



Constitution of the

Education Benevolent Society Incorporated

Ratified at the Special General Meeting

on the 25th September 2019

1. DEFINITIONS

AGM means Annual General Meeting.

Board means the Board of the Society determined in accordance with clauses 9.2,9.3 and 9.4.

Board Members means the Member Board Members and Independent Board Members (together) appointed under clauses 9.3 and 9.4.

Chairperson means the Chairperson of the Society who shall be the Chairperson of the Board.

Charitable Grants means grants made using the Surplus, as distributed by the Charitable Grants Committee in accordance with clause 10 and any such internal policies as are applicable, ensuring at all times to act in accordance with the Society's charitable objects and purposes.

HealthCarePlus is the trading name under which the Society markets its range of products and services.

Fund means the Education Benevolent Society Fund.

Chief Executive means the Chief Executive of the Society.

General Meeting means an AGM or SGM.

Surplus means any annual surplus that is available for distribution as Charitable Grants as determined by the Board Policy from time to time.

Members means members of the Society listed in clause 5 and any other member organisation granted membership pursuant to clause 5.1(g).

Member Board Members means the Board members representing Members who have a material relationship with the Society, appointed pursuant to clause 9.3.

Independent Board Members means a Board Member who does not represent a Member or have a material relationship with the Society, appointed pursuant to clause 9.4.

Ordinary Resolution means a resolution passed by a majority of votes cast.

Rules means these rules and "Rule" shall have a corresponding meaning.

SGM means Special General Meeting.

Society means the Education Benevolent Society Incorporated.

Special Resolution means a resolution passed by two thirds of votes cast.

Subscriber means any financial member or employee of a Member and/or an employee of the Society, and any other person or organisation, or member or employee of an organisation, operating in the education and public services sectors that the Board has approved under clause 5.1(g) as being authorised to apply for the HealthCarePlus range of products and services and subject to their terms and conditions.

2. NAME, FUND RAISING and HISTORY

2.1 The name of the organisation is the Education Benevolent Society Incorporated (the **Society**).

2.2 The Society's registered office shall be at Level 5, 50 Manners Street, Te Aro, Wellington or such other place as determined by the Board.

2.3 The Society raises funds via the promotion of insurance products and services at competitive rates to Members and Subscribers.

2.4 The Society was established for its Members and Subscribers, their families and whanau.

3. PURPOSE

3.1 The principal purpose for which the Society exists is foremost for the advancement of education through the annual distribution of the Fund's Surplus for the purposes of providing educational grants and scholarships, provision and

facilitation of professional development and training, and the facilitation of conferences. For the avoidance of doubt, all of the above opportunities will be made available to all members of the public in New Zealand.

4. POWERS

4.1 The Society has the power to:

- a. Make alter rescind and enforce regulations policies and procedures for the governance, management and operation of the Society;
- b. Determine, implement and enforce disciplinary disputes and appeal procedures, including but not limited to the conduct of hearings and imposition of sanctions and penalties;
- c. Consider and mediate disputes between Members and Subscribers in accordance with clause 19;
- d. Withdraw, suspend or terminate membership in accordance with these Rules;
- e. Purchase, lease, hire or otherwise acquire hold manage, maintain, insure, sell or otherwise deal with property and other rights privileges and licences;
- f. Control and raise money including borrow, invest, loan or advance monies and secure the payment of such money by way of mortgage or charge over all or part of any of its property and enter into guarantees;
- g. Sell, lease, mortgage, charge or otherwise dispose of any property of the Society and grant such rights and privileges over such property as it considers appropriate;
- h. Determine, raise and receive money;
- i. Produce, develop, create, licence and otherwise commercialise, use and protect the intellectual property of the Society;
- j. Enter into, manage and terminate contracts or other arrangements with employees, sponsors, Members, Subscribers and other persons and organisations;
- k. Delegate powers of the Society to any person Board committee or sub-committee;
- l. Do any other acts or things which are incidental or conducive to the attainment of the objects of the Society, subject to any power provided in this clause being used at all times for the express purpose of fulfilling the Society's charitable objects and purposes, and not in any way which would affect the Society's registered charitable status;
- m. Distribute grants via a registered charitable trust established for that purpose.

5. MEMBERS

5.1 The Members of the Society shall be:

- a. New Zealand Educational Institute Incorporated Te Riu Roa Incorporated;
- b. New Zealand Post Primary Teachers' Association Incorporated;
- c. New Zealand Tertiary Education Union Te Hautu Kahurangi O Aotearoa Incorporated;
- d. Tertiary Institutes Allied Staff Association Incorporated;
- e. New Zealand Public Service Association Te Pukenga Here Tikanga Mahi Incorporated;
- f. Independent Schools Education Association; and
- g. Such other organisation admitted to membership pursuant to this clause 5, and in accordance with clause 6.1.

6. MEMBER APPLICATIONS, ENTITLEMENTS AND REQUIREMENTS

6.1 An application for membership must be in writing and in such format as may be required by the Board from time to time. All applications for membership will be determined by a two thirds majority vote of the Board.

6.2 Members are bound by these Rules and by the regulations policies and procedures of the Society.

6.3 In order to receive or continue to receive membership entitlements Members must meet all requirements of membership

set out in these Rules or as otherwise set by the Board including payment of any membership or other fees that may be set by the Board within a required time period.

6.4 The failure by a Member to comply with the Rules may result in withdrawal of membership entitlements but shall not excuse such Member from being bound by these Rules.

6.5 The Society shall maintain a register of all Members. The details held on the register can be provided to any other Member on request. The register shall be updated as and when changes are confirmed by the Board.

7. DURATION OF MEMBERSHIP

7.1 A Member may resign by notice in writing to the Board. Membership may also be withdrawn, suspended or terminated by the Board if a Member fails to comply with these Rules. This includes any codes of conduct or requirements set out in regulations by-laws policies or procedures of the Society or if a Member acts in manner which is considered by the Board to be harmful to The Society or inconsistent with the standards of behaviour expected of a Member.

7.2 A Member whose membership is withdrawn suspended or terminated by the Board may apply for the matter to be reviewed by such process as may be specified in any regulations by-laws policies or procedures of the Society or in the absence of any relevant provisions then by a General Meeting of the Society. If the issue goes to a General Meeting then the decision of the Board shall stand except to the extent it is varied by or overturned by a Special Resolution passed at such a General Meeting.

8. GENERAL MEETINGS

8.1 The Society must hold an AGM once every year at such time date and place as the Board determines but not more than 15 months after the last AGM.

8.2 The Board must give at least 30 days' notice in writing to Members of General Meetings. The notice can be given by such methods as the Board may determine.

8.3 Full minutes shall be kept of all General Meetings and shall be made available upon request to Members.

8.4 Any irregularity, error or omission in notices, agendas and relevant papers of General Meetings or the omission to give notice within the required time frame or the omission to give notice to all Members and any other error in the organisation of the meeting shall not invalidate the meeting nor prevent the meeting from considering the business of the meeting provided that:

- a. The chairperson in his or her discretion determines that it is still appropriate for the meeting to proceed despite the irregularity error or omission; and
- b. A motion to proceed is put to the meeting and a majority of two thirds of votes cast is obtained in favour of the motion to proceed.

Purpose of AGM

8.5 The AGM shall be called for the following purposes:

- a. To receive from the Board a report and audited statement of financial position and statement of financial performance for the preceding year;
- b. To appoint auditors for the ensuing year;
- c. To appoint the Board for the ensuing year;
- d. To decide on any motion which has been properly submitted to the Board for consideration at the AGM.

Special General Meetings

8.6 The Board must call a Special General Meeting (SGM) upon a written request from:

- a. The Board itself; or
- b. Two Members as are entitled to exercise voting rights of the Society; or
- c. A Member or former Member that in the absence of other available procedures is seeking a review of a decision of the Board in relation to withdrawal, termination or suspension of such Member or former Member.

8.7 The written request for an SGM must state the purpose for which the SGM is requested.

- 8.8** The SGM must only deal with the business for which the SGM is requested.
- 8.9** The notice requirements for the SGM are the same as for General Meetings unless the Board in its discretion determines that the nature of the SGM business is of such urgency that a shorter period of notice is to be given to Members.

Quorum

- 8.10** A quorum for a General Meeting is obtained by the presence of a simple majority of Member delegates.
- 8.11** If a quorum is not obtained within half an hour of the intended commencement time of the General Meeting then the General Meeting shall be adjourned to such other day time and place as determined by the Board, and if no quorum is obtained at the stage of such further General Meeting then the Members delegates present at that further General Meeting are deemed to constitute a valid quorum.

Control of General Meetings and Voting

- 8.12** The Chairperson of the Board shall preside at the General Meeting. If the Chairperson is unavailable then the Vice Chairperson of the Board shall preside and in the absence of both of those persons then the Members present by their respective delegates shall elect a person present to be the chairperson of the General Meeting.
- 8.13** Unless otherwise required by these Rules:
- a. An Ordinary Resolution shall be sufficient to pass a resolution;
 - b. Each Member shall have one delegate, and votes cast by each delegate will be weighted as follows:
 - I. New Zealand Educational Institute Incorporated Te Riu Roa Incorporated; 10 votes;
 - II. New Zealand Post Primary Teachers' Association Incorporated; 6 votes
 - III. New Zealand Tertiary Education Union Te Hautu Kahurangi O Aotearoa Incorporated; 2 votes
 - IV. Tertiary Institutes Allied Staff Association Incorporated; 1 vote
 - V. New Zealand Public Service Association Te Pukenga Here Tikanga Mahi Incorporated; 1 vote
 - VI. Independent Schools Education Association; 1 vote
 - VII. Total votes 21.
 - VIII. Or as agreed by the Members at the commencement of the General Meeting.
 - c. Voting shall generally be conducted by voices or by show of hands as determined by the chairperson of the meeting unless a secret ballot is called for and approved by Ordinary Resolution;
 - d. Proxy and postal voting is not permitted.
 - e. In the event of an equality of votes the Chairperson shall have an additional or casting vote;
 - f. In the event that a secret ballot is called two scrutineers must be appointed at the General Meeting to count the votes.

- 8.14** For the avoidance of doubt, clause 8.13 is subject to the provisions of clause 14 (Alteration of Rules).

9. THE BOARD

Role of the Board

- 9.1** The governance and management of the Society including without limitation, management of the Fund, shall be vested in the Board which may exercise all the powers of the Society and do all things which are not expressly required to be undertaken by the Society at a General Meeting.

Membership of the Board

- 9.2** Members of the Board shall be prescribed as follows:
- a. The Board comprises six Members:
 - i. Four Member Board Members, each representing one of the four Members with the largest Subscriber representation; and

- ii. Two Independent Board Members
- b. The Board Chairperson shall be elected from the six Board Members, by the Board Members.

Appointment of the four Member Board Members

9.3 Members of the Board shall be appointed as follows:

- a. The Member Board Members, shall be appointed at an AGM following nomination by the relevant Member.
- b. Members shall nominate Member Board Members based on their relevant skills, appropriate for effective guidance of the Society.
- c. At a minimum, all Member Board Members are expected to:
 - i. Meet the current requirements of the Society's Board Competencies policy;
 - ii. Meet the requirements of any relevant regulation; and
 - iii. Provide clear updates and outputs from Board Meetings to their respective General Secretary, National Secretary, CEO or equivalent position.
- d. It is the responsibility of Member Board Members to up-skill in order to meet the skills necessary to provide effective guidance to the Society.
- e. The Board Chairperson shall be expected to work with the Member Board Members individually and collectively to meet skills requirements.

Appointment of the two Independent Board Members

9.4 Independent Board Members will be appointed in such a way as to promote diversity on the Board and to bring skills relevant to the business of the Society. An Independent Board Member will be appointed through the following process:

- a. The Society shall produce a job description, including remuneration, and short application form. The job description and application form will be issued publicly.
- b. Applications will be reviewed by a recruitment steering group against the job description, the Society policies for Board Competencies for Board Members and any relevant regulation. The steering group will select a preferred candidate(s) for the vacancy(s).
- c. All applications that meet the Board Competencies and regulatory requirements will be circulated to Members, along with the recommendation from the steering group.
- d. Members will vote on the appointment(s) at a General Meeting.
- e. Following the General Meeting a letter will be issued to the selected candidate(s) informing them of their appointment as an Independent Board Member(s).

9.5 The recruitment steering group may include the Society management, Board Members and external advisors.

Term of Office of Board Members

9.6 The term of office for Board Members shall be the period from their appointment until the conclusion of the third AGM following such appointment. A Board Member may be reappointed by the relevant Member or by the Board as the case may be for further and subsequent terms of office.

9.7 A Board Member may be appointed for a shorter term if deemed necessary to ensure multiple Board Members do not end their appointment at the same time.

Remuneration of Board Members

9.8 Board Members shall be compensated by the Society at the rate of remuneration set out in the remuneration policy.

Vacancies on the Board

9.9 In the event that there is a vacancy on the Board of an appointed Board Member the remaining Board Members shall appoint a person duly nominated by the relevant Member.

9.10 The term of office for a person appointed as a Board Member to fill a vacancy under clause 9.9 shall expire at the conclusion of the AGM following their appointment. Thereafter the vacancy shall be determined in accordance with these

Rules.

- 9.11** The Board shall by simple majority elect a Chairperson and Vice Chairperson of the Board at the first meeting of the Board following the AGM who shall hold office until the completion of the next AGM.

Removal of Board Member

- 9.12** The Members in a SGM called for this purpose may by Special Resolution remove any Board Member before the expiration of their term of office.
- 9.13** When a Member Board Member is removed from the Board, the vacancy shall be filled by the Member who appointed the removed Member Board Member
- 9.14** Upon the Chief Executive receiving a request for a SGM for the purpose of removing a Board Member, the Chief Executive shall send the notice to the Board Member concerned in addition to the Members in accordance with clauses 8.2 and 8.9.
- 9.15** Following notification under clause 9.14, and before voting on the resolution to remove a Board Member, the affected Board Member shall be given the opportunity prior to and at the SGM to make submissions. Submissions may be in writing and/or verbally to the Board and the Members about the proposed resolution.

Board Meetings and Duties of the Board

- 9.16** The role of the Chairperson is to chair meetings of the Board and to represent the Board. In the event of the unavailability of a chairperson for any reason the Vice Chairperson shall undertake the Chairperson's role during the period of unavailability.
- 9.17** The duty of each Board Member is to pursue the objects and purpose of the Society and to exercise the powers of the Society for fulfilment of the objects, and in so doing a Board Member must:
- a. Regularly attend Board meetings and General Meetings of the Society;
 - b. Provide good governance for the Society;
 - c. Regularly monitor and review the performance for the Society;
 - d. Act in the best interests of the Society at all times;
 - e. Formulate such regulations policies and procedures as are appropriate for the Society;
 - f. Where appropriate engage in activities to promote market represent and fundraise for the Society;
 - g. Up-skill as required in order to meet the skills necessary to provide effective guidance to the Society; and
 - h. Do such other things within these Rules as the Board agrees to promote the objects of the Society.
- 9.18** The responsibilities the Chairperson must meet in undertaking their role are described as:
- a. General Responsibilities - ensuring the Board and Board Members are aware of and fulfil their governance responsibilities, comply with applicable laws and regulation, conduct Board business effectively and efficiently, and be accountable for the Society's performance;
 - b. Leadership - Provides leadership to the Board, sets policy and engages the Board in strategic planning and ensures strategic initiatives are implemented;
 - c. Accountability - The Chairperson is accountable to the Board. The Chairperson may delegate specific duties to the Chief Executive, Board Members and/or committees as appropriate, however the accountability for them remains with the Chairperson.
 - d. Monitoring – Ensures the Society maintains its financial standing and complies fully with all applicable licensing and regulatory requirements;
 - e. Meeting agenda - The Chairperson ensures that an agenda is planned for Board meetings. This may involve periodic meetings with Union Secretaries and the Chief Executive to draft meeting agendas and reporting schedules;
 - f. Board meetings - encouraging all Board Members to participate in discussion, and arriving at decisions in an orderly, timely and democratic manner;
 - g. Oversight of the Chief Executive - The Chairperson is the primary liaison between the Board and the Chief

Executive. In this capacity, the Chairperson will meet periodically with the Chief Executive, ensure performance reviews are conducted and will lead the hiring process;

- h. Signing Officer - The Chairperson is designated by the Board as one of the signing officers for certain documents. In this capacity, the Chairperson may be authorised or required to sign or countersign cheques, correspondence, applications, reports, contracts or other documents on behalf of organisation; and
- i. Performance - Evaluate the performance of the Society in achieving its objectives.

9.19 The responsibilities each Board Member must meet in undertaking their role are described as:

- a. Attendance – Commits to regularly attendance at Board meetings and important related meetings;
- b. Participation - Is engaged and makes an active contribution to meetings, willingly accepts assignments and completes them thoroughly and on time;
- c. Informed - Prepares themselves well for meetings, and reviews and comments on minutes and reports;
- d. Collegial - Gets to know other Board Members and builds a working relationship that contributes to consensus; and
- e. Planning - Active participant in the annual planning and evaluation process.

9.20 Board meetings may be called at any time by the Chairperson but generally the Board shall meet at regular intervals as agreed by the Board.

9.21 Except to the extent specified in these Rules the Board shall regulate its own procedure.

9.22 The quorum for a Board meeting shall be a simple majority of Board Members.

9.23 Each Member Board member shall have one vote. In the event of votes being equal the Chairperson shall have a casting vote. Voting shall be by voices or upon request of any Board Member by a show of hands or by a ballot. Proxy and postal voting is not permitted.

9.24 A resolution in writing signed or consented to by e-mail, facsimile or other forms of visible or other electronic communication by a majority of the Board shall be valid as if it had been passed at a meeting of the Board. Any such resolution may consist of several documents in the same form each signed by one or more Board Members.

9.25 Any Board Member may participate in any meeting of the Board and vote on any proposed resolution at a meeting of the Board without being physically present. This may only occur at meetings by telephone, through video conferencing facilities or by other means of electronic communication provided that prior notice of the meeting is given to all Board Members and all persons participating in the meeting are able to hear each other effectively and simultaneously. Participation by a Board Member in this manner at a meeting shall constitute the presence of that Board Member at that meeting.

9.26 The Board may by majority vote reimburse its Board Members for their actual and reasonable expenses incurred in the conduct of the Society's business. Prior to doing so the Board must establish a policy to be applied to any question of reimbursement.

9.27 If any situation arises which in the opinion of the Board is not provided for in the Rules, regulations or policies of the Society the matter will be determined by the Board.

9.28 For the avoidance of doubt, this clause 9.23 is subject to the provisions of clause 14 (Alteration of Rules).

10. DISTRIBUTION OF CHARITABLE GRANTS

10.1 The decisions as to the distribution of Charitable Grants in accordance with the Constitution is the responsibility of the Members of the Charitable Grants Committee, ("the Committee").

When fulfilling its charitable objects and purposes the Society will comply with all relevant legislative requirements as well as those of Charities Services and other relevant authorities, and will ensure that key performance indicators and risks are being measured and managed and that key relationships are being maintained. (Note this clause has been moved from Purpose).

Charitable Grants Committee

10.2 Where the Charitable Grants Committee distributes the Charitable Grants, the following will apply:

- 10.2.1 The Members will be responsible for appointment of their representative to the Committee.
- 10.2.2 Each Member shall have one Committee member, and each Committee member shall have one vote.
- 10.2.3 The allocation of Charitable Grants shall be proportionate to the number of Subscribers of each Member at the date one month prior to the meeting.
- 10.2.4 Except to the extent specified in these Rules the Committee shall regulate its own procedure.
- 10.2.5 The quorum for a Committee meeting shall be a simple majority of members of the Committee.
- 10.2.6 Voting shall be by voices or upon request of any Committee member by a show of hands or by a ballot. Proxy and postal voting is not permitted. In the event of votes being equal the Chairperson shall have a casting vote.
- 10.2.7 A resolution in writing signed or consented to by e-mail facsimile or other forms of visible or other electronic communication by a majority of the Committee shall be valid as if it had been passed at a meeting of the Committee. Any such resolution may consist of several documents in the same form each signed by one or more of the Committee.
- 10.2.8 Any Committee member may participate in any meeting of the Committee and vote on any proposed resolution at a meeting of the Committee without being physically present. This may only occur at meetings by telephone through video conferencing facilities or by other means of electronic communication provided that prior notice of the meeting is given to all Committee members and all persons participating in the meeting are able to hear each other effectively and simultaneously. Participation by a Committee member in this manner at a meeting shall constitute the presence of that Committee member at that meeting.
- 10.2.9 The Committee may by majority vote reimburse its Committee members for their actual and reasonable expenses incurred in the conduct of the Society's business. Prior to doing so the Board must establish a policy to be applied to any question of reimbursement.
- 10.2.10 If any situation arises which in the opinion of the Committee is not provided for in the Committee regulations or policies of the Society the matter will be determined by the Committee.
- 10.2.11 The Committee has the authority to request and receive professional advice so as to assist them in the execution of their duties.

Reporting

10.3 The Committee will report to the Board after each Charitable Grant is distributed to confirm to the Board that the Committee has delivered all grants in accordance with this Constitution and with the Society's charitable objects and purposes.

11. CHIEF EXECUTIVE

- 11.1** There shall be a Chief Executive of the Society who shall be employed for such term and on such conditions as the Board may determine.
- 11.2** The Chief Executive shall be under the direction of the Board and shall be responsible for the day to day management of the affairs of the Society in accordance with the Rules, regulations, policies and procedures of the Society and within such constraints as may be imposed by the Board.
- 11.3** The Chief Executive shall attend Board meetings but will have no voting rights.
- 11.4** The Chief Executive will meet the following role description:
 - a. The Chief Executive's responsibilities involve supervision, marketing, profitability, sales management, capital requirements, and other duties as assigned by the Board. The Chief Executive will lead by example maintaining a positive attitude promoting team work to achieve the Society's objectives;
 - b. Leadership - Develop and execute the Society's long term strategy, support and encourage staff to achieve plans and evaluate achievement against a performance framework;
 - c. Strategic plan - Establish annual operating budgets and refresh the strategic plan consistent with the strategic direction set by the Board. Ensure the Society is properly resourced and organised;
 - d. Member relationships - Develop and maintain quality working relationships with Members, earning both trust and confidence. Work with Members to promote the Society and be a conduit to support Members' endeavours;
 - e. Reporting - Ensure that the Board Members are properly informed and that sufficient information is provided to

the Board to enable the Board Members to form appropriate judgments, and implement a reporting framework for the key aspects of the business monitored (sales, financials; and customers);

- f. Sales management - Manage the relationship with the Society's distribution partner(s), and ensure appropriate sales targets are established and monitored;
- g. Compliance - Ensure that all relevant legislation is being adhered to and plans are in place to mitigate risk and assist the Board to formulate policies and provide all facts needed for the Board to make decisions;
- h. External relationships - Manage insurance, banking, auditing, and other Board-approved relationships.

12. FINANCES

- 12.1** Unless otherwise determined by the Board the financial year of the Society shall end on the 30th day of June each year.
- 12.2** Statements of financial position and financial performance shall be audited each year and the audited accounts shall be submitted to the AGM.
- 12.3** The Board is responsible for the receipt and banking of all monies received by the Society. All funds of the Society shall be paid to a bank account in the name of the Society and the bank account must be operated in accordance with the policy determined by the Board.
- 12.4** The Board must ensure correct accounting records are kept. The accounting records of the Society must be kept at the office of the Society or at such place as the Board may determine and must be open to inspection by Members at such reasonable times agreed by the Board.

13. COMMON SEAL

- 13.1** The common seal of the Society shall be kept in the control of the Board any may be affixed to any document only by resolution of the Board and in the presence of and with the accompanying signatures of the chairperson and the deputy chairperson and in the absence of either of those then by another Board Member.

14. ALTERATION OF RULES

- 14.1** These Rules may only be altered added to or rescinded by a special resolution passed at a General Meeting, subject to clause 14.2 below.
- 14.2** Any alteration to clauses 3, 5, 8.13, 9.23, 15 and 16 will require a unanimous resolution passed at a General Meeting. No alteration addition to or revision of the Rules shall be approved if it affects the not for profit objects personal benefit prohibition or the winding up Rules of the Society. This clause 14.2 must not be removed from these Rules and must be included in any alteration, addition to or revision of these Rules.

15. PROHIBITION OF PERSONAL BENEFITS

- 15.1** No Member or person associated with a Member may participate in or materially influence any decisions by the Society in respect of payment to or on behalf of that Member or associated person of any income benefit or advantage.
- 15.2** All income, benefit or advantage must be used to advance the charitable objects and purposes of the organisation.
- 15.3** Any such income paid or benefit or advantage conferred must be reasonable and relative to that which would be received in an arm's length transaction (being the open market value) and must only be made for the goods or services that advance the Society's charitable objects and purpose.
- 15.4** For the avoidance of doubt, this clause 15 and its effect must not be removed from these Rules and must be included in any alteration, addition to or revision to these Rules.

16. WINDING UP

- 16.1** The Society must be wound up if the Society at a General Meeting of its Members passes a Special Resolution requiring the Society to be wound up and the resolution is confirmed by similar majority at a subsequent General Meeting called for that purpose and held not earlier than 60 days after the date on which the resolution so to be confirmed is passed.
- 16.2** If a decision is made to wind up or dissolve the Society and any property remains after the settlement of the Society's debts and liabilities, that property must be used, or given or transferred to another organisation, to further a charitable purpose or purposes as defined in section 5(1) of the Charities Act 2005.

17. INDEMNITY

17.1 The Society shall indemnify every Board Member, the Chief Executive and other officers and employees of the Society in respect of all liability arising from the proper performance of their functions connected with the Society.

18. CONFLICT OF INTEREST

18.1 A conflict of interest exists for a Board Member if that Board Member's interest or duty in a particular matter conflicts, or might conflict, with his or her duty to the Society; and

18.2 When a conflict of interest exists for a Board Member, that Board Member must declare the nature of the conflict or the potential conflict, the Board Member must not take part in deliberations or proceedings including decision-making in relation to the conflict of interest. The Board Member must not be counted in the quorum required for decision-making on the matter for which he or she has the conflict of interest.

19. DISPUTE RESOLUTION

19.1 In the event of disagreement or dispute between Members or a Member and the Society regarding Society issues, the Board or the Chief Executive may direct the parties to attend mediation as arranged by the Board or Chief Executive, in an attempt to resolve such disagreement or dispute.

19.2 If after 30 days of the dispute being referred to a mediator, the dispute remains unresolved then the dispute may be referred to arbitration by an arbitrator to be appointed by agreement, or failing agreement then by the President for the time being of the Arbitrators and Mediators Institute of New Zealand.

19.3 The arbitration shall be conducted as soon as possible and in accordance with the provisions of the Arbitration Act 1996 and the outcome of arbitration, including any determination of costs will be binding upon the parties.

19.4 The cost of the arbitration shall be met by the Society, unless agreed otherwise in writing or determined by the arbitrator.

19.5 Nothing in this clause prevents either party from exercising its legal rights to take action in respect of a disagreement or dispute.