

Amendments to the Constitution of N.Z. Standardbred Breeders' Association Incorporated

MOVED: THAT THE FOLLOWING ADDITIONS AND AMENDMENTS BE MADE TO THE CONSTITUTION OF THE NZSBA OF 7 NOVEMBER 2019, AS REQUIRED WITH CONSEQUENTIAL RENUMBERING & MINOR EDITS

Almost all proposed amendments are required by the Incorporated Societies Act 2022.

The 2019 constitution followed the recommendations of the NZ Sports Foundation which anticipated the new legislation.

1. Members

The classes of membership and the method by which members are admitted to different classes of membership are as follows:

- (i) Member:
 - A. A current member at the time of the adoption of this constitution; or
 - B. An individual or body corporate admitted to membership under this Constitution; or
 - C. A member of a New Zealand regional standardbred breeder's association affiliated to the Association, and
 - D. who or which has not ceased to be a member.

- (ii) Life Member: A current Life Member and any person who is honoured for highly valued services to the Association by election as a Life Member by resolution/special resolution of a general meeting who has not ceased to be a Life Member. A Life Member shall have all the rights and privileges of a member and shall be subject to all the same duties as a member except those of paying subscriptions.

2. Application for Membership

- (a) An eligible person may apply to become a member of the Association by completing a membership application as required by the Executive.
- (b) A person must consent to become a member.¹
- (c) A membership application shall be considered by the Executive that may grant or refuse the application or refer the application to an annual general meeting or special

¹ This is a requirement on the Incorporated Societies Act 2022 and must be included in the rules: s 26(1)(c). Section 76(2) of that Act states where the proposed member is a body corporate the consent of a body corporate (A) to become a member of a society may be given on A's behalf in writing by a person acting under A's express or implied authority.

general meeting for approval by special resolution. The Executive may delegate the power to grant an application to the Secretary.

3. **Member's rights or interests in the property of the Association²**

- (a) Members do not have a right, title, or interest (legal or equitable) in the property of the Association.³
- (b) A member must not have any pecuniary interest, in their capacity as a member, in the property of the Association.⁴

4. **Membership obligations**

All members shall:

- (a) Promote the interests and the objectives of the Association and do nothing to bring the Association into disrepute.
- (b) Pay subscription fees (except for honorary members and life members).
- (c) Notify the Executive Officer/Secretary of any change of their contact details (including their postal address, phone number(s), and email or other electronic address).
- (d) If a body corporate, provide the Executive Officer/Secretary with the name and contact details of the person who is the organisation's authorised representative, and that person shall be deemed to be the organisation's representative to vote at general meetings.
- (e) At all times, comply with these rules and the rules of harness racing.

5. Meetings of the Association

5.1 **Annual General Meeting**

- (a) An annual general meeting of the members of the Association must be held:
 - (i) no later than six (6) months after the balance date of the Association; and
 - (ii) no later than 15 months after the previous annual general meeting.

² This is a statutory requirement under s 76 of the Incorporated Societies Act 2022.

³ This is a statutory requirement under s 77 of the Incorporated Societies Act 2022.

⁴ This is a statutory requirement under s 20 of the Racing Industry Act 2020.

- (b) At each annual general meeting, the Executive must present information required to be presented under the Incorporated Societies Act 2022 including:⁵
- (i) an annual report on the operations and affairs of the Association during the most recently completed accounting period: and
 - (ii) the financial statements of the Association for that period: and
 - (iii) notice of the disclosures, or types of disclosures, made under section 63 of the Incorporated Societies Act 2022 (disclosure of interests) during that period (including a brief summary of the matters, or types of matters, to which those disclosures relate).
- (c) The business of the annual general meeting shall be:
- (i) To adopt the minutes of the previous annual general meeting and any recent special general meeting held after the last annual general meeting.
 - (ii) To receive, consider and approve the annual report of the Association, including the financial statements.
 - (iii) To receive and consider a notice of any disclosures of conflicts of interest since the previous annual general, including a brief summary of the types of matters to which the disclosures relate.
 - (iv) To consider and approve the subscription fees.
 - (v) If required by law or accounting standards appoint an auditor or to authorise the Executive to appoint an auditor and fix the auditor's remuneration.
 - (vi) To consider and, if thought fit, pass any remits or motions for resolution.
 - (vii) To consider such other general business as the meeting resolves to consider.

⁵ Under s 86 of the Incorporated Societies Act 2022 the Committee must present:

- (a) an annual report on the operations and affairs of the society during the most recently completed accounting period: and
- (b) the financial statements of the society for that period: and
- (c) notice of the disclosures, or types of disclosures, made under section 63 of the Incorporated Societies Act 2022 (disclosure of interests) during that period (including a brief summary of the matters, or types of matters, to which those disclosures relate).

6. Eligibility for Executive

- (a) Prior to election or appointment, the proposed Executive member must consent to be a Executive member and certify that they are not disqualified from being elected, appointed, or holding office as a Executive member by these rules or the Incorporated Societies Act 2022.
- (b) A person is disqualified from being elected, appointed, or holding office as an Executive member who is:
 - (i) Disqualified under section 47 of the Incorporated Societies Act 2022.
 - (ii) A paid official of the Association.
 - (iii) Has at any time been or is disqualified for any serious racing offence under the rules of racing, a corrupt practice under the former racing rules, or any equivalent rules of any recognised Harness Racing Club, Racing Club, Authority or Body in New Zealand or any country.
 - (iv) Is disqualified under the rules of racing in New Zealand or any other country.
 - (v) Has at any time been convicted of an offence or crime referred to in Schedule 1 of the rules of harness racing made under section 40 of the Racing Industry Act 2020.

7. Conflicts of interests

7.1 Conflicts of Interests

- (a) A member of the Executive is interested in a matter if the member of the Executive:
 - (i) may obtain a financial benefit from the matter; or
 - (ii) is the spouse, civil union partner, de facto partner, child, parent, grandparent, grandchild, or first cousin of a person who may obtain a financial benefit from the matter; or
 - (iii) may have a financial interest in a person to whom the matter relates; or
 - (iv) is a partner, director, member of the Executive and/or sub-committee, board member, or trustee of a person who may have a financial interest in a person to whom the matter relates.
- (b) However, a member of the Executive is not interested in a matter—
 - (i) merely because the member of the Executive receives an indemnity, insurance cover, remuneration, or other benefits authorised under the Incorporated

Societies Act 2022;

- (ii) if the member of the Executive interest is the same or substantially the same as the benefit or interest of all or most other members due to the membership of those members; or
 - (iii) if the member of the Executive interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the member of the Executive in carrying out the member of the Executive's responsibilities under the Incorporated Societies Act 2022 or these rules.
- (c) A member of the Executive who is interested in a matter relating to the Association must disclose details of the nature and extent of the interest (including any monetary value of the interest if it can be quantified)—
 - (i) to the Executive; and
 - (ii) in the interests register kept by the Executive.
- (d) Disclosure must be made as soon as practicable after the member of the Executive becomes aware that they are interested in the matter.
- (e) A member of the Executive who is interested in a matter:
 - (i) must not vote or take part in the decision of the Executive relating to the matter; and
 - (ii) must not sign any document relating to the entry into a transaction or the initiation of the matter; but
 - (iii) may take part in any discussion of the Executive relating to the matter and be present at the time of the decision of the Executive unless the Executive decides otherwise.
- (f) However, a member of the Executive who is prevented from voting on a matter may still be counted to determine whether there is a quorum at any meeting at which the matter is considered.
- (g) Where 50 per cent or more of Executive members are prevented from voting on a matter because they are interested in that matter, a special general meeting must be called to consider and determine the matter, unless all non-interested members agree otherwise but where 50 per cent or more of the members of a sub-Executive are prevented from voting on a matter because they are interested in that matter, the Executive shall consider and determine the matter.

7.2 Duties of Executive members and conflict on interest rules apply to all officers of the Association.

Rules xx and xx5 apply with necessary modification to any person (although not being a Executive member) who is an officer of the club.

7.3 Access to register of members

With reasonable notice and at reasonable times, the Secretary shall make the Register of Members available for inspection by members, Executive members, and a representative of Harness Racing New Zealand Inc. However, no access will be given to information on the Register of Members to members or any other person, other than as required by law.

8. Register of interests

8.1 Register of interest

The Secretary, or such other person directed by the Executive, shall at all times maintain an up-to-date register of the interests disclosed by Executive members, sub-committee members, and officers.

9. Access to other information

9.1 Access to other information

- (a) A member may at any time make a written request to the Association for information held by the Association. The request must specify the information sought in sufficient detail to enable the information to be identified.
- (b) The Association must within a reasonable time after receiving a request:
 - (i) provide the information;
 - (ii) agree to provide the information within a specified period;
 - (iii) agree to provide the information within a specified period if the member pays a reasonable charge to the Association (which must be specified and explained) to meet the cost of providing the information; or
 - (iv) refuse to provide the information, specifying the reasons for the refusal.
- (c) Without limiting the reasons for which the Association may refuse to provide the information, the Association may refuse to provide the information if:

- (i) withholding the information is necessary to protect the privacy of natural persons, including that of deceased natural persons;
 - (ii) the disclosure of the information would, or would be likely to, prejudice the commercial position of the Association or of any of its members;
 - (ii) the disclosure of the information would, or would be likely to, prejudice the financial or commercial position of any other person, whether or not that person supplied the information to the Society;
 - (iii) the disclosure of the information would, or would be likely to, prejudice the Executive having a full and frank discussion of any matter and individual member views being disclosed;
 - (v) withholding the information is necessary to maintain legal professional privilege;
 - (vi) the disclosure of the information would, or would be likely to, breach an enactment;
 - (vii) the burden to the society in responding to the request is substantially disproportionate to any benefit that the member (or any other person) will or may receive from the disclosure of the information; or
 - (ii) the request for the information is frivolous or vexatious.
- (d) If the Association requires the member to pay a charge for the information, the member may withdraw the request, and must be treated as having done so unless, within 10 working days after receiving notification of the charge, the member informs the Association:
- (i) that the member will pay the charge; or
 - (ii) that the member considers the charge to be unreasonable.
- (b) Nothing in this rule limits Information Privacy Principle 6 of the Privacy Act 2020.

10. Dispute Resolution

10.1 Raising Disputes

- (a) A complaint by anyone is to be lodged by the complainant with the Secretary in writing and must provide such details as are necessary to identify the details of the complaint.

- (b) All members (including the Executive) are obliged to cooperate to resolve disputes efficiently, fairly, and with minimum disruption to the Association's activities.
- (c) The complainant raising a dispute, and the Executive, must consider and discuss whether the dispute may best be resolved through informal discussions, under clause 18.2 and 18.3, mediation, or arbitration.
- (d) Where mediation or arbitration is agreed on, the parties will sign a suitable mediation or arbitration agreement.

10.2 Investigating disputes

- (a) This rule concerns any grievances of members relating to their rights and interests as members, and any complaints concerning the alleged conduct or discipline of members, collectively referred to as "disputes."
- (b) These disputes procedures are designed to enable and facilitate the fair, prompt, and efficient resolution of disputes.
- (c) Rather than investigate and deal with a dispute, the Executive may:
 - (i) appoint a sub-committee to deal with the same; or
 - (ii) refer the same to an external arbitrator, arbitral tribunal, or external visitor (or referee), so long as minimum standards of natural justice and the following requirements under this rule are satisfied.
- (d) The Executive or any such sub-committee or person considering any dispute is referred to hereafter as the "decision-maker".
- (e) The decision-maker:
 - (i) shall consider whether to investigate and deal with the dispute, and
 - (ii) may decline to do so (for instance, if the decision-maker is satisfied that the complainant has insufficient interest in the matter or otherwise lacks standing to raise it; the matter is trivial or does not appear to disclose material misconduct or material; the matter raised appears to be without foundation or there is no apparent evidence to support it; some damage to members' interests may arise; or the conduct, incident, event or issue has already been investigated and dealt with by the Association).

- (f) Where the decision-maker decides to investigate and deal with a dispute, the following steps shall be taken:
 - (i) The complainant and the member, or the Association which is the subject of the dispute, must be advised of all details of the dispute.
 - (ii) The member, or the Association which is the subject of the dispute, must be given an adequate time to prepare a response.
 - (iii) The complainant and the member, or the Association which is the subject of the dispute, must be given an adequate opportunity to be heard, either in writing or at an oral hearing if the decision-maker considers that an oral hearing is required.
 - (iv) Any oral hearing shall be held by the decision-maker, and/or any written statement or submissions shall be considered by the decision-maker.
- (g) A member may not make a decision on or participate as a decision-maker in regard to a dispute, if two or more Executive members, or the decision-maker, consider that there are reasonable grounds to infer that the person may not approach the dispute impartially, or without a predetermined view. Such a decision must take into account the context of the Association and the particular case and may include consideration of facts known by the other members about the decision-maker, so long as the decision is reasonably based on evidence that proves or disproves an inference that the decision-maker might not act impartially.

10.3 Resolving disputes

- (a) The decision-maker may:
 - (i) dismiss a grievance or complaint;
 - (ii) uphold a grievance and make such directions as the decision-maker thinks appropriate (with which the Association and members shall comply); or
 - (iii) uphold a complaint and reprimand or admonish the member, and/or suspend the member from membership for a specified period, or terminate the member's membership, and/or order the complainant (if a member) or the member complained against, to meet any of the Association's reasonable costs in dealing with the dispute.

11. Winding Up

11.1 Process

- (a) The Association may be wound up, or liquidated, or removed from the Register of Incorporated Societies in accordance with the provisions of the Act.
- (b) The Secretary shall give notice to all members of:
 - (i) the proposed motion to wind up the Association or remove it from the Register of Incorporated Societies;
 - (ii) the general meeting at which any such proposal is to be considered;
 - (iii) the reasons for the proposal; and
 - (iv) any recommendations from the Executive in respect to such notice of motion.
- (c) Any resolution to wind up the Association or remove it from the Register of Incorporated Societies must be passed by a [resolution/special resolution] of the members present and voting.

12. Alteration to the rules

12.1 Amending these Rules

- (a) The Association may amend or replace these rules at a general meeting by a motion passed by a special resolution of those members present and voting.
- (b) A motion to amend or replace the rules may be given by a member, or the Executive.
- (c) Any proposed motion to amend or replace these rules by a member shall be given in writing to the Secretary at least 20 working days before the general meeting at which the motion is to be considered and accompanied by a written explanation of the reasons for the proposal.
- (d) At least 10 days before the general meeting at which any amendment is to be considered the Secretary shall give to all members notice of the proposed motion, the reasons for the proposal, and any recommendations the Executive has.
- (e) When an amendment is approved by a general meeting it shall be notified to the Registrar of Incorporated Societies in the form and manner specified in the Act for registration and shall take effect from the date of registration or such later nominated date.
- (f) Notwithstanding any other provision of these rules, the members shall not amend, alter or add to these rules in any manner which is inconsistent with, or contrary to, the rules of harness racing, the Constitution of HRNZ, the Racing Industry Act 2020,

the rules of harness racing, the Incorporated Societies Act 2022, the Income Tax Act 2007 and any regulations made under those Acts (or an Act that replaces the Act) and all other applicable legislation. The provisions and effect of this rule shall not be removed from these rules and shall be included and implied in any document replacing these rules.

12.2 **Minor and technical amendments**

- (a) The Association may amend its rules if the amendment:
 - (i) has no more than a minor effect; or
 - (ii) corrects errors or makes similar technical alterations.
- (b) The Executive must ensure that written notice of the amendment is sent to every member of the society.
- (c) The notice must state—
 - (i) the text of the amendment; and
 - (ii) the right of the member to object to the amendment.
- (d) If no objection from a member is received within ten (10) working days after the date on which the notice is sent the Association may make the amendment.
- (e) If an objection is received, the Executive may not make the amendment.

12.3 **Notification of amendment**

- (a) The Association must comply with the requirements under the Incorporated Societies Act 2022 in relation to a copy of any amendment is given to the Registrar of Incorporated Societies.

13. Contact person

13.1 **Contact person**

- (a) The Executive must ensure that there is at least one person appointed as a contact

person as required by the Incorporated Societies Act 2022.

- (b) Any vacancy in the position of contact person must be filled within 20 working days after the vacancy occurs.
- (c) The Association's contact person must be:
 - (i) At least 18 years of age;
 - (ii) A Executive member;
 - (iii) At all times be resident in New Zealand; and
 - (iv) Not disqualified under the Incorporated Societies Act 2022 from holding that office;
 - (v) Appointed by the Executive.
- (b) Any change in that contact person or that person's name or contact details must be advised to the Registrar of Incorporated Societies within 20 working days of that change occurring, or the Association becoming aware of the change.