

# CONSTITUTION OF NEW ZEALAND HEREFORD ASSOCIATION INCORPORATED

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LAWYERS

# CONSTITUTION OF NEW ZEALAND HEREFORD ASSOCIATION INCORPORATED

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

## 1.0 THE ASSOCIATION

### The Association

**1.1** The name of the *Association* is **New Zealand Hereford Association Incorporated**.

**1.2** The *Association* was incorporated on 30 July 1983 under the Incorporated Societies Act 1908.

### Association Purposes and Powers

**1.3** The primary purposes of the *Association* are to:

- (a) Promote and foster appreciation of the breed of cattle generally known as Herefords, and
- (b) Provide support and services for NZHA members.

**1.4** The *Association* must not operate for the purpose of, or with the effect of:

- (a) Any *Member* of the *Association* deriving any personal financial gain from membership of the *Association*, other than as may be permitted by law, or
- (b) Returning all or part of the surplus generated by the *Association's* operations to *Members*, in money or in kind, or
- (c) Conferring any kind of ownership in the *Association's* assets on *Members*, but the *Association* would not operate for the financial gain of *Members* in breach of the *Statute* simply if the *Association*:
  - (i) Engages in trade,
  - (ii) Pays a not-for-profit *Member* (namely, a member that is a body corporate that is not, carried on for the private pecuniary profit of any individual) for matters that are incidental to the purposes of the *Association*,
  - (iii) Reimburses a *Member* for reasonable expenses legitimately incurred on behalf of the *Association* or while pursuing the *Association's* purposes,
  - (iv) Provides benefits to members of the public or of a class of the public and those persons include *Members* or their families,
  - (v) Pays a *Member* a salary or wages or other payments for services to the *Association* on arm's length terms (terms reasonable in the circumstances if the parties were connected or related only by the transaction in question, each acting independently, and each acting in its own best interests, or are terms less favourable to the *Member* than those terms), or
  - (vi) Provides a *Member* with incidental benefits (for example, trophies, prizes, or discounts on products or services) in accordance with the purposes of the *Association*.

**1.5** Despite Rules 1.3-1.5:

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

**1.6** Subject to Rules 1.3-1.5, the *Association* shall have power:

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

### Interpretation of this Constitution

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

- (a) “*Associated Person*” means a person who is a spouse, partner, parent, child, close personal friend, business associate (partner, director, officer, board member, or trustee of a person), employer or employee of a *Member*,
- (b) “*Association*” is the Association referred to in Rule 1.1,
- (c) “*clear days*” means complete days excluding the first and last-named days (for instance, excluding the date a notice of meeting is posted or transmitted and the date of the meeting),
- (d) “*complaint*” means an allegation that the conduct or discipline of any *Member(s)* has/have fallen short of expected standards of conduct for *Association Members*, and the *complaint* may allege:
  - (i) A breach or failure to observe a specific *Association* Rule, by-law or policy, and/or
  - (ii) Other misconduct likely to cause distress, embarrassment or concern to other *Members* or members of the public or tend to damage the reputation of the *Association*,

BUT the *Association* is not concerned with *Members’* conduct outside of or away from *Association* activities, unless there is some identifiable connection with the *Association*, or the reputation of the *Association* may be affected, or both.
- (e) “*Entitled Member*” means a *Member* entitled to exercise membership rights under Rule 2.7(b) and a Life *Member*.
- (f) “*Council*” means the *Association’s* governing body referred to in Rule 4.1,
- (g) “*Council member*” includes the *Association’s* President, Vice-President, Treasurer and other *Council members* elected under Rule 4.3, appointed under Rule 4.5, or co-opted under Rule 5.5,
- (h) “*Database*” is the recording system for *Hereford* cattle maintained pursuant to Rule 1.8(b),
- (i) “*General Manager*” means the person or company delegated powers and duties pursuant to Rule 5.16.
- (j) “*grievance*” means a formal concern raised by a *Member* relating to the *Member’s* rights and interests as a member which the *Member* considers is affecting the *Member* in a significant (not trivial or incidental) way, and the effect on the *Member* or other affected *Members* may not necessarily include financial losses or costs to the *Members*, but a *Member* raising a grievance should be able to point to a significant negative effect on that *Member*, or on other *Members* in similar circumstances, or on all *Members*.
- (k) “*Hereford*” is a description of a breed of cattle generally known as *Herefords*, but the *Association* recognises that:
  - (i) *Hereford* cattle have, as a result of selective breeding of cattle over many generations, become established as a generally acknowledged breed of cattle,
  - (ii) Modern testing methods may identify some cattle within a breed line that may not in fact be *Hereford* cattle or may not be pure *Hereford* cattle, but

- (iii) If such beasts or the progeny of such beasts conform to those characteristics generally associated with *Hereford* cattle the lack of total purity should not necessarily disqualify such beasts or their progeny from being regarded as *Hereford* cattle,
  - (l) “*Member*” is a Member or Life Member,
  - (m) “*Membership Register*” is the register of *Members* kept under Rule 2.5(a),
  - (n) “*Patron*” is a person elected to that position under Rule 3.2(f) because that person supports the *Association’s* purposes in some significant way,
  - (o) “*Register of Disclosures*” is the Register referred to in Rule 5.8(b),
  - (p) “*remote ballot*” is a ballot held in accordance with the procedures set out in Rule 3.18,
  - (q) “*Statute*” means the Incorporated Societies Act 1908 or any statute passed in substitution of the same, including amendments to it from time to time,
  - (r) “*working day*” means any day of the week other than a Saturday, Sunday, or national statutory holiday, and
  - (s) “*written notice*” means communication by post, electronic means (including email, and website posting), or advertisement in periodicals, or a combination of these methods.
- 1.8** Subject to Rules 1.3-1.5, in addition to its statutory powers, the *Association*:
- (a) May invest in improved methods to assess and record cattle beasts generally known as *Herefords*,
  - (b) Shall maintain and improve records of the breed of cattle generally known as *Herefords* in New Zealand for the benefit of its members and the public, and for that purpose:
    - (i) Arrange for the testing and examination of cattle belonging to Members to determine their type, fertility, health and general condition,
    - (ii) May co-operate with equivalent overseas organisations whose purposes are similar to those of the Association, and
    - (iii) May by means of regulations, bylaws or policies made under Rule 5.12 establish:
      - Methods of testing cattle to establish the integrity of cattle believed to be *Herefords* which are recorded in the *Database* or which a *Member* seeks to register in the *Database*,
      - Criteria for inclusion, exclusion and removal of beasts from the *Database*, and
      - Procedures to resolve disputes about whether beasts are or are not *Herefords* and about processes and decisions concerning the inclusion, exclusion and removal of beasts from the *Database*.
  - (c) May employ or engage people to assist in undertaking the tasks necessary to achieve its purposes and, specifically, the activities referred to in Rule 1.8(a) and (b).
  - (d) May use its funds to pay the costs and expenses to advance or carry out its purposes, and to employ or contract with such people as may be appropriate,
  - (e) May invest in any investment in which a trustee might invest, and
  - (f) Shall have power to borrow or raise money by debenture, bonds, mortgage and other means with or without security, but such borrowing powers shall not be exercised other than by resolution of a General Meeting of which proposed resolution at least ten *clear days’ written notice* was given to all *Entitled Members* in accordance with Rules 3.7 and 3.8.
- 1.9** No *Member* or any *Associated Person* shall participate in or materially influence any decision made by the *Association* relating to the payment to or on behalf of that *Member* or *Associated Person* of any income, benefit or advantage whatsoever.
- 1.10** Despite any other provision in this constitution, *Council members*, and its sub-committee members:

- (a) May be offered such honoraria as may be approved by resolution of a General Meeting, and
  - (b) Shall be entitled to be reimbursed by the *Association* for any reasonable actual expenses incurred by them on behalf of the *Association* as approved by resolution of the *Council*.
- 1.11 The *Association* may, subject to the provisions of the Statute, indemnify *Members* and employees who act in good faith in seeking to advance the *Association's* activities, and to take insurance for the purposes of that indemnity, but no such indemnity or insurance shall be provided where a *Member* or employee is criminally liable for the actions or inaction in respect of which indemnity or insurance is sought.
- 1.12 In this constitution, unless the context otherwise requires:
- (a) Any word or phrase identifying a person extends to and includes the executors, administrators, successors and assignees of that person,
  - (b) The singular number includes the plural and *vice versa* and words indicating one gender include the other genders,
  - (c) Reference to any Act extends to and includes any statutory or other modification or re-enactment thereof and any other like provision for the time being in force in New Zealand, and
  - (d) The headings of the Rules in this constitution will not affect the interpretation given to it.

## 2.0 MEMBERSHIP AND HONOURS

### Membership

- 2.1 The *Association* shall maintain the minimum number of members required by the *Statute*.
- 2.2 The classes of membership and the method by which *Members* are admitted to different classes of membership are as follows:
- (a) **Active Member** An Active Member is an individual or body corporate with an interest in Hereford cattle admitted to membership under Rule 2.3 and who or which has not ceased to be a Member under any other Rule, but does not include an Associate, Life or Honorary Member.
  - (b) **Youth Member** A Youth Member is an individual of 10 years old to that of, or under the age of 30 with an interest in Hereford cattle and has a maximum ownership of 10 female cattle admitted to membership under Rule 2.3 and who or which has not ceased to be a Member under any other Rule.
  - (c) **Associate Member** An Associate Member is an individual or organisation (incorporated or unincorporated) admitted to membership under Rule 2.3 and who or which has not ceased to be a Member under any other Rule. An Associate Member shall be entitled to a copy of or access to the *Database* on payment of such charge as may be set by the Council, but otherwise has no membership rights, privileges or duties.
  - (d) **Overseas Member** An Overseas Member is an individual or organisation (incorporated or unincorporated) with an interest in Hereford cattle admitted to membership under Rule 2.3 and who or which has not ceased to be a Member under any other Rule. An Overseas Member shall pay such application fee and annual subscription as shall be set by the Council, but otherwise has no membership rights, privileges or duties.
  - (e) **Life Member** A Life Member is a person honoured for highly valued services to the Association elected as a Life Member by resolution of the Council. A Life Member shall have all the rights and privileges of a financial Active Member and shall be subject to all the duties of an Active Member except those of paying subscriptions and levies.

- (f) **Honorary Member** An Honorary Member is a person honoured for services to the Association or in an associated field elected as an Honorary Member by resolution of the Council. An Honorary Member has no membership rights, privileges or duties.

### 2.3 Admission of Members:

- (a) Every *Member* must expressly consent to becoming a *Member* (the consent of a body corporate or partnership to become a *Member* may be given on its behalf by two (2) directors or partners, or if it is a company with only one (1) director, by that director), and an applicant for membership as a *Member* shall complete any application form provided by the *Council*, pay any application fee fixed the *Council*, and supply such information as may be required by the *Council*.
- (b) Membership applications shall be considered by the *Council* which may interview an applicant or representative/s of a body corporate or partnership applicant.
- (c) The *Council* shall have a discretion whether or not to admit a membership applicant, and shall advise the applicant of its decision (but shall not be required to provide reasons for that decision), and a successful applicant shall immediately pay the annual subscription or such proportion of it as may be specified by the *Council*.

### 2.4 Readmission of former Members:

- (a) Any former *Member* may apply for re-admission in the manner prescribed for new applicants, and may be re-admitted only by resolution of the *Council*.
- (b) However, if a former *Member's* membership was terminated pursuant to the processes under Rule 2.17 the applicant may be re-admitted only by a General Meeting on the recommendation of the *Council*.

### Membership Register

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

- (a) Keep an up-to-date *Membership Register* of *Members* (including Life, Honorary and Supporting *Members*) recording their names, postal and email addresses, phone numbers, occupations, the dates each *Member* became a *Member*, and whether or not the *Member* is financial under Rule 2.13,
- (b) On reasonable notice and at reasonable times:
- (i) Make available for inspection by *Entitled Members* copies of this constitution and of any *Association* bylaws or policies, and copies shall be provided (at a reasonable cost) to any *Entitled Member* on request,
  - (ii) Permit *Council Members* and *Entitled Members* to inspect the *Membership Register*,
  - (iii) Permit *Council Members* and *Entitled Members* to inspect the *Register of Disclosures*, and
  - (iv) Provide *Entitled Members* with access to the financial statements presented to the last Annual General Meeting and the minutes of any previous General Meetings.

#### 2.6 Every *Member* (including Life, Honorary and Supporting *Members*) shall advise the *General Manager* of any change of name, postal and email address, phone number, and occupation.

#### 2.7 Membership obligations and rights:

- (a) All *Members* (including *Council members*) shall promote the interests and purposes of the *Association* and shall do nothing to bring the *Association* into disrepute.
- (b) A *Member* is entitled to exercise the rights of membership (including attending and voting at General Meetings, accessing or using the *Association's* premises, facilities, equipment and other property) only if all subscriptions and any other fees have been paid by due date (see Rule 2.13), but no *Member* or *Life Member* is liable for an obligation of the *Association* by reason only of being a *Member*.

- (c) Any *Member* that is a body corporate or partnership admitted to membership under Rule 2.3 shall provide the *General Manager* with the name and contact details of the person who is the organisation's authorised representative (and Rule 2.6 shall apply to those details), and if the organisation is an *Entitled Member* that person shall be deemed to be the organisation's proxy for the purposes of Rule 3.10 and entitled to vote for that *Member* pursuant to Rule 3.16.
  - (d) Membership does not confer on any *Member* any right, title, or interest (legal or equitable) in the property of the *Association*.
- 2.8** A member is entitled, subject to the provisions of the *Statute*, to access information the *Association* holds about that *Member* (but not about other *Members*).
- 2.9** The *Association* shall be entitled to collect and record information about *Members* for the *Association's* purposes, including information in the *Membership Register* and in the agendas and minutes of *Council* meetings and General Meetings.
- 2.10** The *Council* may decide whether and how *Members* may access or use premises, facilities, equipment or other property owned, occupied or otherwise used by the *Association*, including any conditions of and fees for such access or use.
- 2.11 Honorary Life *Members*, Honorary Life Councillors and NZHA Fellowships:**
- (a) **Honorary Life *Members* and Honorary Life Councillors**
    - (i) The Council may from time to time elect as an Honorary Life *Member* or Honorary Life Councillor of the Association any person they believe has materially advanced the purposes of the Association.
    - (ii) Honorary Life *Members* and Honorary Life Councillors shall not be obliged to pay any further annual subscriptions, but they shall not be eligible to vote at *Association* General or *Council* Meetings unless any such person:
      - Pays the same subscription as an Active *Member*, or
      - Is the owner or part owner of a partnership or company which is an Active *Member*.
  - (b) **NZHA Fellowships**
    - (i) An NZHA Fellowship is the most prestigious award granted by the *Association*.
    - (ii) The Council may from time to time elect as an NZHA Fellow any person recognised as a leader in the development and progression of the Hereford breed in New Zealand.
    - (iii) This honour is not limited to Association Members or Hereford breeders, and may include people associated with the New Zealand Hereford industry who have made outstanding contributions to the breed, including as elected representatives, scientists, livestock specialists, and meat processors.
    - (iv) NZHA Fellows will be presented with a "Fellowship of NZHA" scroll, and their names will be added to the NZHA Fellowship Roll reproduced in the *Database* in perpetuity.
- 2.12 Hereford Clubs:**
- Members* may belong to *Hereford Clubs* around the country, and while such Clubs may be aligned to the purposes of the *Association* the *Association* shall not be responsible or liable for the indebtedness or other liabilities of any Hereford Club.

## Subscriptions and levies

- 2.13** The annual subscription and any other fees for different classes of membership for the then current financial year shall be set by resolution of the *Council* (which can also decide that payment may be made by periodic instalments).
- 2.14** The *Council* or a General Meeting may by resolution impose a levy or levies on *Members* in different classes of membership (except Life and Honorary *Members*) in any financial year up to a maximum totalling 50% of the annual subscription for that year for each class of *Member*.
- 2.15** Any *Member* failing to pay the annual subscription (including any periodic payment), any levy, or any capitation fees, within one calendar month of the date the same was due for payment shall be considered as unfinancial and shall (without being released from the obligation of payment) have no membership rights and shall not be entitled to participate in any *Association* activity or to access or use the *Association's* premises, facilities, equipment and other property until all the arrears are paid. If such arrears are not paid within six months of the due date for payment of the subscription, any other fees, or levy the *Council* may terminate the *Member's* membership (without being required to give prior notice to that *Member*).

### **Member Resignations**

- 2.16** Any *Member* is deemed to have ceased to be a *Member* on death (or if a body corporate on liquidation or if a partnership on dissolution of the partnership), and may resign from that *Member's* class of membership by *written notice* to the *General Manager*, and each such resignation shall take effect on the date of receipt by the *General Manager* or any subsequent date stated in the notice of resignation, and Rule 2.16 shall apply, and Rule 2.18 shall apply. Where a *Member*:
- (a) Dies the executors, trustees or administrators of the deceased *Member's* estate shall, following their advice to the *General Manager* that they are administering the estate, be entitled to exercise the deceased *Member's* rights under this constitution, or
  - (b) If the *Member* is a body corporate that has been placed in receivership or liquidation the receiver or liquidator shall, following their advice to the *General Manager* that they have been appointed, be entitled to exercise the *Member's* rights under this constitution, and
  - (c) If the *Member* is a partnership, on its dissolution *Member's* cattle and herd shall be removed from the *Database* if they have not been transferred to some other *Member* or person or entity who becomes a *Member* within three months of such dissolution.
- 2.17** The *Council* may declare that a *Member* is no longer a *Member* (from the date of that declaration or such date as may be specified) if that *Member* ceases to be qualified to be a *Member* or is convicted of any offence for which a convicted person may be imprisoned, is declared bankrupt, makes a composition with creditors, enters the no asset procedure under the Insolvency Act 2006, or (if a body corporate) is wound up or placed in receivership or liquidation.
- 2.18** When a *Member* resigns or when a *Member's* membership is terminated under this constitution:
- (a) The *Member*:
    - (i) Remains liable to pay all subscriptions, levies and other fees to the end of the *Association's* next balance date under Rule 4.16, and any costs ordered to be paid in respect of any *grievance* or *complaint*,
    - (ii) Shall cease to hold himself or herself out as a *Member* of the *Association*, and
    - (iii) Shall return to the *Association* all material provided to *Members* by the *Association* (including any membership certificate, badges, handbooks and manuals), and
    - (iv) May later re-apply for membership in accordance with Rule 2.3 (in which event the



reasons for the previous termination of membership may be taken into account in considering that application), and

- (v) Shall cease to be entitled to any of the rights of *Association Members*, and
- (b) The former *Member's* cattle and herd shall be removed from the *Database*.

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

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

## **3.0 GENERAL MEETINGS**

### **Annual General Meetings**

**3.1** The Annual General Meeting (which only *Entitled Members* and *Life Members* are entitled to attend) shall be held not later than 8 months after the balance date under Rule 4.16 and not later than 15 months after the previous Annual General Meeting on a date, at a time and at venue/s fixed by the *Council*.

**3.2** The agenda and business of the Annual General Meeting shall include:

- (a) Minutes of the previous General Meeting(s),
- (b) Annual Report of the *Council* on the affairs of the *Association*,
- (c) Financial statements of the *Association* for the most recent financial year,
- (d) Appointment of a member of the New Zealand Association of Accountants who is not a Member to conduct a financial review or audit of the annual accounts of the Association if the Annual General Meeting wishes to make such appointment or if the Association is required by statute to have a review or audit (see also Rule 4.18),
- (e) A summary of the nature and extent of any disclosures or the types of disclosures made by *Council members* of interest in matters being considered by or affecting the *Association*, recorded since the previous Annual General Meeting (see Rule 5.8),
- (f) Election of any Patron(s) (optional), but no Patron is a *Council member* unless elected to the *Council* under Rules 4.1-4.4,
- (g) Election of the *Council* in accordance with Rules 4.1-4.4,
- (h) Motions of which notice has been given under Rule 3.3,
- (i) Approval of any levies on *Members* recommended by the *Council*, and
- (j) General business.

**3.3** Any *Entitled Member* wishing to give notice of any motion for consideration at the Annual General Meeting shall forward *written notice* of the same to the *General Manager* at least 28 *clear days* before the date of the Meeting. The *Council* may consider all such notices of motion and may notify *Entitled Members* of its recommendations in respect of such notices of motion at any time before the Annual General Meeting in accordance with Rule 3.8 or at the Annual General Meeting.

### **Extraordinary General Meetings**

**3.4** Extraordinary General Meetings (which only *Entitled Members* and *Life Members* are entitled to attend) shall be called by:

- (a) The *Council*, or
- (b) Within a calendar month of written requisition to the *General Manager* signed by not less than a tenth of the *Entitled Members* and such requisition must specify the business to be considered by the Extraordinary General Meeting.

- 3.5** An Extraordinary General Meeting shall consider and deal only with the business specified in the *Council's* resolution or the written requisition calling the Meeting.
- 3.6** If the *Council* fails to convene an Extraordinary General Meeting within 21 days of receipt of a written requisition under Rule 3.4(b) those requisitioning the Extraordinary General Meeting may convene it in accordance with the procedures set out in Rules 3.7-3.8.

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

- 3.7** At least 21 *clear days* before any General Meeting the *General Manager* shall, in accordance with Rule 3.8:
- (a)** Give notice to all *Entitled Members* and *Life Members* of the venue/s, date, time and business to be conducted at the General Meeting, and
  - (b)** In the case of Annual General Meetings send all *Entitled Members* copies of the Annual Report, financial statements of the most recent financial year, a list of and information about nominees under Rule 4.3, and notice of any motions and the *Council's* recommendations in respect of any notices of motion.
- 3.8** Notices to *Members* may be given by post, email, or fax and:
- (a)** If sent by email or fax shall be deemed to have been received the day it was sent, and
  - (b)** If sent by post, shall be deemed to have been received the third day after being sent, and the failure for any reason of any *Member* to receive such notice or information shall not invalidate the meeting or its proceedings.

### **Procedure at General Meetings**

- 3.9** General Meetings may be held at two or more venues using any audio, audio and visual, or electronic communication technology that gives each *Entitled Member* attending in person or by proxy a reasonable opportunity to participate.
- 3.10** General Meetings may be attended by all *Entitled Members* in person or by proxy.
- 3.11** If within half an hour after the time appointed for a General Meeting to commence the quorum required under Rule 3.13 is not present the meeting shall stand adjourned for seven days to the same time and venue/s, and if at such adjourned meeting the required quorum under Rule 3.13 is not present those present in person or by proxy (as provided for in Rule 3.10 or if a body corporate or partnership by a representative appointed pursuant to Rule 2.7(c)) shall be deemed to be a sufficient quorum.
- 3.12** An *Entitled Member* shall have the following rights at a General Meeting:
- (a)** An individual *Entitled Member* shall be entitled to attend, speak and vote by a signed original written proxy (an email or copy not being acceptable) in favour of some individual entitled to be present at the meeting and received by or handed to the *General Manager* before the commencement of the General Meeting, and
  - (b)** The person authorised under Rule 2.7(c) by a body corporate or partnership *Entitled Member* shall be entitled to attend, speak and vote on behalf of that body corporate or partnership *Entitled Member*, and no other proxy voting shall be permitted.
- 3.13** The quorum for General Meetings is 10% of *Entitled Members* in attendance in person or by proxy (as provided for in Rule 3.10) or if a body corporate or partnership by a representative appointed pursuant to Rule 2.7(c), when the meeting is called to order and present throughout the meeting. Any decisions made when a quorum is not present are invalid.
- 3.14** Every General Meeting shall be chaired by:
- (a)** The President, or

- (b) In the President's absence, by the Vice-President, or
- (c) In the absence of both of them by some other *Council member* elected for the purpose by the meeting, or
- (d) By some independent person appointed by resolution of the *Council*, or
- (e) Failing the election or appointment of a chairperson under the foregoing provisions, by a person elected for the purpose by the meeting,

and any such chairperson shall have the following powers and discretions:

- (f) To decide the order of business,
- (g) To exercise a deliberative and a casting vote,
- (h) To direct that any person not entitled to be present at the Meeting, obstructing the business of the Meeting, behaving in a disorderly manner, being abusive, or failing to abide by the directions of the chairperson be removed from the Meeting, and
- (i) In the absence of a quorum or in the case of emergency, to adjourn the Meeting or declare it closed.

**3.15** The *Association* by resolution of a General Meeting may adopt a guide to or rules of meeting procedure for General Meetings and *Council* meetings, and in the absence of such a resolution all General Meetings and *Council* meetings shall be conducted in accordance with standard New Zealand meeting procedure.

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

**3.16** An *Entitled Member* is entitled to exercise one vote on any motion at a General Meeting, and voting at a General Meeting shall be by voices or by show of hands or, on demand of the chairperson or of two or more *Entitled Members* present, by secret ballot. Where motion is put to secret ballot at a General Meeting or is the subject of voting by *remote ballot* an *Entitled Member* shall be entitled to exercise votes based on the registered herd size of the *Entitled Member* at the date of the vote:

- (a) 1-50 cows                      1 vote
- (b) 51-200 cows                  2 votes
- (c) 201 or more cows        3 votes (maximum)

**3.17** Unless otherwise required by this constitution, all questions shall be decided by a simple majority of those in attendance in person or by proxy (as provided for in Rule 3.13) and voting at a General Meeting.

**3.18** In respect of *remote ballots* held under this constitution:

- (a) Only *Entitled Members* may vote in any *remote ballot* notified to them in accordance with the procedures under Rule 3.8,
- (b) The resolution to hold a *remote ballot* shall set a closing date and time for ballots to be received by the *General Manager*, but the closing date shall be no earlier than 15 clear days after the date ballot papers are notified to *Entitled Members*,
- (c) In respect of any motion to amend this constitution by *remote ballot*, the motion shall be accompanied by reasons and recommendations from the *Council*, and such motion must be passed by a two-thirds majority of those voting,
- (d) Voting in a *remote ballot* may be by ballots (identifying and signed by the *Entitled Member* voting) returned to the *General Manager* by email, mail, delivery, or fax, or through website voting,
- (e) The *General Manager* shall declare the result of the *remote ballot*,
- (f) The result of any *remote ballot* shall be as effective and binding on *Members* as a resolution passed at a General Meeting, and

- (g) The failure for any reason of any *Entitled Member* to receive any notice relating to a *remote ballot* or of the *General Manager* to receive any completed ballot paper shall not invalidate the result of the *remote ballot*.

**3.19** A resolution passed by the required majority at any General Meeting or by *remote ballot* binds all *Members*, irrespective of whether or not they were present or represented at any General Meeting when the resolution was adopted and whether or not they voted.

**3.20** In respect of elections to *Council* and votes under Rule 7.3 each *Entitled Member* shall have the number of votes set out below based on the registered herd size of that *Entitled Member* at the date of the vote, and, in the case of equality of votes, the chairperson of the meeting shall have a second or casting vote in addition to any vote or votes the chairperson casts as a member:

- |     |                  |                   |
|-----|------------------|-------------------|
| (a) | 1-50 cows        | 1 vote            |
| (b) | 51-200 cows      | 2 votes           |
| (c) | 201 or more cows | 3 votes (maximum) |

#### **4.0 COUNCIL AND OFFICERS**

##### **Constitution and election of Council**

**4.1** At least two calendar months before the date of each Annual General Meeting the *Council* shall determine:

- (a) The size of the *Council* for the year following the Annual General Meeting, being no fewer than 7 *Council* members and no more than 12 *Council* members, and
- (b) There shall always be a minimum of 3 *Council* members from each of the North and South Islands, provided that if the number of *Council* members from either Island is less than 3 the *Council* shall as soon as practicable appoint sufficient additional *Council* members from that Island to achieve that minimum.

**4.2** Nominees for election must be *Entitled Members* who own or part-own a herd of *Hereford* cattle recorded in the *Database* (including as a shareholder of a body corporate or partnership) who are not prevented from serving on the *Council* under Rule 5.9, and a candidate's written nomination accompanied by the written consent of the nominee shall be received by the *General Manager* at least six weeks before the date of the Annual General Meeting.

**4.3** The election of *Council members* shall be conducted as follows:

- (a) Any *Entitled Member* may propose the name of any other *Entitled Member* or of any other *Entitled Members* for election to the *Council* by submitting the name of the nominee or nominees together with the signed written consent of the nominee or nominees to the *General Manager* in writing 6 clear weeks prior to an Annual General Meeting along with such information (not exceeding one side of an A4 sheet of paper) as may be supplied to the *General Manager* by or on behalf of each nominee in support of the nomination.
- (b) With the notice of the Annual General Meeting under Rule 3.7 the *General Manager* shall, in accordance with the procedures under Rule 3.8, notify all *Entitled Members* by posting or emailing to them a voting paper in a form approved by the *Council* (including the date by which votes must be cast), listing all nominees who have been proposed for election to the *Council* from the Island in which such member resides and such information (not exceeding one side of an A4 sheet of paper) as may be supplied to the *General Manager* by or on behalf of each nominee in support of the nomination.
- (c) Only *Entitled Members* may vote in elections and an *Entitled Member* may only vote for

candidates resident in the Island in which the *Entitled Member* resides, and completed voting papers must:

- (i) Leave uncanceled neither more nor less names than the number of vacancies to be filled, and
  - (ii) Be returned to the Council by the date specified in terms of Rule 3.4(b) as the date by which votes must be cast.
- (d) Two *Entitled Members* (who are not nominees) appointed by the *Council* shall act as scrutineers for the counting of the votes and shall report in writing to the chairperson of the Annual General Meeting the number of votes polled by each candidate from each Island for election, and shall then destroy the voting papers.
- (e) The chairperson of the Annual General Meeting shall announce that the vacancies have been filled by the candidates from each Island gaining the highest number of votes, but in the event of any vote being tied the tie shall be resolved by resolution of the Annual General Meeting.
- (f) All notices under Rule 4.3(b) shall be given in accordance with the procedures under Rule 3.8, and the failure for any reason of any *Entitled Member* to receive such notice shall not invalidate the election.
- (g) Those *Council members* declared elected shall be the *Association's Council* and shall hold office under Rule 5.1 until the end of the Annual General Meeting in the following year.
- 4.4 Every *Council* member shall hold office from the end of the Annual General Meeting at which that person's election is announced until the end of the following Annual General Meeting, and shall be eligible to seek re-election.
- 4.5 At the first *Council* meeting following every Annual General Meeting the *Council* shall, by secret ballot, elect from their members a President and Vice-President and Treasurer.
- 4.6 No President shall serve for more than 4 consecutive years as President.
- 4.7 If a vacancy in the position of any *Council member* occurs between Annual General Meetings (whether under Rule 5.9 or by death, resignation in writing delivered to the Registered Office, removal or retirement) that vacancy shall be filled by resolution of the *Council*.

#### **President and Vice-President**

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

#### **Secretarial, Records and Registered Office**

- 4.10 The *General Manager* shall record the minutes of all General Meetings and *Council* meetings, and, in the absence of proof to the contrary, all such General Meeting minutes when confirmed

by the next such General Meeting and all such Council minutes confirmed by the next Council meeting or by a resolution approved pursuant to Rules 5.3 or 5.11, and signed by the chairperson of that meeting shall respectively be:

- (a) Confirmation that that meeting was duly called, and
- (b) Accepted as a true and correct record of what occurred at that meeting.

**4.11** The *General Manager* shall:

- (a) Maintain the *Membership Register*,
- (b) Hold the *Association's* records, documents, and books (and paper records may be digitally recorded and stored),
- (c) Maintain the *Register of Disclosures*,
- (d) Lodge with Registrar of Incorporated Societies annual return in a form and as required by the *Statute*,
- (e) Deal with and answer *Association* correspondence,
- (f) Within 21 working days of each *Council* meeting make available to Members in a manner approved by the *Council* the ratified minutes or a precis of the proceedings of that *Council* meeting excluding confidential information (such as information which is commercially confidential or relates to any disciplinary issues), and
- (g) Perform such other duties as directed by the *Council*.

**4.12** The *Council* shall have the power in its discretion to suspend or remove the *General Manager* from office.

**4.13** The Registered Office of the *Association* shall be at such place as the *Council* from time to time determines, and changes to the Registered Office shall immediately be notified to the Registrar of Incorporated Societies in a form and as required by the *Statute*.

**Financial Procedures**

**4.14** The General Manager shall:

- (a) Keep such written books of account as may be necessary to provide a true record of the *Association's* financial position,
- (b) Maintain an assets register recording the assets of the *Association*,
- (c) Report on the *Association's* financial position to each *Council* meeting,
- (d) Present financial statements of the most recent financial year (in such format as may be required by law) to the Annual General Meeting, and
- (e) File copies of those financial statements with the Registrar of Incorporated Societies or the Charities Board in a form and as required by the *Statute*.

**4.15** The *Council* shall maintain bank accounts in the name of the *Association*, and all cheques and withdrawal forms shall be signed and electronic banking systems operated by any two of the President, Vice-President, Treasurer, and one other person designated by the *Council*.

**4.16** All money received on account of the *Association* shall be banked within seven *clear days* of receipt.

**4.17** All accounts paid or for payment shall be submitted to the *Council* for approval of payment.

**4.18** The *Association's* financial year shall commence on 1 October of each year and end on 30 September (the latter date being the *Association's* balance date) in the following year.

**4.19** The Annual General Meeting each year may, or if required by statute shall, appoint a member of the New Zealand Institute of Chartered Accountants who is not a *Member* to conduct a financial review or audit of the annual accounts of the *Association*, and if any such person is unable to act the *Council* shall appoint a replacement.

## 5.0 GOVERNANCE AND MANAGEMENT

### Governance, Functions and Powers of Council

- 5.1** From the end of each Annual General Meeting until the end of the next, the *Association* shall be governed by the *Council*, which shall be accountable to the *Members* for the advancement of the *Association's* purposes and the implementation of resolutions approved by any General Meeting, and at all times each *Council member*:
- (a)** Shall act in good faith and in what he or she believes to be the best interests of the *Association*,
  - (b)** Must exercise all powers for a proper purpose,
  - (c)** Must not act, or agree to the *Association* acting, in a manner that contravenes the *Statute* or this constitution,
  - (d)** When exercising powers or performing duties as a *Council member*, must exercise the care and diligence that a reasonable person with the same responsibilities would exercise in the same circumstances taking into account, but without limitation, the nature of the *Association*, the nature of the decision, and the position of the *Council member* and the nature of the responsibilities undertaken by him or her,
  - (e)** Must not agree to the activities of the *Association* being carried on in a manner likely to create a substantial risk of serious loss to the *Association* or to the *Association's* creditors, or cause or allow the activities of the *Association* to be carried on in a manner likely to create a substantial risk of serious loss to the *Association* or to the *Association's* creditors, and
  - (f)** Must not agree to the *Association* incurring an obligation unless he or she believes at that time on reasonable grounds that the *Association* will be able to perform the obligation when it is required to do so.
- 5.2** Subject to this constitution and any resolution of any General Meeting the *Council* may:
- (a)** Exercise all the *Association's* powers, other than those required by the *Statute* or by this constitution to be exercised by the *Association* in General Meeting, and
  - (b)** Enter into contracts on behalf of the *Association* or delegate such power to a *Council member*, sub-committee, employee or other person.
- 5.3** The *Council* shall meet as required at such times and venue/s and in such manner (including by audio, audio and visual, or electronic communication, provided that all such meeting participants must at all times be able to hear all participants speaking at the meeting) as it may determine and otherwise where, how and as convened by the President or *General Manager*.
- 5.4** All *Council* meetings shall be chaired by the President or in the President's absence by the Vice-President, or in the absence of both of them by some other *Council member* elected for the purpose by the meeting, and any such chairperson shall have a deliberative and casting vote.
- 5.5** The *Council* may co-opt any person to the *Council* for a specific purpose, or for a limited period, or generally until the next Annual General Meeting, and unless otherwise specified by the *Council* any person so co-opted shall have full speaking and voting rights as a *Council member*.
- 5.6** The quorum for *Council* meetings is at least half the number of the *Council members* (see also Rule 5.8(c)). Only *Council members* elected under Rule 4.3, appointed under Rule 4.5, or co-opted under Rule 5.5 who are present in person or by audio, audio and visual, or electronic communication at a *Council* meeting shall be counted in the quorum and entitled to vote.

- 5.7** Following any complaint about a *Council member* that person may be removed from the *Council* by a resolution of the *Council* or of a General Meeting, in either case, passed by a two-thirds majority of those present and voting, and after giving the person reasonable notice of the complaints, a reasonable time to prepare a response, a fair opportunity to respond to the complaints, and to make submissions on possible penalties.
- 5.8 Conflicts of interest or loyalty of *Council members*:**
- (a)** A *Council member* shall be considered to have an interest in a matter being considered by or affecting the *Association* if he or she:
    - (i)** May derive a financial benefit from the matter, or
    - (ii)** Is the spouse, civil union or de facto partner, child, or parent of a person who may derive a financial benefit from the matter, or
    - (iii)** May have a financial interest in a person or entity to which the matter relates, or
    - (iv)** Is a partner, director, officer, board member, or trustee of a person who may have a financial interest in a person or entity to which the matter relates, but excluding the following interests:
      - (v)** Arising merely because the *Council member* may receive any indemnity, insurance cover, remuneration or other benefits authorised by the Statute, or
      - (vi)** Remote or insignificant interests of a nature that could not reasonably be regarded as likely to influence the *Council member* when carrying out his or her responsibilities, and
      - (vii)** An interest that the *Council member* has in common with other *Council Members* as a result of membership of the *Association*.
  - (b)** Any *Council member* having any such interest in a matter shall, as soon as practicable after becoming aware of the interest, disclose the same, and the *General Manager* shall record such disclosures in the *Register of Disclosures* (see also Rules 2.5(b)(iii) and 3.2(e)).
  - (c)** Where any such interest in a matter has been disclosed:
    - (i)** That *Council member* must not vote in any decision on the matter, but that person can be present at the time of the decision and can contribute to the discussion leading to the decision and must not sign any document relating to the entry into a transaction or the initiation of the matter, but
    - (ii)** The *Council* may, where it considers it appropriate, exclude that person from any further discussion or involvement with the matter, but
    - (iii)** The person who is prevented from voting on a matter because he or she has an interest in it may continue to be counted as part of the quorum of the *Council*, and
    - (iv)** Where 50 per cent or more of those forming the *Council's* quorum are prevented from voting on the matter because they have disclosed an interest, then the remaining *Council members* must call an Extraordinary General Meeting to determine the matter.
- 5.9** No *Member* may stand for office on the *Council*, and any person who is on the *Council* shall cease to be a *Council member*, if that person:
- (a)** Is or becomes an undischarged bankrupt, or
  - (b)** Is or becomes prohibited from being a director or promoter of, or being concerned or taking part in the management of an incorporated or unincorporated body under the Companies Act 1993, the Financial Markets Conduct Act 2013, or the Takeovers Act 1993, or
  - (c)** Is or becomes a person who is prohibited from 1 or more of the following under an order made, or a notice given, under a law of a country, State, or territory outside New Zealand that is prescribed for the purposes of section 151(2)(eb) of the Companies Act 1993:



- (i) Being a director of a body corporate incorporated outside New Zealand (an overseas company), or
- (ii) Being a promoter of an overseas company, or
- (iii) Being concerned in or taking part in the management of an overseas company, or
- (d) Is or becomes disqualified from being an officer of a charitable entity under section 31(4) of the Charities Act 2005, or
- (e) Has been or is convicted:
  - (i) Of an offence under subpart 6 of Part 4, or under any of sections 217 to 266 of the Crimes Act 1961, within the past 5 years, or
  - (ii) Within the past 5 years, in a country other than New Zealand, of an offence that is substantially similar to an offence specified in subparagraph (i), or
  - (iii) Of a money laundering offence or an offence relating to the financing of terrorism, whether in New Zealand or elsewhere,
- (f) Is or becomes a person subject to:
  - (i) A banning order under the *Statute*, or
  - (ii) A management banning order under the Financial Markets Conduct Act 2013 or the Takeovers Act 1993, or
  - (iii) An order under section 108 of the Credit Contracts and Consumer Finance Act 2003, or
  - (iv) A confiscation order under the Proceeds of Crime Act 1991, or
  - (v) A property order made under the Protection of Personal and Property Rights Act 1988, or whose property is managed by a trustee corporation under section 32 of that Act, or
- (g) Is not or ceases to be an *Entitled Member*.

### Subcommittees

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

### Incidental powers

- 5.11** The *Council* and any sub-committee may act by resolution approved in the course of a telephone conference call or through a written ballot conducted by email, electronic voting system, fax or mail.
- 5.12** The *Council* from time to time may make and amend regulations, bylaws and policies for the conduct and control of *Association* activities and codes of conduct applicable to *Members*, but no such regulations, bylaws, policies or codes of conduct applicable to *Members* shall be inconsistent with the *Statute* or this constitution.
- 5.13** Other than as prescribed by the *Statute* or this constitution (including under Rule 3.15), the *Council* may regulate its proceedings as it thinks fit.
- 5.14** Subject to the *Statute*, this constitution and the resolutions of General Meetings, the decisions of the *Council* on the interpretation of this constitution and all matters dealt with by it in

accordance with this constitution and on matters not provided for in this constitution shall be final and binding on all *Members*.

- 5.15** Each *Council member* shall within 14 *clear days* of submitting a resignation or ceasing to hold office deliver to the *General Manager* all books, papers and other property of the *Association* possessed by such former *Council member*.
- 5.16** The *Council* may employ or contract with any person or company to administer or manage the affairs of the *Association*, and may delegate to such person or company such of the powers and duties of normally undertaken by a secretary or treasurer as the *Council* thinks fit, and such person or company shall be entitled to delegate further the powers and duties set out in Rules 4.10. 4.11. 4.14 and 4.16.
- 5.17** When exercising their powers and performing their functions *Council members* must individually and collectively:
- (a) Act in good faith and in the best interests of the *Association*, and use their powers for a proper purpose,
  - (b) Comply with the *Statute* and with this constitution, except where the constitution contravenes the *Statute*,
  - (c) Exercise the degree of care and diligence that a reasonable person with the same responsibilities within the *Association* would exercise in the circumstances applying at the time,
  - (d) Not allow the activities of the *Association* to be carried on recklessly or in a manner that is likely to create a substantial risk of serious loss to the *Association's* creditors, or
  - (e) Not allow the *Association* to incur obligations that they do not reasonably believe will be fulfilled, and
  - (f) Must comply with the duties required of them under the *Statute*.
- 5.18 Indemnity for Council:**
- (a) No *Council member* shall be liable for the acts or defaults of any other *Council member* or any consequential loss caused by such acts or defaults, unless caused by their own wilful default or by their own wilful acquiescence.
  - (b) The *Council* and each *Council member* shall be indemnified by the *Association* for all liabilities and costs incurred by them acting in good faith in the proper performance of their functions and duties, other than as a result of their own wilful default or by their own wilful acquiescence, but  
no such indemnity shall be provided where this is prohibited by the *Statute*.

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

- 5.19** The *Association* shall have a Common Seal which shall be retained by the *General Manager*.
- 5.20** Unless entered into by a delegate authorised under Rule 5.2(b), documents shall be executed for the *Association* pursuant to a resolution of the *Council*:
- (a) By affixing the Common Seal witnessed by the President or Vice-President and counter-signed by some other *Council member*, or
  - (b) Where the document is not required by law to be executed under common seal, by the President or Vice-President and some other *Council member* signing on behalf of the *Association*, and all such signatories must be at least 18 years of age.

## **6.0 AMENDMENT OF THIS CONSTITUTION**

- 6.1** This constitution may be amended or replaced in accordance with Rule 6.4, provided that no amendment may be made which would:
- (a)** Alter any provision in this constitution precluding *Members* from obtaining any personal benefit or profit from their membership, or
  - (b)** Otherwise conflict with the provisions of the *Statute*, but no change shall be made to the *Association's* balance date without the prior approval of the Registrar of Incorporated Societies pursuant to the *Statute*.
- 6.2** Any proposed motion to amend or replace this constitution:
- (a)** May be proposed by the *Council*, or
  - (b)** Shall be signed by at least 10 *Entitled Members* and given in writing to the *General Manager* at 42 *clear days* before the General Meeting at which the motion is to be considered, and accompanied by a written explanation of the reasons for the proposal, and the *Council* shall decide whether to submit any such proposal to a General Meeting or to hold a *remote ballot*.
- 6.3** Unless the proposed motion is to be voted upon by *remote ballot*, the *General Manager* shall in accordance with Rules 3.7 and 3.8 notify all *Entitled Members* of the proposed motion and of the General Meeting at which any such proposal is to be considered, of the reasons for the proposal, and of any recommendations from the *Council* in respect such notice of motion.
- 6.4** Any resolution to amend or replace this constitution must be passed by a two-thirds majority of all *Entitled Members* voting by *remote ballot*.
- 6.5** Every alteration to this constitution, including any change of its name, shall be promptly registered with the Registrar of Incorporated Societies as required by the *Statute*.

## **7.0 WINDING-UP**

- 7.1** The *Association* may be wound up or liquidated or removed from the Register of Incorporated Societies under the provisions of the *Statute* provided that any such proposal is notified and approved as required in Subpart 6 of Part 5 of the *Statute*.
- 7.2** In accordance with Rules 3.7 and 3.8 the *General Manager* shall notify all *Entitled Members* of the proposed motion to wind up the *Association* or remove it from the Register of Incorporated Societies and of the General Meeting at which any such proposal is to be considered, of the reasons for the proposal, and of any recommendations from the *Council* in respect such notice of motion.
- 7.3** Any resolution to wind up the *Association* or remove it from the Register of Incorporated Societies must be passed by a two-thirds majority of all *Entitled Members* present and voting.
- 7.4** If the *Association* is wound up or liquidated or removed from the Register of Incorporated Societies no distribution shall be made to any *Member*.
- 7.5** On the winding up or liquidation or removal from the Register of Incorporated Societies of the *Association* its surplus assets after payment of all debts, costs and liabilities shall be vested in [choose one option – by inserting the correct legal name of another incorporated Association, other not-for-profit entity or charitable trust or a not-for-profit entity defined by class or description of the type of not-for-profit entity], provided that on winding up by resolution under Rule 7.3 the *Association* may approve a different distribution to a different entity from that specified earlier in this Rule so long as the *Association* complies with this constitution in all

other respects, but cannot otherwise change the allocation provided for in this constitution except by a valid constitutional amendment pursuant to Rule 6.0.

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

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

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

- (iii) The *Member* complained against must be given an adequate opportunity to be heard, either in writing or at an oral hearing if the decision-maker considers that an oral hearing is required, and
  - (iv) Any oral hearing shall be held by the decision-maker, and/or any written statement or submissions shall be considered by the decision-maker.
- (g) A *Member* may not make a decision on or participate as a decision-maker regarding a grievance or complaint if two or more *Council members* or the decision-maker considers that there are reasonable grounds to infer that the person may not approach the grievance or complaint impartially or without a predetermined view (and such a decision must be made taking into account the context of the *Association* and the particular case, and may include consideration of facts known by the other Members about the decision-maker so long as the decision is reasonably based on evidence that proves or disproves an inference that the decision-maker might not act impartially).
- (h) The decision-maker may:
- (i) Dismiss a *grievance* or *complaint*, or
  - (ii) Uphold a *grievance* and make such directions as the decision-maker thinks appropriate (with which the *Association* and *Members* shall comply),
  - (iii) Uphold a *complaint* and:
    - Reprimand or admonish the *Member*, and/or
    - Suspend the *Member* from membership for a specified period, or
    - Terminate the *Member's* membership, and
- (i) Order the complainant (if a *Member*) or the *Member* complained against to meet any of the *Association's* reasonable costs in dealing with a *complaint*.
- (j) If the *Member* complained against resigns after a complaint is received the *Association* shall have power to continue to follow the procedures set out for investigating and making decisions on the complaint and, if the complaint is upheld, of imposing penalties and making orders for payment of costs.