

**Rules of the Financial
Services Council of New
Zealand Incorporated**

**Originally dated 7 November
2019 as amended and
restated on 5 November
2025**

Certified as a copy of the Rules of the Society as amended and restated on 5 November 2025 and as registered on the Register of Incorporated Societies upon the registration of the Society under the Incorporated Societies Act 2022, by:



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Rules of the Financial Services Council of New Zealand Incorporated

1. Name

The name of the Council is the Financial Services Council of New Zealand Incorporated.

2. Interpretation

In these Rules, unless the context requires otherwise:

Act means the Incorporated Societies Act 2022 as amended, or any statute passed in substitution therefor.

Adviser includes an employee, agent, broker, contractor, intermediary and any other person engaged in selling or otherwise dealing with financial products and services.

Annual General Meeting means a General Meeting called in accordance with Rule 15.

Associate Member means a Member of the Council complying with the membership criteria specified in Rule 5.4 who is subject to the conditions of Associate Membership which appear in these Rules and in any relevant rules established by the Board either in relation to that Associate Member or generally.

Balance Date means 30 June in each year, or such other date adopted from time to time in accordance with Rule 21.3.

Board means the persons who constitute the Board of the Council from time to time in accordance with Rule 13.

Board Members has the meaning given to that term in Rule 13.1.

Chairperson has the meaning given to that term in Rule 13.1(c).

Code of Conduct means each code of conduct promoted by the Board, and approved by Members in accordance with Rule 16.7, from time to time.

College has the meaning given to that term in Rule 5.4(a).

College Board Members has the meaning given to that term in Rule 13.1(b).

College Charter has the meaning given to that term in Rule 5.4(a).

Committee means a committee constituted in accordance with Rule 14, but does not include a **Special Committee**.

Complaints Committee means the Committee established by the Board in accordance with Rule 9.1.

Contact Person has the meaning given to that term in Rule 13.9(a).

Council means the Financial Services Council of New Zealand Incorporated.

Eligible Officer means an Officer who is an “officer” of the Council for the purposes of the Act, including a Board Member or a natural person occupying a position in the Council that allows the person to exercise significant influence over the management or administration of the Council.

entity means a company, a corporation, and any combination or association of persons or corporate or unincorporated bodies (in each case whether or not having a separate legal identity), but excludes for the avoidance of doubt a single individual natural person.

Executive Officer means the officer appointed in accordance with Rule 20.1.

Financial Year means each year ended on the Balance Date.

General Board Members has the meaning given to that term in Rule 13.1(a).

General Meeting means a general meeting of Members of the Council described at Rules 16 and 17, at which a valid quorum of Members is represented, and includes an Annual General Meeting.

Honorary Member means a natural person who is awarded Honorary Membership under Rule 5.6 who is subject to the conditions of Honorary Membership which appear in these Rules, and in any relevant rules agreed to by the Board.

Independent Chairperson means the person described in Rule 13.1(c)(ii).

Industry means the financial services industry.

Member means a member of the Council and, unless the context otherwise requires, the expression will include Honorary Members, Regular Members, Associate Members, Colleges and any other categories of membership that are established by the Board from time to time, and references to "**Membership**" and "**Membership of the Council**" will have a corresponding meaning.

Office means the registered office of the Council as may be determined from time to time by the Board.

Officer means an officer of the Council appointed in accordance with Rule 20.

person means an individual natural person.

proxy is a form of vote presented by a Member for the purposes of a General Meeting that complies with the requirements specified by the Board from time to time for proxies.

Related Company has the same meaning as section 2(3) of the Companies Act 1993.

Relevant Laws means all the laws, rules, regulations, codes of practice, standards and codes of ethics or similar requirements applicable to the Member in force from time to time.

Registrar means the Registrar of Incorporated Societies.

Regulations means regulations made under the Incorporated Societies Act 2022.

Regular Member means a Member of the Council complying with the Membership criteria specified in Rule 5.2 who is subject to the conditions of Regular Membership which appear in these Rules, and in any relevant rules established by the Board.

Representative Officer means, in relation to a Member, the chief executive officer, managing director or a senior executive of that Member appointed by that Member as its representative for the purposes of Rule 16.2 or Rule 16.3. Related Companies will have one Representative Officer between them.

Rules means these rules of the Council and as they may from time to time be amended in accordance with Rule 21.

Special Committee means a special committee of the Council constituted in accordance with Rule 18.

Standard means each standard promoted by the Board, and approved by Members in accordance with Rule 16.7, from time to time.

Voting Member means all Members entitled by their terms of membership to vote at a General Meeting.

3. **Number, Gender and Headings**

In these Rules, unless the context otherwise requires:

- (a) Words importing the singular number include the plural, and vice versa.
- (b) Words importing any gender include all other genders.
- (c) Headings do not affect the interpretation of these Rules.
- (d) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

4. **Objects**

The objects for which the Council is established are to:

- (a) represent the interests of the New Zealand financial services industry, including to regulators and Government, and to be recognised as such;
- (b) develop and promote evidence-based policies and practices designed to assist New Zealanders to build and protect their wealth;
- (c) promote the Industry for the economic benefit of New Zealand and to enhance the sustainability of the Industry, whilst recognising the primacy of the interests of consumers;
- (d) promote best practice and integrity in the Industry, including through the institution of codes of conduct, standards and the publication of guidance for Industry participants;
- (e) promote the Industry as a medium for investment and protection for consumers; and
- (f) promote, assist and generally advance the interests of Members.

5. Membership

5.1 Admission to Membership

The Members of the Council will be those entities, or in the case of Honorary Members, those persons, who are from time to time admitted to Membership by:

- (a) a resolution of the Board; or
- (b) in the case of an Honorary Member only, by resolution of the Council in a General Meeting.

5.2 Regular Membership

Membership of the Council as a Regular Member will be available to those entities, whether established or constituted in New Zealand or overseas:

- (a) which, in the opinion of the Board, conform with the criteria for admission and continuance of Regular Membership set by the Board from time to time; and
- (b) the Membership of which the Board deems would further the objectives of the Council.

5.3 Associate Membership

Membership of the Council as an Associate Member will be available to those entities, whether established or constituted in New Zealand or overseas, which, in the opinion of the Board, have an interest in furthering the Council's objects and the Membership of which would assist the Council in furthering its objects.

5.4 College Membership

- (a) The Board may, at any time, identify one or more entities which, as a collective group, represent a college of common interest in respect of a specific subject area, topic or other aspect of the Industry (a **College**) and establish a charter setting out the terms and conditions upon which that College is formed (the **College Charter**). A College may be composed of both Members and entities that are not Members (or entirely of one or the other).
- (b) A College Charter must set out the rights of membership of the College and its members, including whether that College is entitled to:
 - (i) appoint a representative to the Board and, if so, the process for determining who that representative will be; and
 - (ii) vote at General Meetings.
- (c) A College Charter may include:
 - (i) the objects of the College;
 - (ii) the identity of the initial members of that College and the criteria for new members to join that College;

- (iii) the procedure to be followed for that College to produce publications and publicly express opinions or views;
 - (iv) the expected level of interaction between the College and the Board;
 - (v) the ability of the College to access the resources (including employees) of the Council; and
 - (vi) the decision making framework for that College, including the identity of the initial chairperson, directors or committee members (or equivalents) of that College and the procedure for appointing further, or removing, such persons; and the procedure for amending the College Charter.
- (d) A College may be dissolved at any time:
- (i) by the Council in General Meeting; or
 - (ii) by the Board.

5.5 Related Companies

- (a) Where a Member has Related Companies that conduct business in, or are otherwise involved in, the Industry, those Related Companies shall be included in Membership jointly with that Member, provided that they have been specified for such purpose by the relevant Member and have provided their consent to Membership as required by the Act.
- (b) Such joint Members will have the rights of one Member between them, and will all be subject to these Rules, and the terms and conditions of their Membership, jointly and severally. The Board may, by notice in writing, vary the application of this Rule in respect of any individual Members as it considers appropriate from time to time.
- (c) The Council may take into account Related Companies of a Member for the purpose of setting subscriptions or levies or for the shared funding of agreed projects, or for other similar matters, whether or not those Related Companies are included as joint Members in accordance with this clause.

5.6 Honorary Membership

- (a) Honorary Membership of the Council may be conferred on any person who has rendered outstanding service to the Council or the Industry over a number of years by resolution of the Council in General Meeting.
- (b) Honorary Members will not be required to pay annual subscriptions or levies as outlined in Rule 11.
- (c) Honorary Members will be entitled to attend General Meetings of the Council and will have speaking rights but no voting rights.
- (d) Any person who is awarded Honorary Membership will become a Member of the Council at the end of the General Meeting at which such Membership is approved, provided such person has provided their consent to membership of the Council, as required by the Act (or, if later, the date upon which such consent is provided).

5.7 Further categories of Membership

The Board may, from time to time:

- (a) establish such further categories of Membership as it considers appropriate, including categories allowing for group Membership;
- (b) establish the rights and obligations that would be enjoyed by, or imposed upon, the entities or persons accepted as Members under that new category; and
- (c) accept entities or persons as Members under that new category of Membership if, in the opinion of the Board, those entities or persons have an interest in furthering the Council's objects and whose Membership would assist the Council in furthering its objects and who otherwise meet the criteria for admission established by the Board for that new category of Membership, upon provision of consent to membership of the Council by such entities or persons in accordance with the Act.

6. Admission to Membership

- 6.1 An application for admission to the Membership of the Council must name the applicant and provide an undertaking that if admitted to Membership, the applicant and, where relevant, any Related Company or Related Companies, agree to be bound by the rules of the Council, the terms and conditions of their Membership, any applicable College Charter(s), the applicable Codes of Conduct and Standards and all Relevant Laws, including those relating to subscriptions, levies and for the sharing of agreed project costs.
- 6.2 If made by an entity, the application must be signed by two directors (or, if not applicable, two members of the governing body thereof) of the applicant.
- 6.3 An application for admission to the Membership of the Council in a Membership category other than a Regular Member must specify whether the applicant wishes to have the right to vote at a meeting of the Members of the Council.
- 6.4 All applications, whether for Membership as a Regular Member, Associate Member, or other category of Membership (excluding Honorary Membership), will be considered by the Board which will make such enquiries as it deems necessary to satisfy itself that the applicant meets the relevant criteria for Membership of the Council, and will decide whether the applicant is or is not eligible for Membership.
- 6.5 Subject to Rule 6.7, an entity or person will become a Member of the Council if its application for Membership is approved by the Board. When approving an application by an entity or person to become a Member of the Council, the Board will:
 - (a) classify that entity or person as a Regular Member, Associate Member or other category of Membership;
 - (b) the case of an application to become a Member in a Membership category other than a Regular Member, confirm whether the entity or person will be entitled to vote at a meeting of the Members of the Council;
 - (c) confirm the basis upon which the entity or person will be charged subscriptions and levies, and any subscriptions and levies due for the then current year; and
 - (d) specify any other terms and conditions that will apply to that entity's or that person's Membership as the Board considers appropriate.

- 6.6 The Board may refuse to approve an application for Membership for any reason, and is not obliged to give reasons for that refusal.
- 6.7 Any entity or person whose application for Membership of the Council is approved by the Board will become a Member at the end of the Board meeting at which its application is approved, unless another date is established by the Board or in relation to that person's Membership, and provided that that entity or person has provided their written consent to becoming a Member, as required by the Act (or, if provision of such consent occurs at a later date, at that date). In the case of an offer of membership of the Council as a College, or other membership of any unincorporated body, the College or other unincorporated body must provide its consent for itself and on behalf of its constituent members as required by the Act.
- 6.8 Notwithstanding the above provisions of this Rule 6, admission to Membership of the Council as:
- (a) an Honorary Member will be in accordance with Rule 5.6; and
 - (b) a College will be in accordance with Rule 5.4(a).

7. Obligations and Responsibilities of Members

Unless otherwise lawfully required, each Member must:

- (a) comply with Relevant Laws, these Rules, the terms and conditions of its Membership, any applicable College Charter(s) and any applicable Codes of Conduct and Standards;
- (b) act in a way to maintain and enhance the good image of the Industry;
- (c) give effect to the objects of the Council; and
- (d) use reasonable endeavours to ensure that its employees and agents:
 - (i) are aware of Relevant Laws and any applicable Codes of Conduct and Standards; and
 - (ii) comply with Relevant Laws and any applicable Codes of Conduct and Standards.

8. Complaints and Dispute Resolution

8.1 Process of making complaint

- (a) A Member, Board Member or an Eligible Officer may make a complaint regarding any Member, Board Member or the Board itself, or an Eligible Officer by giving to the Board a notice in writing that:
 - (i) states that the Member, Board Member or Eligible Officer is starting a procedure for resolving a dispute in accordance with the Rules;
 - (ii) sets out the allegation or allegations to which the dispute relates and whom the allegation is against; and
 - (iii) sets out any other information reasonably required by the Board.

- (b) The Board may make a complaint involving an allegation or allegations against a Member, Board Member or an Eligible Officer by giving to such person a notice in writing that:
 - (i) states that the Board is starting a procedure for resolving a dispute in accordance with the Rules; and
 - (ii) sets out the allegation to which the dispute relates.
- (c) A complaint must be in relation to any alleged:
 - (i) breach of the Code of Conduct;
 - (ii) breach or likely breach of a duty under the Rules or the Act; or
 - (iii) material damage of a Member's rights or interests or Members' rights or interests generally.
- (d) The information given under Rules 8.1(a) or (b) must be sufficient to ensure that the subject of an allegation is fairly advised of the allegation or allegations concerning them, with sufficient details given to enable the subject to prepare a response.

8.2 Investigation and determination of complaint

- (a) The Board must, as soon as is reasonably practicable after receiving or becoming aware of a complaint made in accordance with its Rules, ensure that the complaint is investigated and, in accordance with the procedures specified in these Rules, determined.
- (b) Complaints must be dealt with in a fair, efficient, and effective manner and in accordance with the provisions of the Act.
- (c) In these Rules, references to a "complaint" include references to a "dispute" and vice versa.

8.3 Decision not to proceed

The Board (and, after the referral of a complaint to it in accordance with Rule 8.4 below, the Complaints Committee) may decide not to proceed with the complaint at any time if:

- (a) the matter does not appear to involve any:
 - (i) breach of the Code of Conduct;
 - (ii) breach or likely breach of a duty under the Rules or the Act; or
 - (iii) material damage of a Member's rights or interests or Members' rights or interests generally;
- (b) the matter appears to be without foundation or there is insufficient evidence to support it;
- (c) the complainant has an insignificant interest in the matter, or the matter appears trivial or vexatious;

- (d) the conduct, incident, event or issue has already been investigated and dealt with by the Council, Board or the Complaints Committee;
- (e) there has been an undue delay in making the complaint;
- (f) the matter is more properly dealt with in accordance with procedures required by employment law, or the processes of the Council based thereon, and the matter is in fact subsequently dealt with in accordance with such procedures; or
- (g) the matter relates a regulatory prosecution, to which Rule 8.8 applies.

If the Board is the subject of a complaint, this Rule 8.3 does not apply (except insofar as it relates to the ability of the Complaints Committee to consider the complaint), and the Board must instead refer the complaint directly to the Complaints Committee in accordance with Rule 8.4 below.

8.4 Referral of complaint

- (a) If the Board decides to proceed with a complaint, or if the Board is the subject of a complaint, it will refer such complaint to the Complaints Committee established in accordance with Rule 9.
- (b) Notwithstanding paragraph (a) of this Rule 8.4, the Board may, with the consent of all parties to a complaint, refer the complaint to any type of consensual dispute resolution (for example, mediation, facilitation, or a tikanga-based practice).
- (c) This Rule 8.4 does not apply to the extent that any legislation requires a dispute to be dealt with in a different way (and Rule 8 has no effect to the extent the provisions contained therein contravene, or are inconsistent with, that legislation).

8.5 Complainant's right to be heard

- (a) A Member, Board Member or an Eligible Officer who makes a complaint has a right to be heard before the complaint is resolved or any outcome is determined.
- (b) If the Board makes a complaint:
 - (i) the Board has a right to be heard before the complaint is resolved or any outcome is determined; and
 - (ii) a Board Member may exercise that right on behalf of the Board.
- (c) Without limiting the manner in which the Member, Eligible Officer, Board Member or Board may be given the right to be heard, they must be taken to have been given the right if:
 - (i) they have a reasonable opportunity to be heard in writing or at an oral hearing (if one is held);
 - (ii) an oral hearing is held if the Complaints Committee considers that an oral hearing is needed to ensure an adequate hearing;
 - (iii) an oral hearing (if any) is held before the Complaints Committee; and
 - (iv) their written or verbal statement or submissions (if any) are considered by the Complaints Committee.

8.6 Subject of complaint's right to be heard

- (a) This Rule 8.6 applies if a complaint involves an allegation that a Member, an Eligible Officer, a Board Member or the Board (the **Respondent**) has:
 - (i) breached the Code of Conduct;
 - (ii) breached, or is likely to breach, a duty under the Rules or the Act; or
 - (iii) damaged the rights or interests of a Member or the rights or interests of Members generally.
- (b) The Respondent has a right to be heard before the complaint is resolved or any outcome is determined.
- (c) If the Respondent is the Board, a Board Member may exercise the right on behalf of the Board.
- (d) Without limiting the manner in which a Respondent may be given a right to be heard, a Respondent must be taken to have been given the right if:
 - (i) the Respondent is fairly advised of all allegations concerning the Respondent, with sufficient details and time given to enable the Respondent to prepare a response;
 - (ii) the Respondent has a reasonable opportunity to be heard in writing or at an oral hearing (if one is held);
 - (iii) an oral hearing is held if the Complaints Committee considers that an oral hearing is needed to ensure an adequate hearing;
 - (iv) an oral hearing (if any) is held before the Complaints Committee; and
 - (v) the Respondent's written statement or submissions (if any) are considered by the Complaints Committee.

8.7 Principles of general application

The Complaints Committee:

- (a) must consider and deal with any complaint in accordance with the Rules, the Act and the rules of natural justice; and
- (b) may consider any evidence, materials or other information brought to their attention at any time and exclude from their consideration any evidence, materials or information that they consider unhelpful, unnecessary or irrelevant.

8.8 Regulatory prosecutions not subject to review

Regulatory prosecutions are considered final and will not be subject to this Rule 8, except in cases of repeat offences by a Member, or conduct that demonstrably brings the Industry or the Council into disrepute.

8.9 **Decision makers**

A person may not act as a decision maker in relation to a complaint if there are reasonable grounds to believe that the person may not be:

- (a) impartial; or
- (b) able to consider the matter without a predetermined view.

8.10 **Sanctions and Remediation**

The Board may impose any one or more sanctions, or implement or take any other measures that it in its discretion determines after receiving a recommendation from the Complaints Committee in respect of a complaint, including, for the avoidance of doubt, the implementation of, or taking of, any measures in respect of itself and its procedure.

9. **Complaints Committee**

9.1 **Establishment of Complaints Committee**

The Board shall establish a Complaints Committee which shall have the powers, rights and discretions set out in its terms of reference (as determined by the Board in accordance with Rule 14.2(b)). The Board will determine the members of the Complaints Committee from time to time in accordance with Rule 14.2(a) and/or the Complaints Committee's terms of reference, and subject to Rule 8.9.

9.2 **Complaints Committee Members not liable**

None of the members of the Complaints Committee shall be liable in tort, contract or otherwise for any action taken or not taken in the exercise or purported exercise in good faith of the powers or discretions conferred by the Complaints Committee's terms of reference or these Rules.

10. **Termination of Membership**

10.1 If any Member:

- (a) has become incapable, by reason of bankruptcy, liquidation, takeover, merger or other reason of carrying out the financial requirements of its Membership of the Council; or
- (b) has failed to comply in any material respect with these Rules (other than a failure to comply with Rule 7), the terms and conditions of its Membership, or any rules, regulations, standards, practice notes or similar requirements adopted by the Council or by the Board in accordance with these Rules (other than a failure to comply with a Code of Conduct), and such failure has continued for 30 days following the date of a notification from the Council to such Member specifying the default and requiring the same to be remedied; or
- (c) has been determined to have breached any applicable Code of Conduct giving rise to termination of membership in accordance with the Code of Conduct; or
- (d) is in arrears of any subscription or levy within three months of it falling due, and if at least two reminder notices have been issued to the Member by the Council; or

- (e) is declared by the Board for any reason (including a breach of Rule 7) no longer to be an acceptable Member or no longer to be eligible to retain Membership by no longer meeting the criteria applicable to that Member,

the Board may, by written notice to the Member, invite that Member to resign from the Membership of the Council. Any Member having received such a written notice must promptly deliver a resignation notice pursuant to Rule 10.2.

10.2 Membership of the Council will be terminated by a Member if a Member gives notice in writing to the Council of its intention to resign on a specified date and such resignation will be effective:

- (a) in situations where Rule 10.1 applies, upon receipt of that notice at the Office; or
- (b) in any other situation and unless a different period is agreed by the Board, 12 months after the receipt of that notice at the Office.

10.3 The following provisions will apply upon termination of the Membership of a Member:

- (a) any subscriptions or levies paid to the Council prior to the effective date of termination will remain the property of the Council and such subscriptions or levies will not be subject to partial or proportionate refund, unless otherwise approved by the Board in accordance with Rule 11.9;
- (b) in situations where Rule 10.1 applies, the Member will be obliged, upon and notwithstanding termination of Membership, to pay to the Council a sum equal to twelve months' subscription and any subscriptions or levies claimed for payment or otherwise unpaid prior to the effective date of termination, to the extent that they relate to the period (or part-period) prior to that effective date, will remain the liability of the terminating Member unless the claim is waived by the resolution of the Board.

10.4 In situations where Rule 10.2(b) applies, the Member continues to be liable for any subscriptions or levies payable during the period beginning after notice has been received and up to the effective date of the termination, including any annual subscriptions in relation to the year in which the effective date of termination occurs, unless otherwise approved by the Board in accordance with Rule 11.9.

10.5 A Member's membership of the Council can be suspended if the Member has been determined to have breached any applicable Code of Conduct giving rise to suspension of membership in accordance with a proven breach of the Code of Conduct in accordance with the Rule 8. Upon the Board giving notice to any such Member of its suspension under this Rule, the Member will cease to be entitled to vote in respect of its membership or exercise any other rights in relation to the Council and any Board Member affiliated with such Member will be required to stand down from that position until the suspension is revoked by notice from the Board to that Member. The Member's obligation to pay subscriptions, levies and for the sharing of agreed project costs under these Rules will not be affected by suspension.

11. Membership Subscription and Levies

11.1 The Board will set the annual subscriptions for each Financial Year. In setting the annual subscriptions, the Board:

- (a) may set subscription amounts for each of the classes of Membership other than Honorary Members;

- (b) may not impose subscriptions on Honorary Members; and
 - (c) may set differing subscription amounts as between different categories of Membership and between Members of the same category of Membership.
- 11.2 The Board must set the subscriptions and levies for the next Financial Year prior to the commencement of that Financial Year, following consideration of the budget presented under Rule 22.4. Following the Board's approval of the annual subscriptions in respect of a Financial Year and, in any event, before the commencement of that Financial Year, the Board will provide Members with written notice of the approved annual subscriptions. The Board may amend the subscriptions for a Financial Year within the first 30 days of that Financial Year if it considers it appropriate to do so following feedback from Members. Invoices for subscriptions will not be distributed during this 30 day period.
- 11.3 If at any time or times any funds are required for the purposes of the Council in addition to the amount of annual subscriptions payable pursuant to Rule 11.1, the funds may be raised by a levy on Members, provided that no levy will be payable by Honorary Members.
- 11.4 No levy may be made on Members except by resolution of the Board.
- 11.5 In setting levies, the Board:
- (a) may set levies for each of the classes of Membership other than Honorary Members;
 - (b) may not impose levies on Honorary Members; and
 - (c) may set differing levies as between different categories of Membership and between Members of the same category of Membership.
- 11.6 Unless the relevant Member otherwise agrees, the total levies payable by any Member in any Financial Year may not exceed the annual subscription payable by that Member for the Financial Year.
- 11.7 Annual subscriptions and levies will be collected on a basis decided by the Board and payable within thirty days of the date of the Council's written request.
- 11.8 If any Member has not paid any part of an annual subscription or levy within three months of the date of the Council's written request, that Member will be deemed to be in arrears. Any Member in arrears will not, without the prior approval of a majority of the Board, be entitled to speak, or (if applicable) vote, or take part in any General Meeting or Committee until all outstanding moneys have been paid.
- 11.9 Subscriptions and levies paid to the Council are not refundable or rebatable, unless otherwise approved by the Board.
- 11.10 Each Member agrees with the other Members and with the Council to pay all annual subscriptions and amounts levied upon it in accordance with this Rule 11, and further agrees that any amount due from it in respect of any such subscription or levy will constitute a debt of that Member to the Council recoverable by legal process in any appropriate court in New Zealand.
- 11.11 The funds of the Council will be under the control of the Board and may be used or invested as the Board determines.

12. Register of Members

- 12.1 The Board will ensure that the Council keeps a register of Members containing the following information of each Member:
- (a) name;
 - (b) postal address, or email address, or both;
 - (c) telephone number;
 - (d) the date the entity or person became a Member;
 - (e) the date the entity or person ceased to be a Member (if applicable);
 - (f) Membership category;
 - (g) name of its Representative Officer (if applicable); and
 - (h) all other information prescribed by the Act or the Regulations (if any) from time to time.
- 12.2 The register must be maintained as an up-to-date record for legal purposes and for information to Members and other interested parties.
- 12.3 Members must inform the Council forthwith of any change to the information listed at Rule 12.1 above.

13. Governance Board

13.1 Composition of the Board

The Board will comprise:

- (a) such persons as the Members appoint to the Board from time to time in accordance with Rule 13.2 (**General Board Member**);
- (b) a representative of each College that is entitled to Board representation by its terms of Membership, (the **College Board Members**); and
- (c) one person to act as the Chairperson of the Board, such person being:
 - (i) a Board Member, elected to be Chairperson by a majority of the General Board Members and the College Board Members; or
 - (ii) an Independent Chairperson appointed in accordance with Rule 13.2(c)(ii), being either:
 - (A) an independent person;
 - (B) an Officer; or
 - (C) a Representative Officer of, or a person otherwise affiliated with, a Member.

(together the **Board Members** and each a **Board Member**). The minimum number of Board Members is **six**. The majority of the Board must be representatives of Members (or be Honorary Members themselves). It is intended that the Board not become so large that it becomes inefficient or unduly expensive to function. If at any time the Board considers that it has become too large, the Board may take such reasonable steps as it considers appropriate to improve the efficient functioning of the Board, including:

- (d) the Board determining that certain Board Members will resign from office so as to reduce the number of Board Members while maintaining an equitable representation of interests on the Board; and
- (e) delegating certain administrative or management functions to a sub-committee of the Board that is able to meet more frequently than the Board is able to.

13.2 **Appointment and removal of Board Members**

- (a) A General Board Member may be appointed to, or removed from, the Board by:
 - (i) a resolution of the Voting Members passed at a General Meeting;
 - (ii) written notice to the Council and the Board signed by Voting Members representing a majority of total votes; or
 - (iii) a resolution of the Board, provided that no more than two General Board Members may be appointed pursuant to this Rule 13.2(a)(iii) in any Financial Year and any General Board Members appointed pursuant to this Rule 13.2(a)(iii) will retire (and be eligible for re-election) at the next General Meeting.
- (b) A College Board Member may be appointed by a College that is entitled to Board representation by giving the Council written notice of the appointment.
- (c) A majority of the General Board Members and the College Board Members may:
 - (i) from time to time, set the criteria by which a person may be selected for appointment as an Independent Chairperson; and
 - (ii) if they so decide, appoint an Independent Chairperson to the Board by written notice to the Council.
- (d) Each person must, prior to being appointed as a Board Member, provide to the Board their written consent to such appointment and certification that they are not disqualified or otherwise prohibited from being appointed, or otherwise holding office as, a Board Member in accordance with the Act.
- (e) A Board Member may from time to time (by notice in writing to the Council signed by the relevant Board Member) appoint any appropriately authorised person who is not already a Board Member to be the Board Member's alternate (an **Alternate**). Each Alternate will be entitled to:
 - (i) receive notices of all meetings of the Board if the Board Member who appointed the Alternate is known to be either outside of New Zealand or otherwise unavailable to attend meetings;
 - (ii) attend and vote at any such meeting at which the Board Member who appointed the Alternate is not personally present; and

- (iii) in the absence of the Board Member who appointed the Alternate, perform all the functions, and exercise all the powers, of that Board Member.

13.3 Removal or Resignation of Board Members

- (a) A person will cease to be a Board Member if:
 - (i) that person becomes bankrupt or makes any arrangement or composition with his/her creditors generally; or
 - (ii) that person becomes of unsound mind, or is subject to a property order made under section 30 or section 31 of the Protection of Personal and Property Rights Act 1988; or
 - (iii) that person dies, or resigns office by notice in writing to the Council; or
 - (iv) that person's term of appointment expires; or
 - (v) unless a majority of the Board determines otherwise, that person is the Representative Officer of, or is otherwise employed by, a person that has ceased to be a Member (upon such Member ceasing to be a Member) or has its membership suspended under Rule 10.5; or
 - (vi) that person fails to attend three Board meetings in any Financial Year without providing reasons for each absence that are acceptable to the Board; or
 - (vii) otherwise becomes disqualified from being an officer under the Act.

In relation to Rules 13.3(a)(v) and (vi), the relevant Board Member may not vote in accordance with Rule 19.3, or sign or assent to a resolution in writing in accordance with Rule 19.7, in relation to the applicable Board resolution.

- (a) An Independent Chairperson appointed under Rule 13.2(c) will cease to be a Board Member if:
 - (i) at any time a written notice is given on behalf of a majority of the General Board Members and the College Board Members to the Independent Chairperson and the Council of the removal of the Independent Chairperson; or
 - (ii) the Independent Chairperson ceases to meet the criteria set by the General Board Members and the College Board Members pursuant to Rule 13.2(c)(i).
- (b) A General Board Member will cease to be a Board Member if removed from office:
 - (i) by a resolution of the Voting Members passed at a General Meeting; or
 - (ii) by written notice to the Council and the Board signed by Voting Members representing a majority of total votes; or
 - (iii) in respect of any General Board Member appointed pursuant to Rule 13.2(a)(iii) who has not been subsequently appointed by a resolution of the Voting Members passed at a General Meeting, by a resolution of the Board.

- (c) A College Board Member may be removed by the College that appointed that College Board Member by giving the Council written notice of the removal.

13.4 **Review of Board Members**

Subject to Rule 13.5, the persons holding the position of the General Board Members will be reviewed and voted on by the Members every year at the annual General Meeting.

13.5 **Term of Appointment**

- (a) Subject to Rule 13.5(b), each General Board Member will be appointed for terms of up to three years, with a maximum of three consecutive terms, unless a majority of the Board determines otherwise.
- (b) Notwithstanding Rule 13.5(a), at least four of the General Board Members will retire at the Annual General Meeting each year. Those General Board Members retiring may seek re-election if eligible. The General Board Members to retire shall be those who have been longest in office since they were last appointed. In the case of General Board Members who were last appointed on the same day, those to retire shall be determined by agreement between those General Board Members or, if they cannot agree, by lot.
- (c) The College Board Member will be appointed for terms of three years, with a maximum of three consecutive terms, unless a majority of the Board determines otherwise or the relevant College Charter provides otherwise.
- (d) An Independent Chairperson will be appointed for terms of three years, with a maximum of two consecutive terms, unless a majority of the Board determines otherwise.
- (e) Each General Board Member and each College Board Member serving as a Board Member as at the date of adoption of these amended Rules in November 2025 consequential on the coming into force of the Act shall, if they were previously appointed for a term of two years, be deemed to have been appointed for a term of three years, commencing on the first day of their current term of appointment.

13.6 **Powers of the Board**

- (a) In addition to any specific power or authority given to the Board under these Rules, the Board has all the powers necessary for managing, and for directing and supervising the management of, the operation and affairs of the Council, and to exercise the functions and powers of the Council, and has the power to make rules for the admission and conduct of Members except that:
 - (i) it will conform with any resolution of the Council in General Meeting; and
 - (ii) it will not have any function or power that is required by the Act or by these Rules to be exercised by the Council in General Meeting.
- (b) The Board will use its best endeavours to ensure that it does not exercise its authorities, functions or powers in a manner that is contrary to the expressed wishes or views of the Members of the Council.

13.7 Chairperson and Deputy Chairperson

- (a) The Chairperson of the Council will be the person appointed in accordance with Rule 13.1(c).
- (b) The Board may elect one or more deputy Chairperson of the Council from their number.

13.8 Remuneration

- (a) The Independent Chairperson, if one is appointed, will be entitled to such fees for acting as a member of the Board as the Board may approve from time to time.
- (b) The Independent Chairperson will also be entitled to be reimbursed by the Council for reasonable out-of-pocket expenses incurred in performing the duties of a Board Member.
- (c) The General Board Members and the College Board Members will not be entitled to any fees for acting as a Board Member but will be entitled to be reimbursed by the Council for any out-of-pocket expenses incurred in performing the duties of a Board Member.

13.9 Contact Persons

- (a) The Board shall appoint no less than **one** and no more than **three** persons to be responsible for communicating with the Registrar (each a **Contact Person**).
- (b) A Contact Person may hold their position separately or in conjunction with any other office in the society, but must be:
 - (i) at least 18 years of age; and
 - (ii) ordinarily resident in New Zealand, as defined by section 114(3) of the Act.
- (c) The Board must replace any vacancy in the office of a Contact Person within 20 working days after the vacancy occurs.
- (d) The Board must ensure that notice of the following changes is given to the Registrar:
 - (i) a change of a Contact Person; or
 - (ii) a change in the name or contact details of a Contact Person,in either case, within 20 working days after the Council first becomes aware of the change.

14. Committees

- 14.1 The Board may, from time to time, establish a Committee to address specific issues or work plans. Unless otherwise determined by the Board, a Committee will be responsible to, and report to, the Board. The Board may, at any time, dis-establish any Committee for any reason, including prior to the completion of its work plan.

14.2 The Board will determine:

- (a) the composition of each Committee;
- (b) the terms of reference of each Committee, including the scope of its activities and reporting requirements; and
- (c) the entitlement of the Committee members to fees or to recover expenses from the Council,

and may vary or amend any of these matters from time to time at its discretion.

14.3 Each Committee will include at least one Board Member who will have responsibility for reporting to the Board on proceedings of the Committee.

15. Annual General Meetings

15.1 The Annual General Meeting of the Council must be held within six months after the end of the Financial Year, and no later than 15 months after the previous Annual General Meeting, at a time and place to be determined by the Board.

15.2 At each Annual General Meeting, the Board shall present the following information:

- (a) an annual report on the operations and affairs of the Council during the most recent accounting period;
- (b) the financial statements of the Council for that period;
- (c) notice of the disclosures of interests, or types of disclosures, made under Rule 19.6 (disclosure of interests) during that period (including a brief summary of the matters, or types of matters, to which those disclosures relate);
- (d) if any, the information prescribed by the Regulations (as amended from time to time); and
- (e) any other information the Council determines.

15.3 A Member may, at any time, make a written request to the Council for the financial statements of the Council that were presented at the most recent Annual General Meeting. The Council must, within a reasonable period after receiving the request and without charge, provide the requested information to the Member.

16. Notice and other requirements of General Meetings

16.1 Each Voting Member must appoint a Representative Officer to represent that Voting Member at General Meetings and must give written notice of that appointment to the Council.

16.2 If any Representative Officer of a Voting Member is unable to attend a General Meeting of the Council, that person may, by written notice to the Council, appoint another senior executive of the Member to act as the Member's representative for that General Meeting.

16.3 At a General Meeting, the Representative Officer of a Voting Member will have all the powers that the Member has in respect of that meeting and a vote by the Representative Officer will bind the Member.

- 16.4 General Meetings (other than an Annual General Meeting) may be held at such time as the Board may decide or on the written requisition of any five Voting Members. Any such requisition must be delivered in writing to the Office and must state the object of the meeting. The Board will convene such meeting at a date not later than 30 days from the receipt of the requisition. The notice convening a meeting by requisition will state the fact and will state the business to be considered and no other business may be considered at that meeting.
- 16.5 At least five working days' written notice will be given to all Members of all General Meetings (subject to Rule 16.6) and the posting of such notice by mail or the dispatch of a facsimile or other electronic message to a Member's address recorded in the register under Rule 12.1 will be deemed to be conclusive proof that such notice has been received by the Member. The notice must state the nature of the business to be transacted at the General Meeting in sufficient detail to enable a Member to form a reasoned judgement in relation to it. The proceedings of any General Meeting will not be invalidated by a failure to meet the requirements of this Rule.
- 16.6 A General Meeting may be held with less than five working days', but not less than 24 hours', notice having been given of that meeting if such shorter notice period is approved by a resolution of Voting Members where at least 75% of the votes of those Voting Members entitled to vote and voting were cast in favour of the question. The proceedings of any General Meeting will not be invalidated by a failure to meet the requirements of this Rule.
- 16.7 Each Code of Conduct and Standard must be approved:
- (a) by a resolution of the Voting Members approved at a General Meeting by a majority of 75% of the votes of those Voting Members entitled to vote and voting on that approval; or
 - (b) by written consent signed by Voting Members representing a majority of 75% of the votes of those Voting Members entitled to vote on that approval.
- 16.8 The Council must keep minutes of all General Meetings.
- 16.9 A Member may, at any time, make a written request to the Council for the minutes of the most recent General Meeting of the Council. The Council must, within a reasonable period after receiving the request and without charge, provide the requested information to the Member.

17. Voting, Quorum and Proceedings at General Meetings

- 17.1 The Chairperson of the Council will preside as chairperson at every General Meeting of the Council. If there is no Chairperson of the Council, or if that person is not present within 15 minutes after the time appointed for the commencement of a General Meeting, or is unwilling to act, the deputy Chairperson of the Council will be chairperson of the meeting. If there is no deputy Chairperson of the Council, or if that person is not present within 15 minutes after the time appointed for the commencement of a General Meeting, or is unwilling to act, the Board Members present will elect one of their number to be Chairperson of the meeting. If there are no Board Members present within 15 minutes after the time appointed for the commencement of the meeting, the Voting Members present may elect one of their number to act as Chairperson of the meeting.
- 17.2 The quorum for a General Meeting is six Voting Members present in person or by proxy, but does not include Voting Members casting postal votes or votes by electronic means.

- 17.3 No business may be transacted at any General Meeting unless a quorum of Voting Members is present at the time when the meeting proceeds to business. If no quorum is present half an hour after the time appointed for the commencement of a General Meeting, the meeting will be deemed to be adjourned to a date, time and place appointed by the Chairperson of the meeting.
- 17.4 The Chairperson of a General Meeting may, with the consent of the meeting (and must if so directed by the meeting), adjourn the meeting by announcing the time and place for such adjourned meeting. No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It will not be necessary to give any further notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 17.5 At any General Meeting, a resolution put to the vote of the meeting will be decided on a show of hands unless a poll is demanded by the Chairperson or any Member entitled to vote on that resolution either before the resolution is put or on or before the declaration of the result of the vote on the resolution by a show of hands. The demand for a poll may be withdrawn at any time.
- 17.6 Unless a poll is so demanded, a declaration by the Chairperson of the result of a vote on a resolution voted on by way of a show of hands will be conclusive evidence of the facts without proof of the number or proportion of the votes recorded.
- 17.7 Except as provided below, if a poll is duly demanded, it will be taken in such manner as the Chairperson directs, and the result of the poll will be deemed to be the resolution of the meeting or the result of the election for which the poll was demanded. A poll demanded on the election of a Chairperson of a meeting or on a question of adjournment must be taken forthwith. A poll demanded on any other question must be taken at such time as the chair of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
- 17.8 Voting shall be by a simple majority of the total votes cast by Voting Members (present in person or by proxy) unless the resolution voted on relates to the amendment, addition to or rescindment of these Rules. In respect of such resolutions, the provisions of Rule 21 shall apply instead.
- 17.9 At a General Meeting:
- (a) on a show of hands, every Voting Member who is represented in person or by proxy at the meeting will have one vote; and
 - (b) on a poll, every Voting Member who is represented in person or by proxy at the meeting will have one vote for each dollar of annual subscriptions that the Voting Member is liable to pay in the Financial Year in which the General Meeting is held.

In the case of an equality of votes, the Chairperson of the General Meeting will have a second or casting vote. In case of dispute, doubt or difficulty in respect of or arising out of matters of procedure or voting, the decision of the Chairperson will be final and binding.

- 17.10 No Voting Member will be entitled to vote if that Voting Member is in arrears in respect of subscriptions or levies payable by it, in accordance with Rule 11.8.
- 17.11 A Voting Member may appoint a proxy to attend any General Meeting and vote on behalf of that Member. A proxy may be the representative of another Member, including an Associate Member, Honorary Member or such other person as the Member appointing the proxy deems suitable.

- 17.12 All proxies must be given in writing and signed by the Representative Officer of the Member, and must be delivered to the Office before the time scheduled for the start of the General Meeting.
- 17.13 Proxies may provide for voting instructions to be given on any resolution being considered by the General Meeting. The proxy holder must vote in accordance with the relevant Member's voting instructions.
- 17.14 Anything that may be done by resolution of the Council in General Meeting may be done, without a meeting or any previous notice being required, by means of a written resolution signed or assented to by at least 75% of Voting Members. Any such resolution:
- (a) may consist of several documents in like form each signed or assented to by one or more Voting Members;
 - (b) may be assented to by signature on behalf of a Voting Member by the Representative Officer of that Member; and
 - (c) may also be assented to by a letter or email signed or sent by the Representative Officer of the Voting Member.
- 17.15 For the avoidance of doubt, votes may not be cast at a General Meeting by way of a postal vote or by electronic means.

18. Special Committees

- 18.1 Either the Council in General Meeting or the Board may at any time or times establish, on such terms and conditions as it may determine from time to time, a Special Committee in respect of any matter. A Special Committee may comprise one or more persons.
- 18.2 A Special Committee will have such powers as are given to it from time to time either by the Council in General Meeting or by the Board and, unless otherwise determined by the Council in General Meeting, will be responsible to, and report to, the Board.
- 18.3 A Special Committee may be dissolved at any time:
- (a) where the committee was established by the Council in General Meeting, by the Council in General Meeting; and
 - (b) otherwise, by the Board.

19. Proceedings of the Board and Committees

- 19.1 Except for matters specifically provided for by these Rules or, in the case of a Special Committee, by the Council in General Meeting or the Board that established it, the Board Members, Committee or Special Committee may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. The Executive Officer, or other relevant employee of the Council, may attend Board Meetings ex officio but will not be included for the purposes of the quorum, and will have no vote.
- 19.2 The Board, Committee or Special Committee may meet in person or by telephone or any other means of telecommunications, or may pass any resolution in the manner prescribed in Rule 19.7.

- 19.3 Questions arising at any meeting of the Board will be decided by a majority of votes. In the case of equal votes being cast for and against a question at a meeting of the Board, the Chairperson will have a casting vote.
- 19.4 The quorum for a meeting of the Board will be a majority of Board Members. Subject to any specific rules applying to a Committee or Special Committee, the quorum for a meeting of a Committee or Special Committee comprising two or more persons will be two persons.
- 19.5 A Board Member may at any time summon a meeting of the Board. However, unless a majority of Board Members otherwise agree, no meeting of the Board will be held earlier than 48 hours after notice of the meeting is given to all Board Members. Where any Board Member is for the time being absent from New Zealand, notice will be deemed to be effected by giving that Board Member notice of the meeting to his or her last address notified to the Council.
- 19.6 A Board Member who is in any way, whether directly or indirectly, interested in a contract, arrangement or proposal with the Council or other matter before the Board will declare the nature of his or her interest at a meeting of the Board. Provided such declaration has been made, a Board Member may vote in respect of any contract, arrangement, proposal or matter in which that person is interested and, if that person does so, such vote will be counted and such person will be counted in the quorum present at the meeting. Pursuant to section 67 of the Act, this Rule 19.6 is to be regarded as a negation of section 64 of the Act.
- 19.7 A resolution in writing, signed or assented to by a majority of the Board Members for the time being entitled to receive notice of a meeting of the Board, will be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed or assented to by one or more Board Members, and may be assented to by a letter or email signed or sent by the Board Member.

20. **Officers**

- 20.1 The Board may, at its discretion, appoint an Executive Officer, either on an honorary or a paid basis. The appointment of the Executive Officer will be terminated upon his or her written resignation taking effect or may be terminated in accordance with a resolution of the Board passed by a majority of Board Members.
- 20.2 The Executive Officer will have such functions as are determined by the Board from time to time.
- 20.3 The Executive Officer is responsible to the Board and any other persons appointed as Officers under Rule 20.4 will be responsible to the Executive Officer (if appointed) or otherwise to the Board.
- 20.4 The Board may appoint any other persons as Officers of the Council, either on an honorary or a paid basis and on such other terms (including as to status for employment law purposes) as the Board determines. Any such Officer may be removed from office by the Board (and in accordance with relevant employment law considerations, where such Officer is an employee).

21. **Amendment to Rules**

- 21.1 Subject to Rule 21.2 below, these Rules may be amended, added to or rescinded, provided such changes are:

- (a) in writing; and
- (b) approved:
 - (i) at a General Meeting of the Council by a resolution passed by at least two-thirds of the total votes cast by Voting Members represented at such General Meeting in person or by proxy; or
 - (ii) by a resolution in lieu of a meeting passed in accordance with Rule 17.14 above.

21.2 The Board may amend the Rules notwithstanding Rule 21.1 above, if the amendment has no more than a minor effect, or corrects errors or makes similar technical alterations, and provided that:

- (a) the Board sends a written notice of the amendment to every Member. Such notice must state the text of the amendment and the right of the Member to object; and
- (b) no objection from a Member is received within 20 working days after the date on which the notice is sent. If such an objection is received, the Board may not make the amendment.

21.3 The Balance Date may be amended in accordance with Rule 21.2 above. However, the prior approval of the Registrar must be sought for such an amendment to the Balance Date unless:

- (a) the period between the current and proposed Balance Date does not exceed 15 months; and
- (b) the Council continues to have a balance date in each calendar year.

22. **Finance and accounts**

22.1 The Board must:

- (a) cause proper books of account to be kept; and
- (b) within six months after the Balance Date, prepare, in accordance with generally accepted accounting practice, a statement of income and expenditure and a balance sheet (if applicable) for the period ending on such Balance Date.

22.2 The Board must submit the financial statements described at Rule 22.1(b) above to:

- (a) the next Annual General Meeting of the Council; and
- (b) the Registrar for the purposes of registration.

22.3 The Council will have such bank accounts as the Board may decide, and these must be operated in such a manner as may be determined by the Board from time to time.

22.4 The Board must ensure a budget of estimated expenditure, and a proposal in respect of subscriptions and levies, for the next Financial Year prior to the commencement of that Financial Year is prepared for approval by the Board.

23. Auditor

The accounts described at Rule 22.1(b) above must be audited by a qualified auditor and bear the audit certificate of such auditor. The auditor must also make a report to the Members on such audits.

24. Investment

All sums of money belonging to the Council may be invested or deposited in such manner as may from time to time be decided by the Board and will not be restricted, as regards any investment, to the investment for the time being authorised by law for the investment of trust funds.

25. Liquidation

- 25.1 The Council may be liquidated if the Members resolve to appoint a liquidator at a General Meeting at which a majority of the votes cast by Voting Members present in person or by proxy vote in favour of such resolution, and that resolution is confirmed at a subsequent General Meeting called for that purpose and held not earlier than 30 days after the date on which the resolution so to be confirmed was passed.
- 25.2 Following such a resolution, if there remains any property whatsoever after the satisfaction of all the Council's debts and liabilities, then that property shall be transferred to some other not-for-profit entity having a similar purpose to the Council and which prohibits the distribution of its income and property among its members. However, this transfer shall exclude any part of the assets of the Council being transferred to any body, organisation or company which is, at the time of the liquidation, a Member.

26. Rules

These Rules will be registered under the Act as the Rules of the Council and will replace any other Rules of the Council registered prior to the date of registration of these Rules.