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HAWKE’S BAY CHAMBER OF COMMERCE INCORPORATED

RULES OF THE CHAMBER

Section 1 – Name, Objects and Particulars

1. Name

- 1.1 The name of the Society is HAWKE’S BAY CHAMBER OF COMMERCE INCORPORATED (the “Chamber”), which shall consist of an association of companies, incorporated bodies, business, professionals and other persons for the purpose of carrying out the objects set out in clause 2.

2. Objects

- 2.1 The objects of the Chamber are:

- a. To promote, protect and advance trade commerce, industry and the general welfare of Hawke’s Bay in particular and generally throughout New Zealand.
- b. To promote and support measures and policies favourable to the profitable and sustainable trade commerce and industry and oppose measures and policies considered to be detrimental to business.
- c. To collect and circulate statistics and other information, and to conduct seminars and other ongoing business education programmes relating to trade, commerce and industry.
- d. To encourage and promote sound business practices in the region, to encourage and support new entrepreneurs setting up business, and to encourage those outside the region to invest and develop businesses in Hawke’s Bay.
- e. To take such steps as the Chamber from time to time considers necessary for the development of business in Hawke’s Bay and give publicity to Hawke’s Bay.

3. Particulars

- 3.1 The following terms have the meanings given to them where the context permits:

| Term | Meaning |
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| Annual Meeting Month: | A month which must be no later than 6 months after the Balance Date |
| Balance Date: | 31st March in each year (provided that the Board may by resolution change the balance date) |

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| Cheque Signatories: | As determined by the Board from time to time |
| Board: | A Board comprising of: <ul style="list-style-type: none"> a. The President. b. Two Vice Presidents. c. 12 (Twelve) other Board Members. |
| Common Seal Signatories: | Any two members of the Board or any one of the Chief Executive Officer (CEO), President or a Vice President or in the case of Certificates of Origin, the CEO or any authorised staff member. |
| Financial Year: | The year ending on the Balance Date. |
| Quorum for Board Meetings: | At least 6 (Six) members of the Board |
| Quorum for Members' Meetings: | At least 10 (Ten) financial ordinary members |
| Chamber's Address: | 205 Hastings Street, Hastings |
| Subscription Date: | Two months after the Balance Date |

Section 2 – Membership

4. Classes of membership

4.1 The Membership of the Chamber is divided into 3 classes:

- a. Members;
- b. Life Members.
- c. Honorary Members

5. Members

5.1 The existing Members at the date of these rules were adopted as the Members of the Chamber.

New members

5.2 Any company, incorporated body, society or any other persons involved in business in Hawke's Bay will be eligible as a candidate for membership of the Chamber and after acceptance in the manner prescribed in these rules and on payment of the requisite membership fees and/or subscriptions shall become a member of the Chamber.

5.3 Any potential applicant may apply to be a member in writing in a form approved by the Board from time to time.

- 5.4 Acceptance of an applicant as a member shall be at the discretion of the CEO or on appeal to Board and the Board shall not be obliged to give reason for non acceptance of any applicant.

6. Life members

Election of life members

- 6.1 Any Member may be nominated as a Life Member with the prior approval of the Board.
- 6.2 The nomination must be in writing and signed by 2 existing Members as proposer and second respectively.
- 6.3 The nomination may be approved by an ordinary resolution at a meeting of Members.

Privileges of life members

- 6.4 Life Members need not pay any Membership Fee.
- 6.5 Subject to clause 6.4, Life Members will enjoy all the rights and privileges of membership and are included in the term "Members" for the purposes of these Rules.

7. Honorary Members

- 7.1 The Board may by ordinary resolution elect such persons for such a term as it thinks fit as Honorary Members of the Chamber.

Privileges of Honorary Members

- 7.2 Honorary Members need not pay any Membership Fee.
- 7.3 Subject to clause 7.2, Honorary Members will have the same voting rights as ordinary members except that they will not be entitled to vote in respect of any matter affecting the finances of the Chamber, alteration to these Rules and the election of officers and Board members unless they are also ordinary members.

8. Corporate and partnership members

One member

- 8.1 Subject to section 31 of the Act, a corporate Member or a Member which is a partnership will be 1 Member.

Nominees

- 8.2 Each corporate Member or partnership Member must nominate from time to time:
- a. one person who may exercise voting rights on behalf of the Member;
 - b. the persons who may exercise all other rights and privileges of membership.

Each nomination must be in writing.

Limit to number of persons

- 8.3 The Board may limit the number of people who may be nominated under clause 8.2 b.

9. Meetings of Members

Notice of meetings

- 9.1 Every Member must be sent written notice of the time and place of each meeting of Members.
- 9.2 The notice must be sent at least 7 Working Days before the meeting.

Contents of notice

- 9.3 Each notice must include:
- a. an agenda for the meeting; and
 - b. the text for any Special Resolution to be put to the meeting.

Omission to send notice

- 9.4 The accidental omission to give a notice of a meeting to, or the non-receipt of a notice of a meeting by, any Member will not invalidate the proceedings at that meeting.

Chairperson

- 9.5 The President will chair all meetings of Members.
- 9.6 If the President is not present within 15 minutes of the start time, a Vice President will chair the meeting.
- 9.7 If neither the President nor a Vice President is present at the meeting within 15 minutes of the start time, those present may elect a chairperson for that meeting.

Quorum

- 9.8 Subject to the rest of this clause no business may be transacted at a meeting of Members if a Quorum for Members' Meetings is not present.
- 9.9 If a quorum is not present within 30 minutes of the start time for the meeting, the meeting will be adjourned to:
- a. the same day in the following week at the same time and place; or
 - b. to a date (at least 5 Working Days later) and at a time and place all fixed by those Members who are present.

If a quorum is not present for the adjourned meeting within 30 minutes of the start time, the Members present will be a quorum.

Adjournments

- 9.10 The chairperson may adjourn a meeting of Members from time to time and from place to place, but no business can be transacted at any adjourned meeting other

than the business left unfinished at the meeting from which the adjournment took place.

- 9.11 The chairperson must adjourn the meeting as above if directed to do so by the meeting.

Voting

- 9.12 Voting at each meeting of Members will be by:

- a. voting by voice; or
- b. voting by show of hands.

The chairperson will decide which method is used but must comply with any request for voting by a show of hands made by a Member entitled to vote.

- 9.13 A declaration by the chairperson of a meeting that a resolution is carried by the necessary majority is conclusive evidence of that fact.
- 9.14 The chairperson of each meeting will be entitled to a second or casting vote.
- 9.15 Subject to these Rules every other Member present has 1 vote.

Decisions

- 9.16 All decisions of Members' meetings will be made by a majority of the votes of those Members present and entitled to vote unless these Rules provide otherwise.

Proxies

- 9.17 A Member may appoint a proxy to vote on behalf of the Member at a meeting of Members.
- 9.18 The appointment must be in writing and received by the CEO at least 24 hours before the start time for the meeting.
- 9.19 The appointment may require the proxy to vote in the manner specified in the appointment.
- 9.20 A Member will be deemed to be present at a meeting of Members if his or her properly appointed proxy is present.

Postal ballot

- 9.21 The Board may seek any resolution of Members by postal ballot.
- 9.22 The rules applying to quorums and voting will, with any necessary changes, apply to postal ballots.
- 9.23 The Board must make sure that Members are fully informed of all relevant issues relating to a postal ballot.
- 9.24 The Board may otherwise decide how to conduct a postal ballot.

Minutes

- 9.25 Minutes must be kept of all proceedings at all Members' meetings.

Other proceedings

- 9.26 Except as provided in these Rules and any regulations made under these Rules each meeting of Members may regulate its own procedure.

Procedural omissions

- 9.27 The inadvertent omission of any procedural requirement for any Members' meeting will not invalidate the proceedings at that meeting.

General and Special Meetings of Members

- 9.28 A general or special meeting of the Members shall be held (subject to clauses 9.1 to 9.3:
- a. When directed by the President or in the President's absence by a Vice President of the Chamber; or
 - b. Upon requisition signed by not less than one fifth of the financial ordinary members of the Chamber (such requisition shall detail the business which is to be brought before the meeting);
 - c. When directed by a resolution of the Board.

10. Annual Meeting

- 10.1 An annual meeting of Members should be held every year (the "Annual Meeting") in the Annual Meeting Month.
- 10.2 The following business will be considered at the Annual Meeting:
- a. Receipt from the Board of a report, balance sheet and statement of accounts for the preceding year.
 - b. The election of the Board.
 - c. The appointment of an auditor.
 - d. Consideration of any proposed Special Resolution of Members which must have been received by the Secretary in writing at least 10 Working Days before the date of the meeting unless it is proposed by the Board.
 - e. General business.
- 10.3 Failure to hold the Annual Meeting in the Annual Meeting Month will not invalidate the proceedings of an Annual Meeting which is held in any other month.

11. Membership Fees

Amount of membership fee

- 11.1 An annual Membership Fee will be fixed from time to time by the Board.

Corporate and partnership members

- 11.2 The Board may fix different Membership Fees for corporate Members and partnership Members.

Payment of membership fee

- 11.3 Membership Fees must be paid by the Subscription Date each year.

Loss of rights

- 11.4 No person whose Membership Fee is due and not paid may vote at a meeting of Members or enjoy any of the other rights or privileges of Membership.

12. Termination of Membership

Preliminary decision to remove member

- 12.1 The Board may decide to consider ending the membership of any Member:
- a. if any payment due by the Member to the Chamber is at least 30 days overdue; or
 - b. if the Member fails to observe these Rules or any regulations made under these Rules; or
 - c. if the Board considers that the conduct of the Member has adversely affected the reputation of the Chamber or may do so.

Notice to member

- 12.2 The Board must then:
- a. Give the Member written notice of its decision and the reasons for it.
 - b. Allow the Member a reasonable time to remedy any default which can be remedied.
 - c. Give the Member a reasonable time and opportunity to explain his or her actions.

Member's right to explain

- 12.3 The Member may explain his or her actions:
- a. By letter to the Board.
 - b. In person before the Board either with or without a representative.
 - c. By a representative who appears before the Board.

Removal of member

- 12.4 The Board may by Special Resolution decide to terminate the Member's membership if:
- a. the default cannot be remedied or is not remedied within the time allowed by the Board; and

- b. the Member does not offer an explanation within the time allowed; or
- c. the Board does not accept the Member's explanation.

The Board must then give written notice of termination to the Member.

Resignation of members

- 12.5 A Member may resign from the Chamber by giving at least 15 Working Days prior written notice to the CEO.
- 12.6 The Board may decline to accept the resignation of a Member until all moneys due by the Member to the Chamber have been paid.
- 12.7 Acceptance of a resignation will not limit the operation of clause 12.9.

Cessation of Membership

- 12.8 Any Member who dies or becomes bankrupt or in the case of a Company or Society goes out of existence or into liquidation or in respect of which a Receiver is appointed shall automatically be deemed to have its membership terminated.

Consequences of termination of membership

- 12.9 A person who ceases to be a Member for any reason:
 - a. will still be liable to the Chamber for payment of all moneys which are due for payment before his or her membership ends; and
 - b. must immediately return to the Secretary all the Chamber's property which is in the person's possession or control; and
 - c. must not hold himself or herself out in the future as a Member of the Chamber.
 - d. will not be entitled to the refund of any Membership Fee.

Section 3 – Board Management of the Chamber

13. Board

- 13.1 The management and control of the affairs of the Chamber and the full control of any income, expenditure, assets and property of the Chamber shall be vested in the Board which may exercise all such powers of the Chamber as are prescribed by the Incorporated Societies Act 1908 or by these Rules required to be exercised by the

Chamber in general meeting but such powers shall be exercised by the Board subject to these Rules and to the provisions of the Act.

- 13.2 The Board shall have power to appoint committees comprising members of the Board and/or such other persons whether members or not as the Board shall from time to time determine. Such committees may be given power to co-opt and such other powers and responsibilities as may from time to time be determined by the Board. The Board in appointing committees shall have regard to the need to draw members from throughout the region serviced by the Chamber, and to avoid a situation where members or business sectors within the region may feel alienated or unrepresented in any matter being considered by a committee.
- 13.3 The Board may invite up to two extra members with full rights if in the opinion of the board, such person(s) provides particular expertise or other characteristics that add value to the Board's work. Such person(s) shall only be on the Board until the next Annual general Meeting.

14. **Management Committee**

- 14.1 The Chamber may have a Management Committee the members of which shall be responsible for the day to day administration of the Chamber and to address emergency issues as they shall arise. The Management Committee shall comprise of the President, the Vice Presidents, and three other members to be appointed by the Board.

15. **Chief Executive**

- 15.1 The Board shall appoint a CEO of the Chamber and fix his/her duties, remuneration and allowances (if any). The CEO in turn may appoint any other persons to any other particular positions and shall fix their duties, remuneration and allowances (if any) within the approved budget.
- 15.2 The duties of the CEO shall be, subject to the requirements and directions of the Board, to manage the affairs of the Chamber; to attend all meetings of the Chamber and of the Board; to keep a minute book and enter therein all proceedings that take place at such meetings; to preserve the records and documents of the Chamber; to receive all moneys, letters and applications; to arrange business for Board and General Meetings; to summon meetings as may be directed by the Board or otherwise as may be required by these rules; to collect and arrange all statistical information that may be deemed desirable; and generally to assist the President and the Board in the promotion of the objects of the Chamber; to be in attendance at the Chamber's premises at such times as may be directed by the Board; to keep all books and papers belonging to the Chamber and to produce them to members; to account to the Board for the Chamber's finances in a form satisfactory to the members and to undertake such other duties as may be prescribed by the President and the Board from time to time.
- 15.3 With the consent of the President or of the Board, the Chief Executive's duties or portion thereof may be delegated to some other specified member of the staff.

Section 4 – Board

16. Election of Board

Election

- 16.1 The Board will be elected each year at the Annual Meeting, provided however that:
- a. members of the first Board under these Rules will be elected at the 2008 Annual Meeting following the approval of these rules. Except as provided in clause 16.1 b, Board members will be appointed for a 2 year term.
 - b. Following the first election of the Board in 2008 under these rules, a rotation process will be established whereby half of the Board (excepting the President and Vice-Presidents who will be subject to clause 16.3) will be elected annually with an election for the vacancies created by this rotation each 12 months thereafter. The first rotation will be established by lot at the first meeting of the Board under these Rules.

Nomination for Board

- 16.2 Nominations for the Board must be:
- a. in writing; and
 - b. signed by two Members as proposer and second respectively; and
 - c. received by the CEO at least 2 Working Days before the Annual Meeting.
- 16.3 The President and Vice Presidents will be appointed for two year terms but will not be eligible for election to the same office for more than two consecutive terms unless otherwise approved by a Special Resolution at the Annual Meeting or Special Meeting.
- 16.4 Board members are expected to attend at least two of every three duly called meetings, regularly attend networking or other Chamber organised functions and actively promote and develop Chamber membership.

17. Board's Responsibilities

Conduct of Chamber's affairs

- 17.1 The Board will be responsible for the conduct of the Chamber's affairs.

Directions by members

- 17.2 If, however, a Members' meeting gives the Board any valid directions the Board must exercise its powers in accordance with those directions.

18. Board Meetings

Notice of meetings

- 18.1 At least 3 Working Days prior written notice of all Board meetings must be given to each Board Member.

- 18.2 This notice requirement may, however, be waived for any Board meeting or meetings if all the Board members agree to the waiver.

Chairperson

- 18.3 The President will chair all Board meetings.
- 18.4 If the President is not present within 15 minutes of the start time, a Vice President will chair the Board meeting.
- 18.5 If neither the President nor a Vice President is present at the Board meeting within 15 minutes of the start time those present may elect a chairperson for that Board meeting.

Quorum

- 18.6 Subject to the rest of this clause no business may be transacted at a Board meeting if a Quorum for Board Meetings is not present.
- 18.7 If a quorum is not present within 30 minutes of the start time for the Board meeting, the Board meeting will be adjourned to:
- a. the same day in the following week at the same time and place; or
 - b. to a date, time and place fixed by those of the Board who are present.

Adjournments

- 18.8 The Chairperson may adjourn a Board meeting from time to time and from place to place, but no business can be transacted at any adjourned Board meeting other than the business left unfinished at the Board meeting from which the adjournment took place.
- 18.9 The Chairperson must adjourn the meeting as above if directed to do so by the Board meeting.

Voting

- 18.10 Voting at each Board meeting will be by:
- a. voting by voice; or
 - b. voting by show of hands.

The Chairperson will decide which method is used but must comply with any request for voting by a show of hands made by a Board member.

- 18.11 A declaration by the Chairperson of a Board meeting that a resolution is carried by the necessary majority is conclusive evidence of that fact.
- 18.12 The Chairperson of each Board meeting will be entitled to a second or casting vote.
- 18.13 Every other Board member present has 1 vote.

Decisions

- 18.14 All decisions of Board meetings will be made by a majority of the votes of the Board members present and entitled to vote unless these Rules provide otherwise.

Minutes

- 18.15 Minutes must be kept of all proceedings at all Board meetings.

Telephone conference

- 18.16 Board meetings may be held by telephone conference call (or any similar audio or audio/visual communication) provided each of the Board members participating can at all times during the meeting hear and communicate with all of the other participating Board members.

Omissions

- 18.17 The inadvertent omission of any procedural requirement for any Board meeting will not invalidate the proceedings at that meeting.

Removal and Resignation of Board Members

- 18.18 If any member of the Board or of any committee is absent from three consecutive duly called meetings of the Board or any committee meeting without obtaining leave of absence, then the Board by resolution may remove that member from the Board and will give notice to the member of that removal. If any member of the Board shall resign from the Board, die, otherwise be incapable of carrying out functions as a Board member or otherwise cease to be a member of the Chamber, the Board may elect another member of the Chamber to fill the vacancy for the balance of the term of such Board member.

Section 5 – Powers of the Chamber

19. Powers

The Chamber shall have the following powers

- 19.1 To purchase, take on lease or otherwise acquire land, buildings and premises, to erect, maintain alter or repair any buildings or erections or other property, to purchase, hire or otherwise acquire chattels of all descriptions and to manage, let, sell, exchange, dispose of or otherwise deal with any property of the Chamber.
- 19.2 To borrow, raise or secure the payment of money by any means, in particular by the issue of charges, bonds, debentures, obligations, guarantees, mortgages or other securities, charged upon all or any of the property of the Chamber, and to draw, make, accept, endorse and discount, execute, issue and negotiate cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments and to execute guarantees.
- 19.3 To invest, lend and deal with the moneys of the Chamber not immediately required for carrying on its business upon such securities and in such a manner as from time to time may be determined.
- 19.4 To join, co-operate with or subscribe to any association to better attain or further the objects of the Chamber.
- 19.5 To promote studies in any subject relating to trade, commerce or industry.

- 19.6 To agree to arbitrate upon disputes or differences which may arise upon commercial and industrial questions when called upon to do so.
- 19.7 To affiliate with the New Zealand Chamber of Commerce.
- 19.8 To authenticate by signature and the affixation of the Common Seal any document relating to the origin of manufactured goods destined for export.
- 19.9 To do all such other lawful things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Chamber.

Section 6 – Financial

20. Funds and Accounts

Funds to be banked

- 20.1 All funds received by the Chamber must be paid into its bank account.

Cheque signing

- 20.2 All cheques or withdrawals made from the bank account must be signed by the Cheque Signatories.

Investment

- 20.3 The Chamber may invest its funds as it thinks fit.

Borrowing

- 20.4 The Chamber may borrow funds as it thinks fit.

Annual accounts

- 20.5 The Board must arrange for annual accounts of the Chamber to be promptly prepared in accordance with accepted accounting principles after the Balance Date each year.
- 20.6 The annual accounts for the preceding Financial Year must be submitted to each Annual Meeting.

Auditor

- 20.7 The Chamber's books must be audited each year.
- 20.8 The auditor's report must be submitted to the Annual Meeting with the annual accounts.
- 20.9 The auditor will be appointed at the Annual Meeting each year.

Section 7 – General

21. Rules and Regulations

Regulations

21.1 A Member's meeting may by Special Resolution make and change regulations concerning its business and the conduct of its Members.

21.2 The regulations must not be inconsistent with these Rules.

No rules

21.3 If anything for which there is no applicable Rule or regulation arises the matter will be decided by the Board.

21.4 The Board's decision will be final.

Alteration to rules

21.5 These Rules may be changed by a Special Resolution of a meeting of Members.

22. Common Seal

Common seal

22.1 The Chamber will have a Common Seal.

Use of common seal

22.2 The use of the Common Seal must be authorised by the Board.

Witnesses

22.3 The affixing of the Common Seal must be witnessed by the Common Seal Signatories.

Control of common seal

22.4 The Common Seal will be kept under the control of the CEO or any other person appointed by the Board.

23. Registered Office

Situation of registered office

23.1 The Chamber's Address will be its registered office.

Change of registered office

23.2 The Board may change the Chamber's Address from time to time.

Notice of change

23.3 The Board must give the Registrar of Incorporated Societies and the Members written notice of any change of the Chamber's Address.

24. Service of Notices

Service by post or delivery

- 24.1 Every notice required to be given to a Member (including a Board member) will be deemed to have been given when it is posted by pre-paid post to, or left at, the Member's last known address or place of business.

Personal service

- 24.2 Notices may be given to Members (including Board members) in person.

25. Confidentiality

Chamber's affairs – confidential

- 25.1 The affairs of the Chamber are confidential and Members must not disclose them to any third party except:
- a. for the purposes of obtaining professional advice; or
 - b. to the extent required by law.

Continuing obligations

- 25.2 Each Member's obligations in this clause continue after their membership ceases.

26. Liquidation

Members' liquidation

- 26.1 A Members' meeting may appoint a liquidator (the "Resolution").
- 26.2 The Resolution must then be confirmed by another Members' meeting held at least 30 days after the Resolution was passed.
- 26.3 The Chamber may then be placed into liquidation.

Surplus assets

- 26.4 On liquidation the Chamber's surplus assets (after the discharge and payment of all of the Chamber's liabilities) will be paid:
- a. to an institution having objects similar to those of the Chamber and chosen by the Members or, by the Board, if the Members do not choose; or
 - b. if no appropriate institution can be found to a charity or charities in New Zealand chosen by the Members or, by the Board, if the Members do not choose.
 - c. Surplus assets may not be directly or indirectly distributed to the Members.

27. Definitions and Interpretation

Definitions

- 27.1 In these Rules:

"Act" means the Incorporated Societies Act 1908.

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| "Special Resolution" | means a resolution passed by at least 75% of those persons present at a meeting and entitled to vote. |
| "Working Day" | means a day when registered trading banks are open for business in the province in which the Chamber's registered office is situated. |

Interpretation

27.2 In these Rules:

- a. a reference to a person includes any other entity or association recognised by law and the reverse;
- b. words referring to the singular include the plural and the reverse;
- c. clause headings are for reference purposes only;
- d. a reference to a statute includes:
 - i. all regulations under that statute; and
 - ii. all amendments to that statute; and
 - iii. any statute substituting for it which incorporates any of its provisions;
- e. all periods of time or notice exclude the days on which they are given.