

THE INCORPORATED SOCIETIES ACT 1908
RULES OF THE
IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INCORPORATED

1. **DEFINITIONS USED IN RULES, AND INTERPRETATION**

Definitions: In these Rules:

Act means the Incorporated Societies Act 1908, as amended or substituted from time to time.

Annual General Meeting means a General Meeting of the Association held under Rule 11.

Association means the Imported Motor Vehicle Industry Association Incorporated.

Authorised Representative means a representative of a Member, appointed under Rule 4.6.

Board means the Board as established under rule 6.

CEO means the chief executive officer of the Association appointed by the Board of Directors under Rule 8 from time to time.

Chairperson of the Board of Directors means the member of the Board of Directors elected to chair meetings of the Board and General Meetings and otherwise fill the position of Chairperson of the Board under Rule 7.1.

Code means any code made by the Executive from time to time under Rule 18.2.

Council means the Council as established under rule 10.

Event of Default has the meaning given to it in Rule 23.3.

General Meeting means a general meeting of the Members of the Association.

IMVIA means the Imported Motor Vehicle Industry Association Incorporated.

Intellectual Property means all intellectual property rights created, developed, used or held by the Association and any company in which the Association holds shares (whether at the date of registration of these Rules or otherwise) including any registered and unregistered trade marks, names and indicia, knowhow, copyright, patents, registered and unregistered designs and any right to the registration of any of such intellectual property.

Member means a person who is listed on the Association's register of members as a member of the Association.

Objects means the objects listed in Rule 3.1.

Postal Ballot means a postal ballot of Members carried out in accordance with Rule 14 and Schedule 3.

Regulations means any regulations made by the Association under Rule 18.1.

Rules means the rules as set out in this document.

Secretary means the person (if any) holding that office from time to time under Rule 9.

Special General Meeting means any General Meeting other than the Annual General Meeting, held under Rule 12.

Subscriptions means all subscriptions, fees or levies payable by a Member for or in relation to membership of the Association, as set from time to time by General Meeting for the purposes of Rule 4.5.

Working Day means a day excluding than a Saturday, Sunday or a regional or national public holiday and any day during the period from 25 December to 12 January (inclusive).

1.1 **Interpretation:** In these Rules, where the context allows or requires:

- (a) Any expression not defined in these Rules but defined in the Act will have the same meaning in these Rules as in the Act.
- (b) The headings to Rules will be ignored in construing these Rules.
- (c) The plural includes the singular and vice versa.
- (d) “person” includes any individual, firm, company, corporation, association of persons (corporate or not) trust or governmental agency (in each case whether or not having separate legal personality).

2. **NAME**

2.1 The full name of the Association is the **IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INCORPORATED**.

3. **OBJECTS AND POWERS**

3.1 **Objects:** The objects of the Association are:

- (a) To promote the interest of its members as established by the annual strategy document.
- (b) To promote the importation, sale and trade in motor vehicles in New Zealand.

3.2 **Powers:** The Association will have all powers of a natural person (including, but not limited to the powers listed in Schedule 4), which it may exercise to further the Objects.

4. **MEMBERSHIP**

4.1 **Eligibility:** Membership of the Association will be open to any person or entity who or which:

- (a) is engaged in the business of buying, importing, trading, selling or leasing motor vehicles in New Zealand (including motor vehicle dealers and motor vehicle traders) or in any business which is ancillary to, or provides services to, any such business; and

- (b) applies for membership and, as part of the application agrees to be bound by these Rules and any Regulations or Code in force at the time of application.

4.2 **Classes of Membership:** The Board may establish different classes of membership to differentiate between members in regard to their liability for subscriptions and participation in The Council.

- (a) Membership classes and associated subscriptions can be change by the Board from time to time.
- (b) Member will elect the class of membership they will participate in.
- (c) Details of the membership participation in each class and the subscription liabilities associated with that class will be available to all members and produced annually at the AGM.
- (d) When making changes to the membership classes the Board must give due consideration to the purpose of the Council and ensure any changes made will not materially undermine this purpose.

4.3 **Application:** Every application for membership must be made in writing (on an application form provided by the Association), must be accompanied by payment of the entrance fee (if any) and a full or part year's Subscription (as applicable), and must contain such details as the Board requires including (without limitation):

- (a) the full name and address of all individuals who have authority to manage all or part of the business of the applicant; and
- (b) the address of all places from which the applicant's business is carried on.

The Board may grant or decline membership of the Association at its absolute discretion.

4.4 **Membership Rights and Obligations:** Except as otherwise provided in these Rules, membership carries full rights of voting at General Meetings and by postal ballot, rights as applicable to vote for or election to the Council and if a member of the Council rights to vote for or election to the Board and participation in all benefits provided by the Association. However, no Member or person associated with a Member may derive any income, benefit or advantage (benefit) from the Association where they can materially influence the payment of the benefit except where that benefit is derived from:

- (a) Professional services to the Association rendered by the Member in the course of such Member's business, charged at no greater rate than the current market rate for those services; or
- (b) Interest on money lent by the Member at no greater rate than the current market rate.

4.5 **Liability for Subscriptions Etc:** Each Member must pay Subscriptions at the levels fixed by the Board from time to time and as due. For the avoidance of doubt, the Board may fix different

Subscriptions for any different classes of Member as per rule 4.3 but may not set different subscriptions for members of the same class.

4.6 **Members' Authorised Representatives:** Every Member which is a company or other body corporate must always have a person (not being a body corporate) appointed as its authorised representative to attend all meetings of the Association and to exercise its voting and other rights under these Rules. The Authorised Representative must be a shareholder, director, partner or officer of the Member or have some other direct association with the Member which is acceptable to the Board (in its absolute discretion). The first Authorised Representative of any new Member will be the person listed as such in the Member's application for membership of the Association. A Member may otherwise appoint and remove its Authorised Representative at any time by written notice to the Association, signed by a director, partner or officer of the Member. To be effective for any particular General Meeting, a notice appointing an Authorised Representative must be received by the Association at its registered office no later than 24 hours before the time appointed for the Meeting or be given to the Chairperson of the Executive (or such other person who has been appointed to chair the Meeting) prior to the commencement of the Meeting.

4.7 **Register of Members:** The Association will keep a register of Members as required by the Act. Members must notify the Association of any changes of address or other details, promptly following the change.

5. **END OF MEMBERSHIP**

5.1 **Termination:** A Member's membership will continue until:

- (a) If the Member is a motor vehicle dealer or motor vehicle trader, the Member ceasing to hold any licence or registration required under any applicable legislation regulating dealing in motor vehicles; or
- (b) The Member resigning by giving notice in writing to the Board to that effect; or
- (c) The Member being expelled from the Association by the Board under Rule 23.5.

5.2 **Obligations on Termination of Membership:** On termination of membership of the Association, a Member must immediately:

- (a) pay to the Association all Subscriptions due to the Association for the period up to the date of termination;
- (b) return to the Association any documents, papers, pamphlets and advertising material which the Member may have acquired as a right or privilege of membership of the Association and any property belonging to the Association; and
- (c) cease using any Intellectual Property, destroy any stationery and literature containing any Intellectual Property and change all signage at any premises of the member which contains or refers to any Intellectual Property.

5.3 **Effect of Termination of Membership:** Termination of membership of the Association will not alter or affect any rights or obligations of the Association and the Member which have accrued prior up to the date on which the membership ceases.

6. THE BOARD

6.1 **Management and Powers:** The business and Governance affairs of the Association will be managed by, or under the supervision and direction of, the Board, except when a General Meeting of the Association is in session (in which case the business affairs will be conducted by the General Meeting). For this purpose, the Board may exercise all powers and discretions which the Association is entitled to exercise under these Rules and are not required to be exercised by General Meeting.

6.2 The Purpose and responsibility of the Board will include key items such as the below, however this list is not exhaustive:

- (a) Effective Governance
- (b) Budget oversight
- (c) Direct management of the CEO
- (d) Setting subscription levels and determining classes of membership

6.3 **Board of Directors:** The Board will consist of the following:

- (a) 3 or more persons elected by the Council
- (b) any person co-opted under section 6.6.

Board members are not required to be Members of the Association.

6.4 **Duration of Appointment:** Once appointed, Board members will continue in office for no more than 3 years or until their successor is appointed, subject to Rules 6.7 (Resignation), 6.8 (Disqualification from Office) and Rule 6.6 (in the case of Board members appointed under that Rule).

6.5 **Board rotation policy:** After 3 years of continual service a Board member must not stand for re-election for at least a period of 10 months or until the next Board elections. In the unlikely event that no alternative Board candidate is nominated the member can continue until a suitable nomination is found and voted on at the next Council meeting.

6.6 **Appointment of additional Board Members:** The Board members appointed under Rule 6.3 may from time to time by majority vote appoint an additional member or additional members of the Board and remove any these member(s) so appointed. The number of additional members of the Board appointed under this Rule 6.6 must at all times be one less than the number of members of the elected members holding office under Rule 6.3.

6.7 **Resignation:** Any member of the Board may resign from office by notice in writing addressed to the Board.

6.8 **Disqualification from Office:** A member of the Board will be deemed to be disqualified from office if the member:

- (a) dies; or

- (b) is absent from three consecutive meetings of the Board without special leave of absence granted by the Chairperson of the Board; or
- (c) becomes incapable of performing the duties of his or her office or the subject of an order under sections 11 or 12 of the Protection of Personal and Property Rights Act 1998; or
- (d) becomes bankrupt or makes an arrangement or composition with his or her creditors; or
- (e) becomes prohibited from being a company director by reason of any order under the Companies Act 1993; or
- (f) has wilfully and without reasonable justification or excuse acted in a manner which is contrary to the Objects; or
- (g) has been convicted of a criminal offence which is punishable by imprisonment; or
- (h) becomes the subject of a resolution of a General Meeting that he or she has, without reasonable excuse, acted in a manner which is contrary to the Objects or in manner which has brought the Association into disrepute.

6.9 **Casual Vacancies:** A casual vacancy will be deemed to have occurred in respect of a member of the Board if the member resigns under Rule 6.7 or is disqualified from office under Rule 6.8. Any casual vacancy among the Board shall be filled by the remaining members of the Board appointing a replacement for the balance of the term of the member of the Board whose resignation or disqualification has caused the vacancy (being until the next Annual General Meeting).

6.10 **Meetings of Board:** The provisions of Schedule 1 will govern proceedings at meetings of the Board.

6.11 **Interested Board members:** If a member of the Board is interested in any transaction or matter before the Board (transaction), that member:

- (a) must disclose that interest to the Board and full details of the nature of the interest must be recorded in the relevant minutes of the Board;
- (b) may, subject to making such disclosure:
- (c) attend a meeting of the Board at which the transaction arises or will be discussed and/or voted on, and be included in the quorum for that meeting;
- (d) vote respect of the transaction;
- (e) sign a document relating to the transaction on behalf of the Association (but subject to these Rules);
- (f) do any other thing in his or her capacity as a member of the Board in relation to the transaction
- (g) as though the member were not interested in the transaction.

For the purposes of this Rule 6.11 a member of the Board will be regarded as being interested in a matter if:

- (h) the member is a party to, or will or may derive a material financial benefit from, the transaction; or
- (i) the member has a material shareholding or financial interest in, or is a director or officer of, another party to the transaction; or
- (j) is otherwise directly or indirectly materially interested in the transaction.

6.12 **Remuneration:** Members of the Board will not be entitled to any remuneration for attendance at meetings of the Board other than such meeting fees approved by the Members in General Meeting or professional services as provided for in Rule 4.4 (a).

6.13 **Board Policy:** The Board may establish pursuant to Rule 18.2 and from time to time amend policies, the purpose of which will be to promote sound corporate governance of the Association by the Board and to clearly separate the role and responsibility of the Board from that of the Association's management. It is a fundamental requirement that all members of the Board comply fully with such policies at all times.

7. **CHAIRPERSON OF THE BOARD**

7.1 **Chairperson:** Such member of the Board who is elected to the position from time to time by the Board by simple majority vote, will be the Chairperson of the Board.

8. **CHIEF EXECUTIVE OFFICER**

8.1 **Appointment:** The Board will from time to time appoint and maintain the appointment of a person to hold the position of chief executive officer of the Association for such term and on such conditions as the Board determines.

8.2 **Powers/Responsibilities:** The CEO's primary responsibility will be to implement the strategies and decisions of The Council and manage the day-to-day affairs of the Association under the Governance of the Board. The Board may vest in the CEO such powers, duties and authorities as it from time to time determines (subject to these Rules) and the CEO will exercise the same subject at all times to the control of the Board and these Rules.

9. **SECRETARY**

9.1 **Appointment:** The Council may from time to time appoint and maintain the appointment of a person to hold the position of secretary of the Association for such term and on such conditions as the Council determines.

9.2 **Powers/Responsibilities:** The Secretary will be responsible for:

- (a) assisting the Chairperson of the Board (if any) to carry out his duties and those of the Board; and
- (b) statutory and regulatory functions of the Association and statutory compliance.

10. THE COUNCIL

- 10.1 **The Council:** The Council is the core of the association's membership representation and is established to provide industry participation and consultation on matters such as, but not limited to; Government interaction, submissions and policy positions and working groups as well as providing Strategic Direction to the CEO and Board. The Council works with the Board to ensure the effective governance of the Association.
- 10.2 **Composition of the Council:** Entitlement to Membership of the Council will be determined by a members class of membership as set by the Board under Rule 4.3. As per Rule 4.3 this may be changed from time to time by the Board in consultation with the Council and promulgated to members.
- 10.3 **Council Chairs:** The Council will be chaired by the Chairperson of the Board or any other person nominated by the Chairperson of the Board.
- 10.4 **Conformity to Rules:** The conduct of meetings and other business of The Council will be governed by these rules (with all necessary modifications) as if The Council were the Association, and any dispute between members of The Council must be submitted to, and will be determined by, the Board.
- 10.5 **Attendance as an observer:** Attendance as an observer to Council meetings is a right for all members.
- 10.6 **Meeting Time:** The Council will ensure to the best of its ability that at each Council meeting time will be given for non-Council members to raise concerns with regards to the industry or the Association. Rules governing this participation will be set and amended from time to time by the Council.

11. THE ANNUAL GENERAL MEETING

- 11.1 **Authority:** The Annual General Meeting is the ultimate authority of the Association.
- 11.2 **Frequency, Purposes:** The Annual General Meeting must be held once in every calendar year on a date and at a time and place to determined by the Board. The Annual General Meeting must be held no more than 3 months after the Association's balance date, and no more than 13 months after the previous AGM. The business of the Annual General Meeting will be to:
- (a) receive from the Board an annual report and the financial statements for the preceding financial year of the Association, and a budget for the ensuing financial year.
 - (b) appoint a Chartered Accountant to review the financial statements for the ensuing financial year.
 - (c) consider any matter brought to the meeting by or on behalf of the Board
 - (d) Vote to appoint members to positions on Council if required. and
 - (e) consider and conduct such other business as may properly be brought forward.
- 11.3 **Proposals:** Members must submit to the Chairperson of the Board all proposals or matters they wish to have considered at the Annual General Meeting at least 10 Working Days before the date fixed for the Annual General Meeting.

11.4 **Special Business:** All business other than that set out in Rule 11.2 (including proposals or matters submitted by Members pursuant to clause 11.3) will be deemed to be special business, notice of which must be included in the notice calling the meeting (unless a majority of the Members present at the Annual General Meeting vote, or the Chairperson of the Board determines, to include such business in the Annual General Meeting).

12. **SPECIAL GENERAL MEETING**

12.1 **Calling:** A Special General Meeting may be called at any time by the Board, and must be called by the Association upon the requisition in writing of not less than 25% of the Members stating the purpose for which the Special General Meeting is required.

12.2 **No other Business:** No business other than that specified in a notice of a Special General Meeting will be transacted at that meeting.

13. **PROCEEDINGS AT GENERAL MEETINGS**

13.1 The provisions of Schedule 2 will govern proceedings at all General Meetings.

14. **POSTAL BALLOT**

14.1 The provisions of Schedule 3 will govern all Postal Ballots.

15. **FINANCIAL YEAR**

15.1 The financial year of the Association will be as determined by the Board from time to time.

15.2 **INCOME AND EXPENDITURE**

15.3 **Banking of Money:** All funds received by the Association must be paid to the credit of the Association at a bank or banks as determined by the Board by formal resolution recorded in writing.

15.4 **Bank Accounts:** The bank accounts of the Association will be operated by such person or persons as the Board from time to time determines by formal resolution recorded in writing.

15.5 **Payments:** All accounts will be paid by cheque or other negotiable instrument signed by the signatories authorised from time to time by the Board under Rule 15.2.

15.6 **Financial Statements:** The Board will cause financial statements for the Association to be prepared for tabling at each Annual General Meeting and may engage a suitably qualified person to undertake preparation.

15.7 **Review:** The financial statements of the Association will be reviewed by a suitably Chartered Accountant appointed at the Annual General Meeting for the forthcoming financial year. In the event that the Annual General Meeting fails or refuses to make such appointment, the Board will make the appointment.

15.8 **Fiscal Responsibility:** The accumulated resources provided by Subscriptions and donations and all remittances from other sources are available to meet the operating and administrative expenses of the Association. The Board will present an annual budget for consideration and comment by the Annual General Meeting.

15.9 **Payment of Membership Subscriptions:** The period that a Subscription covers will be determined by the class of membership and Subscription payment required for that class. Unless otherwise determined by the Board, for Members who are required to pay monthly Subscriptions, the subscription period will be monthly and for Members who are required to pay annually or by lump sum the Subscription period will be annually. New Members paying on an annual basis will be charged pro rata for the balance of the financial year. Unless otherwise determined, all monthly Subscriptions will be payable by automatic payment or direct debit.

15.10 **Taxation Returns:** The Board will appoint a suitably qualified person to be responsible for filing all returns required by the Inland Revenue Department and the keeping of records required.

16. **INTELLECTUAL PROPERTY RIGHTS**

16.1 **Property of Association:** All Intellectual Property will remain the exclusive property of the Association or relevant subsidiary, and no Member may challenge or call into question the Association's or relevant subsidiary's ownership or right to claim ownership of the Intellectual Property Rights as a result of being or becoming a Member or otherwise.

16.2 **Approval of Board:** The Intellectual Property may not be sold or negotiated or in any way used without the written agreement of the Board. In this respect the Board may delegate its authority to negotiate the sale or utilisation of these rights but shall retain sole and final responsibility for ultimate decisions affecting these rights and for the utilisation of income or capital gains as a result of the sale or licensing of such rights.

16.3 **Use of Name/Logo:** The Board may licence any Member or Members generally to use any Intellectual Property in connection with their business activities, principally to denote that they are members of the Association, on such terms and conditions as the Board may determine. The Board may also withdraw any such licence or otherwise require any Member who is using any Intellectual Property to cease doing so at any time by notice to the Member.

17. **BORROWING POWERS**

17.1 The Association will have, in addition to the other powers vested in it, the power to borrow or raise money from time to time by the issue of debentures, bonds, mortgages or such other securities or without security and upon such terms as to priority and otherwise as the Board determines, and the powers contained in this Rule 17 may be exercised by the Board subject to any sanction or veto exercised by the Annual General Meeting or any Special General meeting.

18. **REGULATIONS, CODES OR POLICIES**

18.1 **Power of General Meeting:** The Association may through any General Meeting enact such regulations as are deemed necessary for the application of these Rules and the general administration of the Association, provided such regulations are not inconsistent with these Rules or the Act.

18.2 **Code:** Without limiting Rule 22.1, the Board may establish and from time to time amend any code or codes of the Association or the Board provided such code is not inconsistent with these Rules or the Act, the purpose of which will be to promote sound business practice to reinforce confidence in the business of Members and the motor vehicles sold or otherwise dealt with by them, and the Members and members of the Board (as applicable) must at all times comply with any such Code.

18.3 **Management Committee:** The Board may from time to time form a management committee consisting of the Chairperson of the Board and such Board members as the Board may decide to convene and consider urgent Association business which cannot wait to be considered before a full meeting of the Board can be held. The provisions of Rule 6 will apply to the operation of any such committee with all necessary modifications. At all times the management committee is subservient to the Board.

19. **AMENDMENT TO RULES**

19.1 **Procedure for Amendments:** These Rules may be altered, added to, rescinded or otherwise amended only by a majority vote of 75% of those Members present and entitled to vote at an Annual General meeting, or Special General Meeting called for the purpose.

19.2 **Amendment by Postal Ballot Procedure:** For the avoidance of doubt, no alteration, addition rescission or other amendment of these Rules may be made by Postal Ballot.

19.3 **Notice of Amendments:** The notice of meeting for a General Meeting at which it is proposed to alter, add to, rescind or otherwise amend the Rules must set out the text of the proposed alteration, addition, rescission or other amendment and a description of its intended purpose(s).

20. **REPRESENTATIONS**

20.1 No direct representations on matters of Association policy or otherwise on behalf of the Association may be made by any Member or member of the Board to the Government or to a Government Department, Agency, Authority, the media, other association or organisation, or the public, except at the written direction or consent of the Board.

21. **DISCRETION OF BOARD**

21.1 **Discretion of Board:** In the event of any matter arising in relation to the Association which is not covered by these Rules, the Board may preside over and determine the matter at its discretion.

21.2 **Availability of Records:** All records including financial information and any other documentation or recorded information of the Council, any Management Committee, or any other group established by the Board of Directors must be available for inspection at any time by the Board. Any such inspection must be authorised by resolution of the Board.

22. **CONFLICT OF RULES**

22.1 Should the constitution, rules or requirements of any Member conflict with those of the Association the Rules of the Association will take precedence and be binding.

23. **DISCIPLINARY ACTIONS**

23.1 **Board's Rights:** The Board may take disciplinary action against any Member in accordance with this clause 23. The disciplinary action may, at the discretion of the Board, be carried out by any member or members of the Board, the CEO, or such other person as is appointed by the Board.

23.2 **Form of Disciplinary Action:** Disciplinary action may at the discretion of the Board (without limiting the rights of the Association against a Member at law) take the form of suspension

or expulsion from the Association in accordance with Rule 23.4 or Rule 23.5 and/or the charging of interest and/or costs in accordance with Rule 23.7.

23.3 Events of Default: A Member commits an Event of Default under these Rules if the Member:

- (a) commits a breach of these Rules which the Board in its absolute discretion considers to be material; or
- (b) fails to pay any sum due to the Association within 10 Working Days after the date on which written notice is given by the Board or CEO requiring payment; or
- (c) consistently pays subscription instalments late (this will be deemed to have occurred if the Member is given 3 or more notices under paragraph (b) above in any 12 month period regardless of whether or not it remedies the failures in payment); or
- (d) is convicted of an offence under any of the Motor Vehicle Sales Act 2003, Fair Trading Act 1986 or Commerce Act 1986; or
- (e) is convicted of any offence involving fraud or dishonesty; or
- (f) is convicted of any offence under any other legislation, which the Board, in its absolute discretion, considers to be prejudicial to or in conflict with the Objects and/or the interests of the Association or its members; or
- (g) is prohibited or disqualified from managing or being a director of a company under the Companies Act 1993; or
- (h) is involved in any other matter or conduct which the Board, in its absolute discretion, considers to be prejudicial to or in conflict with the Objects and/or the interests of the Association or its members; or
- (i) is adjudicated bankrupt or placed in receivership or liquidation or is otherwise insolvent.

An Event of Default will also be deemed to have occurred if any of the events listed in paragraphs (d) – (i) above occurs in relation to any person:

- (j) who is a director, officer, principal or partner of the Member; and/or
- (k) who holds (directly or indirectly, including through any company or companies) any shares in the Member, or is a trustee or beneficiary of any discretionary trust which holds any shares in the Member.

23.4 Suspension: If an Event of Default occurs in respect of a Member, the Board may, by written notice to the Member, suspend the Member from membership of the Association for such period (not exceeding 6 months) and on such conditions as to cessation of suspension as the Board determines in its discretion. If a Member is suspended, the Member shall continue to be a member of the Association but all rights and privileges of membership (including the right to vote at any General Meeting) will be withdrawn.

23.5 Expulsion: If an Event of Default occurs in respect of a Member and the Board determines in its sole discretion that the breach is such as to justify expulsion of the Member from membership of the Association, the Board may so expel the Member by giving the Member

written notice to this effect. Expulsion may follow a period of suspension, if a Member has not complied with all conditions of suspension notified by the Executive under Rule 23.4 or the Board otherwise determines that expulsion is warranted under this Rule 23.5.

23.6 **Member's Rights:** Prior to expelling a Member, the Board must:

- (a) give the Member the opportunity of being present and represented at the meeting and of giving a verbal and/or written explanation of its conduct giving rise to the potential expulsion;
- (b) give the Member at least two weeks' notice of a disciplinary meeting to be held by or at the direction of the Board to consider the matter of expulsion of the Member; and
- (c) take into account the Member's explanation in making a decision on the expulsion.

By accepting or maintaining membership of the Association, a Member acknowledges and agrees that compliance by the Board with the provisions of this Rule 23.6 constitutes compliance by the Association with all natural justice and similar legal requirements in respect of the expulsion of the Member and agrees that it will have no right of recourse against the Association in relation to any expulsion other than for non-compliance with this Rule 23.6.

23.7 **Interest/Costs:** Without limiting any other rights or powers of the Board under these Rules, the Board may, in respect of any Member who breaches these Rules:

- (a) charge such Member interest (at a reasonable rate determined by the Board) on any overdue sum payable under these Rules from the due date until the date of payment; and/or
- (b) recover from such Member any reasonable enforcement costs (including debt collection and professional advisor costs) incurred by the Association in enforcing these Rules against the Member.

24. **COMMON SEAL**

24.1 The common seal of the Association will remain in the custody of the Chairperson of the Board and will be affixed to documents only with the authority of a written resolution of the Board, or a resolution of a General Meeting. Every document to which the common seal is affixed must be signed by not less than two members of the Board.

25. **WINDING UP**

25.1 **Resolution:** The Association may be wound up by resolution of a General Meeting passed by not less than 75% of the Members entitled to vote and voting on the question.

25.2 **Distribution of Surplus Assets:** In the event of the Association being wound up, all of its surplus assets (if any) will be realised and after payment of all liabilities and expenses of winding up must with the approval of the majority of those present at a General Meeting of the Association to be held at or before the winding up of the Association be distributed to some institution or society with similar objects or aims as determined by the majority of those present at the General Meeting or as a Judge of competent jurisdiction shall determine.

26. **INDEMNITY**

26.1 The Association hereby indemnifies, to the maximum extent permitted by law, the members of the Board whether past, present or future from and against all losses, costs and damages resulting from actions taken by any such member in good faith and in the course of furthering the Objects and interests of the Association. This indemnity is given in consideration of the members of the Board making themselves available to conduct the Association's work.

27. **NOTICES**

27.1 **Notice to Members:** A notice required or authorised to be served, delivered, given or sent by the Association to any Member will be deemed to have been sufficiently served, delivered or sent if:

- (a) delivered personally to the Member; or
- (b) sent by ordinary post addressed to the member at the address of the Member appearing in the register of Members; or
- (c) sent to the member by any other commonly used electronic or digital form of transmission (including, without limitation, by email) to the address, number or site of the Member appearing in the register of Members or otherwise advised by the member to the Association in writing.

27.2 **Notice to Association:** A notice required or authorised to be served, delivered, given or sent to the Association will be deemed to have been sufficiently served, delivered, given or sent if:

- (a) delivered to the registered office of the Association; or
- (b) sent by ordinary post addressed to the Association at its registered office; or
- (c) sent to the Association by such other commonly used electronic or digital form of transmission as the Association may designate (including, without limitation, by email), to the address, number or site of Association, notified in writing by the Association from time to time by written notice to all Members for the purposes of this Rule 27.2.

27.3 **Deemed Receipt:** Any notice given pursuant to these Rules will be deemed to have been validly given:

- (a) in the case of delivery, when received;
- (b) in the case of posting, on the second day following the date of posting
- (c) in the case of sending under to Rule 27.1(c) or 27.2(c), when correctly sent in accordance with the terms of clauses 27.1(c) and 27.2(c).

27.4 **Omission:** The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by any Member entitled to receive notice will not invalidate the proceedings at the meeting.

27.5 **Change of Contact Details:** Members must advise the Association within 20 Working Days, of:

- (a) any change in their ownership or control; and
- (b) any change to their contact details (including street address, postal address, fax number, phone number and email address).

SCHEDULE 1

Proceedings at Board Meetings

1. **Frequency:** The Board shall meet at intervals of not less than 3 calendar months in each calendar year and in particular not less than 5 Working Days prior to the Annual General Meeting.
2. **Chair:** All meetings of the Board of Directors shall be chaired by the Chairperson of the Board or by the Secretary or such other person elected to do so by the Board by simple majority vote.
3. **Convening of Meetings:** A meeting of the Board may be convened by the Chairperson of the Board or by a majority of the members of the Board by written request to the Chairperson of the Board.
4. **Decision Making:** The Board will make its decisions by a simple majority. In the event of an equality of votes the Chairperson of the Board will not have a casting vote.
5. **Quorum:** A quorum of a meeting of the Board will be a majority its members.
6. **Minutes:** Minutes shall be kept of the proceedings of the meetings of the Board. All such minutes shall be placed before the next Board meeting for confirmation.
7. **Written Resolutions:** A resolution in writing signed or otherwise assented to by not less than two thirds of the members of the Board for the time being shall be as valid and effective 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 members of the Board. A facsimile or other electronic reproduction of any such document signed by members of the Board or email sent by each member of the Board confirming agreement shall be conclusive evidence of such resolution having been signed or authorised by those members for the purposes of this paragraph 7 of Schedule 1.
8. **Telephone Meetings:** The contemporaneous linking together of a number of members of the Executive, not less than the quorum, shall be deemed to constitute a meeting of the Board and all the provisions of these Rules as to meetings of the Board shall apply to such meetings. A minute of the proceedings of such meeting confirmed at the next regular meeting of the Board shall be sufficient evidence of such proceedings and all necessary formalities if certified as a correct record by the Chairperson of the Board. For the purposes of this paragraph 8 of Schedule 1 "telephone" shall include television or any other audio and / or visual device which permits suitable instantaneous communication.
9. **Other Proceedings:** Except as set out in this Schedule 1, the Board may determine its own proceedings.

Schedule 2

Proceedings at General Meetings

1. **Notice:** The Association must give all Members at least 10 Working Days' written notice of the holding of a General Meeting containing details of the date, time and place of such meeting and a agenda containing a summary of the business to be transacted at the meeting.
2. **Prerequisite to Voting:** Only Members who have paid all Subscriptions payable as at the date on which the notice of meeting was given by the Association will be entitled to vote at a General Meeting.
3. **Number of Votes:** For each vote that is not for Council participation, each Member will have one vote. For Council participation where a voting system is used to determine participation members of different classes may have differing number of votes they can cast.
4. **Exercise:** A Member may exercise its vote either personally (if the Member is an individual) or by its Authorised Representative (if the Member is a body corporate), or by proxy under the following paragraph.
5. **Appointment of Proxy:** If a Member wishes to exercise its vote by proxy, the proxy must be appointed using a proxy form provided by the Association, which is properly completed and signed by the Member personally (if an individual) or by its Authorised Representative (if a body corporate). No proxy will be effective in relation to a General Meeting unless it is lodged with the registered office of the Association no later than 24 hours before the time appointed for the Meeting or given to the Chairperson of the Board (or such other person who has been appointed to chair the Meeting) prior to the commencement of the Meeting.
6. **Holding of Proxies:** No Member present at a General Meeting may hold or exercise more than one proxy (in addition to voting personally or as an Authorised Representative) except that if the Chairperson of the Board is also a Member, he or she may exercise all proxies lodged with him or her.
7. **Authorised Representatives:** A Member which is a body corporate may vote by its Authorised Representative appointed under Rule 4.7. No change to the Authorised Representative of a Member will be effective for any particular General Meeting unless the notice appointing the Authorised Representative is received by the Association at its registered office no later than 24 hours before the time appointed for the Meeting or is given to the Chairperson of the Board (or such other person who has been appointed to chair the Meeting) prior to the commencement of the Meeting.
8. **Quorum:** The quorum for any General Meeting will be the lesser of 25 Members or 25% of eligible members present either in person or by proxy or by Authorised Representative. If within half an hour of the time appointed for the commencement of the General Meeting a quorum is not present, the meeting will stand adjourned to the same time and place on the date 10 Working Days after the date of such meeting and if at the adjourned meeting a quorum is not present, then the meeting will lapse.
9. **Voting by Board:** Board members have no right to vote at a General Meeting otherwise than in their capacity as a paid up Member or as provided in paragraph 7 of this Schedule 2, except that in the event of an equality of votes the Chairperson of the Board will have a casting vote.

10. **Chairing of Meetings:** Each General Meeting will be presided over by the Chairperson of the Board or in his absence by his nominated replacement for the time being.
11. **Method of Voting:** Any motion submitted to a General Meeting will be determined in the first instance on the voices, or upon request by any Member to put the motion to a show of hands, and will be deemed to be carried if the majority of Members present in person, by proxy or by Authorised Representative and entitled to vote, vote in favour of the motion. However, if the Chairperson of the Board considers any question to be of special delicacy, or whenever the majority of Members present at the meeting so demand, voting will be by secret ballot.
12. **Other Proceedings:** Except as set out in this Schedule 2, the Executive may otherwise determine proceedings at General Meetings.

Schedule 3
Postal Ballots

1. **Purpose:** Subject to paragraph 10 of this Schedule 3, any resolution that may be passed at a Special General Meeting may be the subject of a postal ballot of the Members held in accordance with this Schedule 3. Any resolution approved on a Postal Ballot by the majority of votes required under these Rules will be deemed to have been passed as if it had been passed at a Special General Meeting.
2. **Method of Calling:** A Postal Ballot may be called for by the Board at any time by notice given under paragraph 3 of this Schedule 3 or upon requisition in writing by at least 25% of the Members of the Association stating the purpose for which a Postal Ballot is required in terms of paragraphs 1 and 3 of this Schedule 3.
3. **Notice of Ballot:** The Executive must give written notice of the holding of a Postal Ballot to all Members who are entitled to receive a notice of a Special General Meeting. The notice must:
 - (a) state:
 - (b) the purpose for which the Postal Ballot is called and the text of any resolution proposed;
 - (c) the address to which voting forms must be sent and the method by which such forms must be sent to such address;
 - (d) the date and time by which voting forms must be received from Members;
 - (e) the date on which the result of the Postal Ballot will be declared and a notice of the result will be sent to Members;
 - (f) the name of the person authorised by the Board under paragraph 7 of this Schedule 3 to receive and count Members' votes;
 - (g) be accompanied by a voting form in the form determined by the Board; and
 - (h) give the Member not less than 20 Working Days within which to return the completed voting form.
4. **Voting:** Members may vote in a Postal Ballot only by sending the properly completed voting form which accompanied the notice of postal ballot, signed by the Member personally in the case of an individual Member or, in the case of any other Member, by the Authorised Representative of the Member, to the address, in accordance with the method of sending, and by the time, stated in the notice of the Postal Ballot.
5. **Vote to hold Meeting:** On receipt of a notice calling a Postal Ballot, Members may vote (using the voting form) to hold a Special General Meeting in place of the Postal Ballot to consider the matters to which the notice relates, by selecting the appropriate option on the Voting Form. Voting for a Special General Meeting to be held will not prevent a Member from also voting for or against any resolution proposed in the notice. If not less than 25% of the Members vote

to hold a Special General Meeting, the Postal Ballot will be deemed to have been abandoned and the Board must promptly convene a Special General Meeting under Rule 12.1.

6. **Minimum Number of Responses:** The result of a Postal Ballot will be valid and binding only if properly completed and signed Voting Forms are received in accordance with the notice calling the Postal Ballot from not less than 25% of the Members.
7. **Authorised Person:** The Board must for each Postal Ballot appoint a person to do the following things on the dates specified in the notice calling the Postal Ballot and it will be the duty of the person so appointed to do those things:
 - (a) receive the voting forms; and
 - (b) count:
 - (c) the number of Members voting for or against the relevant resolution(s);
 - (d) the number of Members who request that a Special General Meeting be called to consider the relevant resolution(s); and
 - (e) certify to the Board in writing:
 - (f) the result of the Postal Ballot; or
 - (g) that the Board must call a Special General Meeting under paragraph 5 of this Schedule 3.
8. **Equality of Votes:** In the event of an equality of votes on any resolution, the resolution will be deemed not to be carried.
9. **Result of Ballot:** The result of a Postal Ballot will be deemed to be effective from the date on which the Board receives a certificate under paragraph 7(c) of this Schedule 3. On receipt of such a certificate, the Board must promptly send written notice to all Members of the Association:
 - (a) where paragraph 7(c)(i) applies, advising them of the result of the Postal Ballot; or
 - (b) where paragraph 7(c)(ii) applies, calling a Special General Meeting under paragraph 5.
10. **Exceptions to use of Postal Ballots:** The procedure set out in this Schedule 3 may not be used to commence the winding up of the Association, to alter these Rules, or in the place of the Annual General Meeting.

Schedule 4
Powers of the Association

The Association has the following specific powers under Rule 3.2:

- (a) To enter into any contract or arrangement.
- (b) To use the funds of the Association in payment of the costs and expenses of the Association including the employment of professional advisors, agents, consultants, officers and employees.
- (c) To become a member of, or co-operate with, any other organisation and to obtain from and communicate to such Association such information, as may be likely to promote the Objects.
- (d) To purchase, sell, lease, hire or otherwise acquire or dispose of or mortgage any real or personal property rights or privileges.
- (e) To acquire or sell shares or securities in any entity and to form any company in which the Association will hold any shares.
- (f) To apply for and take out, purchase or otherwise acquire any intellectual property rights of any kind and to grant licences to use the same.
- (g) To receive money on deposit, with or without interest.
- (h) To advance and lend money upon any security or without security.
- (i) To invest the funds of the Association not immediately required in any manner determined by the Board.
- (j) To construct, improve, alter or maintain any building or works.
- (k) To solicit and accept donations and gifts and any transfer of real or personal property whether subject to any trust or not.
- (l) To form or establish any branch of the Association within or outside New Zealand.
- (m) To do all other things that are incidental or conducive to the furtherance of any of the above Objects and carry out any other activity which is consistent with and within the spirit and intent of the Objects.

Name of Member:

Signature of Member:

A member of Independent Motor Vehicle Dealers Association Incorporated

Name of Member:

Signature of Member:

A member of Independent Motor Vehicle Dealers Association Incorporated

Name of Member:

Signature of Member:

A member of Independent Motor Vehicle Dealers Association Incorporated
