cattle who shall signify to the Council his or its desire to become an Associate, shall on approval by the Council be admitted as an Associate Member and entered on the register of Members. An Associate Member shall pay on admission such entrance fee and thereafter such annual subscription as the Council may from time to time prescribe. Annual Subscriptions shall be payable in advance on the first day of the Association's Financial Year. An Associate Member shall be entitled to a copy of the Herd Book of the Association upon payment of such charge as the Council may from time to time prescribe. An Associate Member shall not be entitled to vote at any meeting of the Association nor shall be eligible to hold office in the Association.

8. OVERSEAS MEMBERS

Any person, company or corporation residing outside New Zealand taking an interest in Hereford Cattle who shall signify to the Council his or its desire to become a member, shall on approval by the Council be admitted as an Overseas Member and entered on the register of Members. An Overseas Member shall pay on admission such entrance fee and thereafter such annual subscription as the Council may from time to time prescribe. Annual subscriptions shall be payable in advance on the first day of the Association's financial year.

9. LIFE MEMBERS

Life Membership may be granted by the Council to any member upon payment of such fee as may from time to time be determined by the Council. A Life Member shall not be required to pay any further annual subscriptions and shall be entitled to vote and hold office as if he were an annual member.

10. HONORARY LIFE MEMBERS, HONORARY LIFE COUNCILLORS & NZHA FELLOWSHIPS

a. Honorary Life Members and Honorary Life Councillors

The Council may at any time elect as an Honorary Life Member or Honorary Life Councillor of the Association any person whom they consider to have materially advanced the objects of the Association. Honorary Life Members and Honorary Life Councillors shall not be required to pay any further annual subscriptions, but as such they shall not be eligible to hold office or to vote at any meeting or Council meeting of the Association; provided that if an Honorary Life Member or an Honorary Life

Councillor is an owner or part owner of a herd of Hereford Cattle registered by the Association he shall have the same rights to vote and to hold office as an annual member.

b. NZHA Fellowships

The New Zealand Hereford Association intends to honour those individuals, recognised as leaders in the development and progression of the Hereford breed within NZ.

This honour is not to be limited to Hereford Association breeders and will include for consideration and recognition, those persons affiliated to the NZ Hereford industry who have made outstanding contributions to the breed. (For example Elected representatives, Scientists, Livestock specialists, Meat processors). An NZHA Fellowship is to be considered the most prestigious award granted by the Association and will be awarded at the discretion of the presiding NZHA Council.

Fellows will be presented with a 'Fellowship of the NZHA' scroll and their name will be added to the NZHA Fellowship roll, printed in the annual edition of the NZHA Herd Book. This honour and listing will be in perpetuity.

11. RIGHTS OF MEMBERS PERSONAL

The rights and privileges of every member of the Association shall be personal to himself, and shall not be transferable or transmissible, either by his own act or by operation of law.

12. RESIGNATION OF MEMBERS

Any member may at any time retire from the Association on giving notice in writing to that effect to the Secretary provided that if he be an annual member or a life member he shall be liable for and required to pay any subscriptions or other payments which may be due from him, and unpaid at the date of his retirement.

13. REMOVAL OF MEMBERS

- a. Any member of the Association wilfully infringing any of the rules of the Association, or any rule, regulation or by-law made by the Council, and for the time being in force, or being guilty of conduct derogatory to the character or prejudicial to the Association shall be answerable to the Council, who may in their discretion either –
- b. Fine that member (hereinafter referred to as the "offender") any sum not exceeding \$200.00 after having given the offender reasonable notice of the charge made against him and after having afforded the offender a reasonable opportunity of answering such charge and explaining his conduct either orally or in writing, and if the offender shall fail to pay the amount of such fine within a time to be fixed by the Council and notified of the offender then the offender shall, ipso facto, cease to be a member of the Association, or –
- c. If, in the opinion of the Council, the interests of the Association so require, the Council may give notice to the offender to resign from membership of the Association, within a time to be limited in the notice. Should the offender fail to resign from membership of the Association within the time limited as aforesaid the Council shall call a Special

General Meeting of members to consider the conduct of the offender. Such meeting shall be held within forty-two days from the expiration of the period within which the offender will have been invited to resign. At such Special General Meeting at least fourteen (14) days' notice whereof shall have been given to the offender briefly setting out the charge made against the offender, the offender shall be given an opportunity of answering such charge and explaining his conduct either orally or in writing. With the consent of the meeting evidence may be called either in support of or in refutation of the charge against the offender. If, at such Special General Meeting a resolution be submitted that the offender be forthwith expelled from the Association such resolution shall not be deemed to be carried unless at least two-thirds of the members personally present and entitled to vote at such Special General Meeting shall have voted in favour of such resolution, and if such resolution be carried by the requisite majority, then the offender shall forthwith cease to be a member of the Association.

- d. Any person ceasing to be a member of the Association in consequence of the provisions of this rule, shall thereupon forfeit all his rights and claim (if any) to and upon the property and funds of the Association, and his herd or herds, and any herd or herds over which in the opinion of the Council he appears to have effective control or any part thereof may at circumstances be eligible to again become a member of the Association.

14. SUBSCRIPTIONS IN ARREARS

The Association may sue for and recover unpaid subscriptions, fees and fines. If any member should be in arrears with his subscription fees or any sum due to the Association for more than twelve months, particulars of such member's herd shall be omitted from the Herd Book and if such default should continue for more than two years, such defaulting member shall cease to be a member of the Association, his herd shall be expunged from the Herd Book and for five years thereafter he shall not be eligible to again become a member of the Association.

15. MANAGEMENT AND COUNCIL

Councillors shall be elected from and by the eligible members of the Association in the manner herein provided. Councillors shall be elected to the Council for a term of two years. Each Councillor shall be an owner or part owner of a herd of Hereford Cattle registered by the Association. The Council shall consist of a minimum of seven (7) members and a maximum of twelve (12) members. The inter-island ratio of Councillors shall be determined at the discretion of the Council, provided that where the Council is to consist of seven (7) Councillors, the ratio of North Island resident Councillors to South Island resident Councillors shall be 4:3, and where the Council is to consist of twelve (12) Councillors, the ratio of North Island resident Councillors to South Island resident Councillors shall be 7:5.

16. ELECTION OF COUNCILLORS

At the Annual General Meeting in 2016 and in each year thereafter, those Councillors who have served their term in office shall retire from office. A retiring Councillor shall in all cases be eligible for re-election. Nominations of retiring Councillors are to be submitted to the Secretary in writing at least six (6) weeks prior to the date of the Annual General Meeting in which the member is proposed. The consent of the member nominated will have first been obtained in writing.

17. MANNER OF ELECTING NEW COUNCILLORS

The mode of election of Councillors shall be as follows: The Council shall, with the notice convening the Annual General Meeting cause to be sent to every member in each Island of New Zealand, a ballot paper in a form approved by the Council containing the names of all candidates who have been proposed for election to the Council from the Island in which such member resides, and indicating the number of vacancies to be filled. Such ballot paper shall be completed and returned to the Council by a date fixed by the Council and must leave uncanceled neither more nor less names than the number of vacancies to be filled. The Council shall appoint two scrutineers to inspect and count the ballot papers and report in writing to the Chairman of the Annual General Meeting that year the number of votes polled by each candidate from each Island for election. The vacancies in the Council shall be filled by the candidates from each Island gaining the highest number of votes and they shall be declared elected by the Chairman of the Annual Meeting and shall be members of the Council thereafter and the ballot papers and report shall be forthwith destroyed by the Scrutineers. In case of equality of votes rendering doubtful the election of any candidate the names of candidates who have an equal number of votes shall be submitted to the Annual Meeting and a second ballot shall be taken at the Annual Meeting. Any member may propose the name of any member or members for election to the Council by submitting the name to the Secretary in writing six weeks prior to the AGM

In the year in which the member is proposed, provided that the consent of the member nominated will have first been obtained in writing. All names so submitted for nomination shall be included on the ballot paper for Councillors resident in the Island in which the member nominated resides.

18. ELECTION OF PRESIDENT, A VICE-PRESIDENT AND TREASURER

There shall be a President, a Vice-President and a Treasurer elected by the Council from their number at a meeting of the Council held each year immediately following the Annual General Meeting of the Association. The President, Vice- President and Treasurer shall hold the office of President, Vice-President or Treasurer for a term of one year until the election of their successors. The President may be re-elected by the Council to the office of President at the end of their term for a further one year to a maximum for four years. If the number of candidates nominated for election as President, Vice-President or Treasurer respectively should exceed the number of positions to be filled, then a secret ballot or secret ballots shall be taken by the Council.

19. MANNER OF FILLING VACANCIES ON THE COUNCIL BETWEEN ANNUAL MEETINGS

Any vacancies which may occur in the offices of President, Vice-President, Treasurer or in the Council between Annual Meetings may be filled up by the Council, and any person so elected by the Council shall retain his office until the next succeeding Annual Meeting only and the filling of each vacancy in accordance with this Rule shall be restricted to a member resident in the Island in which the Councillor whose position is vacant resided.

20. CONSTITUTION OF COUNCIL

The Council shall be deemed to be duly constituted and shall continue to possess all the powers herein stated, notwithstanding any vacancies in its body, but such vacancies shall be filled up as soon as, in the judgement of the Council may be possible and expedient, in the manner provided in the preceding Rule.

21. QUORUM OF COUNCIL

The quorum of the Council shall be five.

22. POWERS AND DUTIES OF THE COUNCIL

The Council shall exercise all the power and perform all the duties for which the Association has been established, and shall have full power to do all such things as may be incidental or conducive to the attainment of the objects of the Association mentioned in the rules.

23. In particular, but without prejudice to the last preceding rule and subject to the provisions of these rules, the Council shall have and may exercise and perform the following powers and duties.

- a. They may from time to time convene and hold General Meetings of the Association.
- b. They may from time to time make, alter, enforce and rescind rules, regulations and by-laws for registering the names and addresses of members; for registering Hereford Cattle and pedigrees thereof; for registration of prefixes for herds of Hereford Cattle; for the conduct of sales, examinations, tests and inspections of Hereford Cattle; for the issue of Export Certificates for Hereford Cattle to be exported from New Zealand; for conducting the business and carrying out the objects of the Association and for conducting the business of the Council, and they may impose fines for breach of any rules, regulations and by-laws, provided nevertheless that no resolution of the Council shall be varied or rescinded unless the resolution varying or rescinding the same be passed at one meeting of the Council and confirmed at a subsequent meeting.
- c. They may delegate any of their powers or duties (except the appointment and removal of members of their body, and of the Association) to Committees of any number of members of their body, and from time to time make, alter and rescind rules, regulations and by-laws for conducting the business delegated to such Committees.
- d. They may acquire for the Association any pedigrees or publications with the copyright therein respectively (if any) the possession of which they may deem likely to be in any way advantageous to the Association; and may establish any new publications devoted to or bearing on any object of the Association. The Copyright of every

publication acquired or established by or on behalf of the Association shall be vested in the Association.

- e. They may continue any contract with the printers or publishers of any publication acquired by the Association that may be subsisting at the date of such acquisition and may enter into and make any new or altered contracts, or arrangements with the same or any other printers and publishers, for the printing, publication, distribution, sale or management of such acquired publication or of any publication whatsoever of the Association.
- f. They may from time to time regulate the nature, form and contents of, and also the terms and conditions as to entries in, and also the time and mode and terms of issue of any publication of the Association and all arrangements and details connected therewith, and in particular they shall have the power, so far as they may not be fettered by any subsisting contract or engagement, from time to time to fix and alter the price of any publication of the Association and the charges to be levied for the insertion therein of entries relating to Hereford Cattle and other matters.
- g. They may fix and collect annual or other subscriptions, fees and fines payable by members of the Association or any subscriptions or fees payable by any other person or persons in payment for any publication of or service rendered by the Association, and they may make arrangements for supplying any such publication to any member or other person during his life or for any other period, on the terms of receiving a lump sum of money in advance, or on such terms as they may think fit. They may from time to time levy from members for any of the purposes of the Association (and in addition to the subscriptions mentioned in rules 5 thru 8) such money contributions from each member in any one year, as they may think fit, subject to the approval of the Annual General Meeting.
- h. They may, subject to the provisions of the Incorporated Societies Act 1908, purchase, hire or take on lease for the purpose of the Association, any lands, tenements, houses or parts of houses and chattels and they may sell, let bail dispose of the same when and as they may think fit.
- i. They may from time to time appoint, employ and remove a Secretary from the Association, an Editor or Editors of any publication of the Association, or any other officers, clerks and servants at such salaries and wages respectively, with such respective duties and spheres of employment and generally upon such terms as they may think fit.
- j. They may borrow money for the purpose of the Association at such rate of interest and upon such terms and conditions as the Council may think proper and may give security for any such moneys upon any property of the Association.
- k. They may place any moneys of the Association not required for immediate use upon de-posit at interest at some bank and they may invest any such money and generally deal with the property of the Association in such manner as they think fit and may for the time being be empowered to do under these Rules.
- l. They may from time to time appoint and dismiss judges and the appointment or dismissal of any judge shall be in writing signed by the Secretary.
- m. They may from time to time appoint and dismiss inspectors with such powers and authorities as may be authorised by these Rules and defined by the Council.

24. MEETINGS

In each year the Council shall convene and hold an Annual General Meeting of the Association in such month, and on such day and at such place as they shall from time to time appoint.

25. The above-mentioned General Meetings shall be called Annual General Meetings; all other General Meetings shall be called Extraordinary General Meetings. Of all General Meetings, twenty-one days' notice shall be given to members.
26. The Council may, whenever they think fit, and they shall upon a requisition made in writing by not less than one-tenth in number of the members of the Association, convene an Extraordinary General Meeting.
27. Any requisition made by members shall express the object of the meeting to be called, and shall be left at the registered office of the Association.
28. Upon receipt of such requisition the Council shall forthwith proceed to convene an Extraordinary General Meeting. If the Council do not proceed to convene the same within twenty days from the date of the requisition, the requisitionists may themselves convene an Extraordinary General Meeting.
29. Any meeting may be adjourned as the members present thereat shall resolve.
30. The President of the Association or in his absence, a Vice-President, or in their absence any member then elected for the purpose, by the members present shall take the chair at all meetings.
- a. Except as herein expressly provided to the contrary all questions and matters brought before General Meetings of the Association shall be decided by a majority of votes of the members present and entitled to vote, each financial member having one vote and, in the case of equality of votes, the Chairman of the Meeting shall have a second or casting vote in addition to his vote as a member.
- b. All elections of Councillors of the NZHA shall be decided by a majority of votes of the members entitled to vote and voting, each financial member having the number of votes prescribed below based on the registered herd size of each member at the date of the vote and, in the case of equality of votes, the Chairman of the Meeting shall have a second or casting vote in addition to his vote/s as a member.
- Votes Allocated to Members based on registered herd size at the date of the vote:
- | | |
|-------------|-----------------|
| 1-50 Cows | 1 Vote |
| 51-200 Cows | 2 Votes |
| 201+ Cows | 3 Votes maximum |
- c. All questions and matters relating to the alteration of the NZHA Constitution shall be decided by a majority of votes of the members entitled to vote and voting, each financial

member having the number of votes prescribed below based on the registered herd size of each member at the date of the vote and, in the case of equality of votes, the Chairman of the Meeting shall have a second or casting vote in addition to his vote/s as a member. Votes Allocated to Members based on registered herd size at the date of the vote:

1-50 Cows	1 Vote
51-200 Cows	2 Votes
201+ Cows	3 Votes maximum

- 31.** If the membership of the Association shall be forty or less then at a General Meeting ten members present entitled to vote shall form a quorum, and so long as the membership of the Association shall exceed forty then at General Meetings one-tenth part of the membership shall form a quorum, but not less than ten (10) members.

32. MINUTE BOOK

The minute books of the Association shall be open to the inspection of member's at all reasonable times.

33. NOTICES

A notice may be served by or on behalf of the Association, upon a member personally or by sending through the post in a prepaid letter, addressed to the member at his registered place of abode.

34. ALTERATION OF RULES

- a. From the 2015 Annual General Meeting, these Rules may only be modified, rescinded or added to by way of a postal or online voting process at the discretion of the Council.
- b. Where the Council determines to conduct a postal or online voting process under this rule, the Secretary shall give notice of every proposed alteration to all members not later than twenty-eight (28) days before the date fixed by the Council for the closing of votes and such notice shall give particulars of the date and time for the close of voting, details on the method of voting and how to vote, and full particulars of the proposed alteration.
- c. Postal or online votes must be returned or submitted to the Secretary by the date set by the Council which shall not be less than fourteen (14) days after the notice of the proposed changes and voting forms are sent to members. The Council shall appoint two scrutineers to inspect the votes and to count the votes validly recorded and the scrutineers shall report in writing to the Secretary the number of votes for and against the proposed alteration.
- d. Voting rights of each member shall be as prescribed in rule 31(c). No proposed alteration to the rules shall take effect unless it be approved by not less than two-thirds of the members entitled to vote and voting. The results of the postal or online voting process shall be provided by the Secretary in writing to the members as determined by the Council.
- e. No addition to or alteration of the non-profit aims, personal benefit clause or the winding up clause shall be altered without the approval of the Inland Revenue

Department and the provisions and effect of this clause shall not be removed from this document and shall be included and implied into any document replacing this document.

35. HOW INCOME AND FUNDS OF ASSOCIATION MUST BE APPLIED

- a. The income and property of the Association, from whatever source derived, shall be applied solely towards the promotion of the objects of the Association, as set forth in the Rules, and no part thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever, by way of profit to members of the Association or any of them, provided that nothing herein contained shall prevent the payment in good faith of remuneration to any salaried Officer, nor the award of any prize given by the Association, to any member, or prevent the bona fide borrowing of money by the Association from any member thereof at any rate of interest approved by the Council.
- b. Personal Benefit Clause. No member of the organisation or any person associated with a member shall participate in or materially influence any decision made by the organisation in respect of the payment to or on behalf of that member or associated person of any income, benefit, of 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).

36. HOW FUNDS TO BE APPLIED

The funds of the Association shall be applied as follows, namely:

- a. In payment of the legal and other preliminary expenses incurred in the formation of the Association.
- b. In payment of the current expenses and other disbursements of the Council in the conduct of the business of the Association or in relation thereto.
- c. In payment of the salaries and wages of the Secretary, Editor or Editors, and other Officers, clerks and servants for the time being of the Association.
- d. In defraying all expenses of or connected with the printing, publication, sale and distribution of the publications of the Association.
- e. In paying the purchase money or rent of any house, lands, goods, chattels, or effects purchased or hired by the Association, or any repairs or other outgoings in respect of such premises, and in paying for any other property acquired by the Association.
- f. In payment of the interest and repayment of principal of any moneys borrowed by the Association, or in constituting a reserve fund to meet future contingencies or in reducing the price charged for any publication of the Association or generally upon or for any object or purpose expressed or implied by the rules; but the Council shall have power (subject always to the provisions of the rule 32 hereof and to subsisting engagements) from time to time to vary the application of the funds of the Association in such a manner as they shall think fit.

37. ACCOUNTS AND AUDIT

True accounts shall be kept of all sums of money received and expended by the Association, and the matters in respect of which receipts and expenditure take place, and of the assets, credits and liabilities of the Association in books of account, which shall be

kept at the registered office of the Association, or at such other place as the Council may think fit. At the Annual General Meeting in each year, an Auditor shall be appointed by resolution, which shall hold office till the next Annual General Meeting and shall be eligible for re-election. Each year prior to each Annual General Meeting the Auditor shall audit the accounts of the Association and a statement showing the financial position of the Association. The accounts and statement on being examined and certificated by the Auditor, shall be sent to each member, and such statements shall be laid before the Annual General Meeting

38. SECRETARY

The Secretary shall keep the books of the Association, and conduct the correspondence, attend all meetings, and receive members' subscriptions and enter up the minutes of all meetings and shall pay all moneys received for or on account of the Association to the credit of the Association in such Bank as the Council shall direct.

39. INSPECTORS

The Council may from time to time appoint and dismiss as Inspectors one or more competent men who must in each case be a member of the Association. In no circumstances whatsoever shall any member have any claim for damages, costs, compensation or otherwise howsoever arising in consequence of any decision or act of any Inspector acting under these rules or any rule, regulation or by-law purporting to be made under these rules or acting under the direction of the Council.

40. TREASURER

The Treasurer shall check and sign all accounts of the Association.

41. SEAL

The Association shall have a common seal bearing the words: "The Common Seal of The New Zealand Hereford Association Incorporated," which seal shall be affixed to all deeds and documents required to be sealed and to all notices required to be authenticated. Such seal, when required to be affixed to any deed or document shall be affixed thereto by two members of the Council of the Association in the presence of the Secretary and such seal shall be kept at the registered office of the Association in the custody of the Secretary.

42. LIABILITY OF MEMBERS

The payment by any member of the annual subscription for which he is liable shall be a distinct acknowledgement on his part of submission to and acquiescence in all rules, regulations and by-laws of the Association.

43. INDEMNITY

All applicants for registration, inspection, examination or testing of any cattle shall by virtue of such applications undertake to indemnify and shall with every other like applicant be deemed to have undertaken to indemnify the Council of the Association and the individual members thereof or officers of the Association or any of them against any action or damages in respect of anything done or purported to have been done in

accordance with these rules, or, of anything omitted to be done thereunder arising out of or incidental to such application.

44. WINDING-UP

A majority of the members present at a General Meeting specially convened for the purpose the quorum for which meeting shall be not less than twenty members entitled to vote and due notice whereof shall have been given as hereinbefore provided, may resolve that the Association be dissolved as from the date to be named by such resolution and may also after payment of all debts and liabilities of the Association direct the methods of disposing of the balance of the funds and property of the Association after the dissolution thereof provided such resolutions shall be confirmed by a similar majority at a further General Meeting of the Association (the quorum of which shall be not less than twenty (20) members) to be called as hereinbefore provided not earlier than thirty (30) days after the date on which the resolution to be confirmed was passed.

45. DISTRIBUTION OF BALANCE AFTER WINDING-UP ASSOCIATION

If upon the dissolution of the Association there remains after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Association, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Association, to be determined by the members of the Association at or before the time of dissolution, or in default thereof by such Judge of the Supreme Court as may have or acquire jurisdiction in the matter.

46. INDEBTEDNESS CLAUSE

(Refers to all groups i.e. Hereford Clubs affiliated to the NZHA).

It is acknowledged that the group is a non-voting member of the New Zealand Hereford Association Incorporated. The group is in no way a representative, agent, partner or joint venture of the New Zealand Hereford Association Incorporated and is not authorised to transact business, incur any obligations including any debt in the name of New Zealand Hereford Association Incorporated nor make any promise, warranty or representation on behalf of New Zealand Association Incorporated and New Zealand Hereford Association Incorporated shall not be bound by any act or conduct of the group.

For the avoidance of doubt, New Zealand Hereford Association Incorporated shall not be responsible for any indebtedness of the group.