

# **CONSUMER NZ**

## **RULES**

**1 JANUARY 1989**

**[Last amended June 2018]**

Established 1 January 1989  
Previously amended in:  
1990; 1991; 1994; 1997; June of 2001;  
February of 2006; December of 2007; June  
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## PREAMBLE

Consumers' Institute of New Zealand came into being on 1 January 1989, as a private consumer organisation. It grew out of a statutory body, also named Consumers' Institute, which existed from July 1959 to 31 December 1988.

The statutory body was first constituted under a section of the Finance Act 1959, and later reconstituted under its own Act, the Consumer Council Act 1966. Throughout the period 1959-1988 the Consumer Council was the policy-making body of Consumers' Institute.

In December 1988 the Consumer Council Act was repealed; the Consumer Council was abolished and Consumers' Institute ceased to exist as a statutory body; and was replaced by Consumer's Institute of New Zealand Incorporated. These changes were provided for in the Consumer Council Act Repeal Act 1988. On 14 December 2007 the name of the Consumers' Institute of New Zealand Incorporated was changed to Consumer NZ Incorporated (**Consumer NZ**).

**Consumer NZ** recognises its antecedents and carries forward the name and many of the policies of its predecessor; continues to publish "Consumer" magazine but also provides other services; offers continuation of membership to the existing members; and maintains many other links with its predecessor. Though as a private organisation it places the interests of its membership first, it recognises a duty to all consumers, and endorses the principle expressed in the functions of its predecessor (Section 16 of the former Consumer Council Act 1966):

"... to protect and promote the interests of consumers of goods and services by whatever lawful means appear to it expedient, and by so doing to encourage the improvement and development of industry and commerce".

## 1 NAME

- 1.1 The name of the society shall be "**Consumer NZ Incorporated**". This is the body referred to as "**Consumer NZ**" throughout these Rules.

## 2 PRINCIPAL AIM

Wording for rule 2.1 changed June 2018

- 2.1 The principal aim of **Consumer NZ** is to protect and empower its members and consumers generally.

## 3 OBJECTS

Wording for rule 3.1 changed June 2018

- 3.1 To carry out, commission or promote research, testing and investigation into matters of consumer interest and concern; and to disseminate the resulting information, advice and warnings electronically, through the publication of reports, magazines, pamphlets, books and any other communications.

Wording for rule 3.2 changed June 2018

- 3.2 To improve and maintain the standard and sustainability of goods and commodities sold, and services rendered, to consumers.

Wording for rule 3.3 changed June 2018

- 3.3 To promote changes to the laws and practices of the marketplace as will remove disadvantages suffered by consumers and promote better and more just treatment of consumers.

- 3.4 To promote and advance public knowledge of matters affecting consumers, and also the education of consumers of all ages.

Wording for rule 3.5 changed June 2018

- 3.5 To continue to apply in all the operations of Consumer NZ the basic principles of impartiality, independence and avoidance of conflict of interest.

- 3.6 To liaise with and assist other organisations in New Zealand or overseas in the pursuit of the objects of **Consumer NZ**.

Wording for rule 3.7 changed June 2018

- 3.7 To develop and maintain a a resource of reference material relating to consumer matters.

- 3.8 To provide such amenities, services and facilities for **Consumer NZ** members and consumers as the Board thinks fit, whether of a trading, commercial or personal nature.

Wording for rule 3.9 changed June 2018

- 3.9 To trade or carry on any type of commercial, financial or business activity which is consistent with the foregoing objectives, and which has the purpose of generating funds to further the aims and objectives of Consumer NZ.

- 3.10 To do all those things which may lawfully be done, and which in the opinion of the Board are for the direct or indirect benefit of **Consumer NZ** members and consumers generally, or are incidental or conducive to the attainment of any of the foregoing objects.

#### 4 **GOVERNANCE OF CONSUMER NZ**

- 4.1 **Consumer NZ** shall be governed by a Board and incorporated as a society under the Incorporated Societies Act 1908.

- 4.2 **Consumer NZ** shall be registered as a charitable entity under the Charities Act 2005.

#### 5 **THE BOARD**

- 5.1 The Board shall be comprised of seven Board members.

Rules regarding appointment and retirement of first Board members (6.1 to 7.2) obsolete and deleted June 2001

New 5.1 to 7.2 follow:

- 5.2 Each year Members shall be invited to nominate persons for election to the Board. Nominations must be in the hands of **Consumer NZ** by such date as the Board may from time to time set. All nominations shall be in writing and proposed by current Members. Nominations shall include the biographical details of the candidate required by **Consumer NZ** and be signed by the nominee as an indication of consent to nomination. Members may self-nominate. All nominees must conform to the criteria for eligibility as a Board member, as set out in Rule 8.

Rule 5.2 amended June 2016 to allow members to self-nominate for Board elections

- 5.3 All nominations received by the due date shall be sent to the Nominations Consultant provided for under Rule 6. The Nominations Consultant shall select a number of candidates, as provided for under Rules 6 and 8, and notify the Board.

- 5.4 All elections for the Board shall be conducted by ballot. Ballot papers may be posted, downloaded from the **Consumer NZ** Website or delivered to Members by other means determined by the Board. The ballot paper may be enclosed with, or form part of any **Consumer NZ** publication provided to Members, including through the **Consumer NZ** Website. The accidental omission to forward a ballot paper or other information to any Member or Members shall not invalidate or affect the result of any ballot.

Rule 6.4 amended 2006 to incorporate electronic voting at Board elections.

- 5.5 Details of the candidates and ballot papers shall be provided to Members not less than twenty-one days before the date set by the Board for the ballot. Each current Member shall have one vote for each vacancy on the Board and may vote for any number of candidates up to the number of vacancies to be filled. Each ballot returned to **Consumer NZ** shall provide such information to establish eligibility to vote as the Board may from time to time determine. Eligibility criteria and voting instructions are to be provided to Members at the time they are invited to vote.

Rule 6.5 amended 2006 to incorporate electronic voting at Board elections.

5.6 Ballot papers shall be returned to **Consumer NZ** by the date fixed by the Board for the ballot either by post, hand delivery or electronically.

5.7 Post or hand delivered ballot papers will be kept under the security of the Secretary to the Board until the date appointed for the ballot. Those returned electronically will be kept securely online until the date appointed for the ballot when they will be counted by electronic means and the result included in the election scrutineers' final count.

Rule 6.6 amended 2006 to incorporate electronic voting at Board elections.

5.8 The scrutiny of the vote shall be conducted by any two persons appointed by the Board. The scrutineers shall total all votes on the day appointed for the ballot. A vote shall be declared invalid and destroyed if it has not been completed in accordance with the voting instructions.

Rule 6.7 amended 2006 to incorporate electronic voting at Board elections.

5.9 After the votes have been counted the vacancies shall be filled by the highest-polling candidates who shall thenceforth be declared members of the Board for the ensuing three-year term. Should it be necessary to determine between candidates receiving an equal number of votes, the scrutineers shall select one of the tied candidates by the toss of a coin.

5.10 The decision of the scrutineers as to the result of a ballot shall be final. The scrutineers shall cause all voting papers and envelopes to be destroyed and electronic votes sent in by email to be deleted after the result of the voting has been determined.

Rule 6.9 amended 2006 to incorporate electronic voting at Board elections

5.11 At the conclusion of the ballot all candidates shall be advised whether or not they have been successful.

5.12 The names of the successful candidates shall be announced at the Annual General Meeting, and all Members shall then be notified.

## **6 POWERS OF THE BOARD**

6.1 The Board shall be responsible for the entire business and affairs of Consumer NZ, and achieving the aims and objects of Consumer NZ. The Board shall have all the powers of Consumer NZ considered by it necessary or desirable for those purposes. Except where any powers are expressly required to be exercised by Consumer NZ in a Members' Meeting.

6.2 Without detracting from the general powers of the Board it is declared that it shall have the following powers:

6.2.1 To enter into and carry out all contracts relating to the affairs of **Consumer NZ**.

6.2.2 To control the funds, finances and other assets of **Consumer NZ**.

6.2.3 To purchase, sell, acquire, lease or otherwise deal in any manner with any property or assets of **Consumer NZ**, or required by or for the benefit of **Consumer NZ**, upon such terms and conditions as the Board may in its discretion think fit.

- 6.2.4 To borrow or raise money in such manner and with or without security and on such terms as the Board may think fit or expedient; and to issue and execute mortgages, debentures or any other form of charge or security for or over the property or assets of **Consumer NZ** for the purposes of securing the repayment of any moneys or the performance of any obligation.
- 6.2.5 To invest and deal with the funds of **Consumer NZ** in such manner and upon such conditions as the Board thinks fit, and with security or unsecured; and in particular to subscribe for or purchase, take, acquire or dispose of shares, debentures, unsecured notes or any other form of security, asset or investment the Board thinks fit.
- 6.2.6 To enter into any business, financial or other commercial transaction that the Board thinks fit, including the operation of any trading or other commercial activity, for the benefit of **Consumer NZ**, its members or consumers generally; and the formation or establishment of any company, firm or other entity owned or controlled by **Consumer NZ**.
- 6.2.7 To determine by resolution the persons who shall have authority to sign cheques and other banking documents relating to **Consumer NZ**.
- 6.2.8 To guarantee the contracts or other obligations of any person or persons and to secure any such guarantee over the assets of **Consumer NZ**.
- 6.2.9 To employ and terminate the employment of the Chief Executive.
- 6.2.10 To do every other act, matter and thing which the Board shall consider to be necessary or conducive to carrying out the aim and objects of **Consumer NZ**.
- 6.3 The Board shall have the power to delegate authority to the Chief Executive to exercise any powers and responsibilities on behalf of the Board, and to amend or revoke such authority.
- 6.4 In the carrying on of any business for the benefit of **Consumer NZ**, no person with some control over the business is able to direct or divert to their own benefit or advantage, any amount derived from the business as described in CW(8) of the Income Tax Act 2007.

New Rule 5.4 (27 June 1997 - to provide a safeguard against any member benefitting personally from the activities of **Consumer NZ**).

## 7 NOMINATIONS CONSULTANT

- 7.1 An independent Nominations Consultant shall be appointed by the Board.
- 7.2 The function of the Nominations Consultant shall be to consider the nominations submitted for membership of the Board by Members, taking account of the criteria for Board members contained in these Rules and other guidelines the Board may provide.
- 7.3 The Nominations Consultant shall select a number of candidates for the Board to be submitted to Members who shall be invited to vote. If the number of suitable nominations permits, the number selected shall be not less than twice and not more than three times the number of vacancies to be filled. The candidates selected by the Nominations Consultant shall be the only persons eligible for election to the Board.

Rule 7.3 amended 24 June 1994, adding the word "suitable" so that the Nominations Consultant may select a lesser number of candidates if appropriate.

- 7.4 The decisions of the Nominations Consultant shall be final and there shall be no appeal against them.

## 8 CRITERIA FOR ELIGIBILITY AS A BOARD MEMBER

Rule requiring prospective Board members to be aged not be more than 70 years at the closing date set for nominations was deleted in June 2001.

- 8.1 Persons nominated as prospective Board members shall:
- 8.1.1 Be a current Member of **Consumer NZ**.
  - 8.1.2 If a current member of the Board, have served not more than six years on the Board by the date of the Annual General Meeting at which the election is to take effect.
  - 8.1.3 Be not in receipt of payments from **Consumer NZ** (other than the regular payments made to Board members), including employment payments.
- 8.2 The candidates selected by the Nominations Consultant for submission to Members for voting shall be those persons whom the Nominations Consultant considers to be best qualified for membership of the Board having regard to:
- 8.2.1 The experience and ability to contribute towards running a charitable entity that also operates as a successful business.
  - 8.2.2 A concern for and knowledge of consumer protection issues and the welfare of consumers.
  - 8.2.3 Freedom from any association with another organisation that would cause a conflict of interest with the principal aim and objects of **Consumer NZ**.

## 9 LENGTH OF SERVICE ON THE BOARD

- 9.1 A Member elected to the Board will hold office for a term of three years unless the Board member's office is otherwise at an end or terminated under Rule [10] or Rule [11].
- 9.2 A Board member who at the conclusion of his or her term remains eligible to be re-elected under Rule 5, so long as they have not served more than three elected terms or a total of up to 10 years on the Board by the date of the Annual General Meeting at which the election is to take effect.

## 10 RESIGNATION OF BOARD MEMBERS

- 10.1 A Board member may resign by submitting a resignation in writing to the Board.

## 11 DISQUALIFICATION OF BOARD MEMBERS

- 11.1 The following persons will not be capable of being elected or re-elected or holding office as a Board member:
- 11.1.1 an undischarged bankrupt
  - 11.1.2 an individual who is under the age of 16
  - 11.1.3 an individual who has been convicted of a crime involving dishonesty (within the meaning of section 2(1) of the Crimes Act 1961) and has been sentenced for that crime within the last seven years
  - 11.1.4 an individual who is prohibited from being a director or promoter of, or being concerned or taking part in the management of, a company under sections 382, 383 or 385 of the Companies Act 1993
  - 11.1.5 an individual who is disqualified from being an officer of a charitable entity under section 31(4) of the Charities Act 2005
  - 11.1.6 an individual who is subject to a property order made under the Protection of Personal and Property Rights Act 1988, or whose property is managed by a trustee corporation under section 32 of that Act
  - 11.1.7 a mentally disordered person within the meaning of the Mental Health (Compulsory Assessment and Treatment Act) 1992
  - 11.1.8 any other person disqualified from being an officer of a registered charity under the Charities Act 2005.
- 11.2 The office of a Board member will become vacant if the Board member:
- 11.2.1 is, under Rule 11.1, not capable of holding office as a Board member
  - 11.2.2 is no longer a current Member of **Consumer NZ**.
  - 11.2.3 has resigned from office
  - 11.2.4 is disqualified from office by the Board in accordance with Rule 11.3
  - 11.2.5 is absent from New Zealand for over 12 months without obtaining a leave of absence from the Board
  - 11.2.6 fails to attend three consecutive meetings of the Board without giving a reason acceptable to the Board
  - 11.2.7 has come to the end of his or her term of office and has not been re-elected
  - 11.2.8 has died.
- 11.3 A Board member may be disqualified from holding office by a majority decision of the Board for neglect of duty or misconduct if the majority of the Board members pass a resolution to that effect.

## **12 VACANCIES DURING BOARD MEMBERS' TERMS**

- 12.1 When a vacancy occurs part-way through a Board member's term the Board may appoint a new Board member. A Board member appointed in this way shall hold office for the remainder of the term of the Board member being replaced and shall have the qualifications and attributes required of elected Board members, including full voting rights.
- 12.2 If a vacancy occurs within six months before the date fixed for the next annual election of the Board, the Board may decide not to fill the vacancy.

New Rule 12.3 – Co-option – June 2001.

- 12.3 The Board may co-opt one or more than one non-voting Board member. The co-opted member will be selected to provide essential governance skills not able to be supplied by the elected Board members. The Board will decide the term of the co-option. The co-opted member's remuneration will be decided by the Board and will be in addition to the remuneration voted to the Board at the Annual General Meeting.

## **13 ELECTION OF CHAIR AND DEPUTY CHAIR OF BOARD**

Rule 13.1 amended February 2001 to delete first 5 words "At the first Board meeting".

- 13.1 Immediately following the Annual General Meeting the Board shall elect its Chair and Deputy Chair for one-year terms. Thereafter elections for one-year terms shall be held annually.

## **14 RESIGNATION OF CHAIR AND DEPUTY CHAIR**

- 14.1 The Chair or Deputy Chair may resign from the position while still remaining a Board member, or will immediately relinquish the position if ceasing to be a Board member.

## **15 REMOVAL OF CHAIR AND DEPUTY CHAIR**

- 15.1 The Board may remove the Chair or Deputy Chair from office where the majority of the Board members pass a resolution that they no longer have confidence in the person to carry out the duties of the position.

## **16 VACANCIES DURING CHAIR'S AND DEPUTY CHAIR'S TERMS**

- 16.1 When a vacancy occurs part-way through the term of the Chair or Deputy Chair, the Board may appoint a new officer. A Chair or Deputy Chair appointed in this way shall hold office for the remainder of the term of the person being replaced.

## **17 PRESIDING BY AND ABSENCE OF CHAIR AND DEPUTY CHAIR**

- 17.1 In the absence of the Chair, the Deputy Chair shall be acting Chair.
- 17.2 The Chair shall preside at meetings of the Board, or the Deputy Chair in the absence of the Chair. In the absence of both officers, the Board shall elect another of its members to preside.

## 18 MEETINGS OF THE BOARD

### Times of Board Meetings

- 18.1 The Board shall meet regularly at such times and places as it shall decide.
- 18.2 The Board shall meet within twenty-four hours following the Annual General Meeting each year.

## 19 SPECIAL MEETINGS OF THE BOARD

- 19.1 The Chair may at any time call a special meeting of the Board, and shall call a special meeting when requested to do so by three Board members.

Rule amended to remove requested to do so '*in writing*' June 2001.

- 19.2 For a special meeting of the Board at least seven days' notice shall be given.

## 20 BOARD QUORUM

- 20.1 Four Board members shall form a quorum at meetings of the Board.

Previous Rule 21.1 amended 28 June 1991 consequent upon reduction in the number of Board members. The quorum was reduced one year before the reduction in membership as the Board was operating with one position vacant.

## 21 DECISIONS OF THE BOARD

Rule amended to remove words "for the time being" prior to "The Chair shall..." June 2001.

- 21.1 Board decisions shall be as decided by a majority of the Board members. The Chair shall, in cases of equal voting, have a casting vote as well as a deliberative vote.
- 21.2 A resolution in writing agreed to by letter, facsimile, electronic communication or other written message by all available Board members (who must comprise no less than a quorum) shall be as valid as if it had been passed at a meeting of the Board.

Rule 21.2 amended to include words "electronic communication" June 2001.

## 22 ATTENDANCE AT BOARD MEETINGS

- 22.1 The Board shall determine the circumstances in which non-members of the Board will or may be present at Board meetings on a regular or occasional basis.

## 23 APPOINTMENT OF CHIEF EXECUTIVE

- 23.1 The Board shall appoint from time to time (by majority decision) a Chief Executive to oversee all of **Consumer NZ's** operations.
- 23.2 The Chief Executive shall be an employee of **Consumer NZ** and shall be employed on such terms and conditions as the Board may from time to time determine.

## **24 SECRETARY TO THE BOARD**

- 24.1 The Board shall (on the recommendation of the Chief Executive) appoint a Secretary to the Board from among the employees of **Consumer NZ**.

## **25 PAYMENTS TO BOARD MEMBERS**

- 25.1 Board members shall be paid an attendance fee or other remuneration for attending meetings of the Board or otherwise undertaking authorised Consumer NZ business. The amount of the fee or other remuneration shall be determined annually by Members at the Annual General Meeting.

Rule amended, June 2001, to delete sentence referring to the earlier Consumer Council level of payment.

## **26 REIMBURSEMENT OF EXPENSES**

- 26.1 Board members shall be entitled to the reimbursement of actual and reasonable travel and accommodation expenses incurred while attending meetings of the Board or otherwise undertaking authorised **Consumer NZ** business.

## **27 COMMITTEES OF THE BOARD**

- 27.1 The Board may establish, alter and disband committees to conduct such business and exercise such powers as it may determine. Every committee may regulate its own procedure, subject to the provisions of these Rules and any directions given by the Board.
- 27.2 Persons who are not members of the Board may be appointed to committees.

## **28 PAYMENTS TO COMMITTEE MEMBERS**

Deleted earlier Rules "Chair's Honorarium" and "payment for acting chair" now obsolete, June 2001.

- 28.1 Participants at committee meetings from outside **Consumer NZ** may be paid a daily attendance fee and reimbursement of travel and accommodation expenses, as determined by the Board.

Rule 29 is deleted and replaced with the following:

## **29 MEMBERS AND ASSOCIATES OF CONSUMER NZ**

- 29.1 Any person or organisation within New Zealand or overseas shall be eligible to become a Member or an Associate of Consumer NZ
- 29.2 A person or organisation shall become and continue to be a Member by one or more of the following methods:
- 29.2.1 Payment of a current subscription for any of the Consumer NZ periodic publications;
  - 29.2.2 Payment of a current subscription for any Consumer NZ online service; and/or
  - 29.2.3 Payment of a membership fee for any other service determined by the Board as qualifying to become a Member.
- 29.3 A person or organisation shall become a Member once an application has been processed and payment for a subscription is received. Consumer NZ will confirm that a person has become a Member through notification at the time of payment or sign-up.
- 29.4 A Member shall cease their membership in any of the following circumstances
- 29.4.1 The Member does not hold a current paid subscription, allowing a period of two months after the subscription becomes due for renewal payment.
  - 29.4.2 A Member notifies Consumer NZ that they wish to cancel their membership. Such notification may be given through the Consumer NZ website or by telephoning or emailing or writing to Consumer NZ.
  - 29.4.3 Consumer NZ ceases to publish the online services or magazine or any other service for which the only qualifying subscription has been entered into.
  - 29.4.4 The Board determines to remove any Member from membership if in the opinion of the Board that Member has been guilty of conduct prejudicial to the interests of Consumer NZ or incompatible with membership of Consumer NZ
- 29.5 A person or organisation shall become an Associate by signing up to free services deemed to be accessible by Consumer NZ. Consumer NZ will confirm that a person or organisation has become an Associate through notification at the time of sign-up
- 29.6 A person or organisation shall cease to be an Associate of Consumer NZ in any of the following circumstances
- 29.6.1 An Associate notifies Consumer NZ that they wish to cease being an Associate. Such notification may be given through the Consumer NZ website or by telephoning or emailing or writing to Consumer NZ.
  - 29.6.2 Consumer NZ ceases to provide the free services deemed to be accessible by Consumer NZ for the Associate.

- 29.6.3 The Board determines to remove an Associate if in the opinion of the Board the Associate has been guilty of conduct prejudicial to the interests of Consumer NZ or incompatible with being an Associate.

Rule 53 is amended by adding the following definition:

Associate means a person or organisation that has become an associate of Consumer NZ (to be known as a "bronze member") and continues to be an associate of Consumer NZ in accordance with Rule 29.

### **30 LIFE MEMBERS**

- 30.1 The Board may grant life membership as a rare privilege to any person who has rendered outstanding service to the work of **Consumer NZ**. Nominations for life membership will originate from the Board or the Chief Executive.
- 30.2 A life Member shall enjoy the benefits of membership of **Consumer NZ** for life, without payment of subscription. Such membership shall entitle the holder to the receipt of all the **Consumer NZ** qualifying membership magazines and access to online services through the **Consumer NZ** Website.
- 30.3 The Board shall have the right to cancel life membership at any time if the holder has acted contrary to the aim and objects of **Consumer NZ** or in a manner which may reflect adversely on the public standing of **Consumer NZ**.

### **31 NOTIFICATIONS TO MEMBERS**

- 31.1 Where reference is made in the Rules to Members being given information or invitations, such notification may be made by publication in the **Consumer NZ** magazines or Website without separate papers being required.

Rule amended 2006 to incorporate electronic voting at Board elections.

- 31.2 Notification may also be given to Members by sending information to a postal address or email address provided to **Consumer NZ** by each Member.
- 31.3 Any notices forwarded in accordance with Rule 31.1 or sent by **Consumer NZ** to the last known postal or email address of the Member in accordance with Rule 31.2 shall be considered duly delivered seven days after being sent to the Member.

### **32 FREE RECEIPT OF SERVICES**

- 32.1 **Consumer NZ** shall have the right to place any person or organisation within New Zealand or overseas on its address lists for the receipt without payment of subscription of one or more of its periodical magazines or online services. Such persons or organisations shall not be Members of **Consumer NZ**.

### **33 ANNUAL GENERAL MEETINGS OF MEMBERS**

- 33.1 The Annual General Meeting of Members shall be held not later than six months after the end of each financial year, and at such time and place as the Board shall decide.
- 33.2 The following business shall be dealt with at the Annual General Meeting:
- 33.2.1 to receive, consider and discuss the Chair's report and any other report and business that shall have been arranged by the Board for consideration at the Annual General Meeting.
  - 33.2.2 to appoint an auditor for **Consumer NZ** who shall be a chartered accountant or a firm carrying on business as chartered accountants.
  - 33.2.3 To announce the result of the election of Board members in accordance with Rule 5.12.
  - 33.2.4 to determine the amount of the fee or other remuneration to be paid to Board members for attendance at Board meetings or otherwise undertaking authorised Consumer NZ business as required by Rule 25.1.
  - 33.2.5 to receive and consider such other business as may have been properly brought to the attention of the meeting on notice.
  - 33.2.6 such other matters determined by the Board.
- 33.3 Members may submit notices of motion to be put to the Annual General Meeting at least three months prior to the date set for the meeting.

### **34 SPECIAL GENERAL MEETINGS OF MEMBERS**

- 34.1 A Special General Meeting may be convened by the Chair, the Deputy Chair in the absence of the Chair, or by the majority decision of the Board.
- 34.2 A Special General Meeting may be requested in writing by one hundred Members, at any time including details of notices of motion to be put to the meeting.
- 34.3 A Special General Meeting should be called by the Board within three months of receipt of a request by Members to hold such a meeting.

### **35 NOTICE OF MEETINGS OF MEMBERS**

- 35.1 Members shall receive at least one month's notice of the time and place of Annual General Meetings and Special General Meetings and of the business to be transacted (except where four months' notice is required under Rule 52.2).

## **36 QUORUM AT MEETINGS OF MEMBERS**

- 36.1 Ten Members personally present shall form a quorum at both an Annual General Meeting and a Special General Meeting.

## **37 PRESIDING AT GENERAL MEETINGS**

- 37.1 The Chair, or the Deputy Chair in the Chair's absence, shall preside at all Annual General Meeting and Special General Meetings. In the absence of both these officers, Members present at the meeting shall elect a chair for the meeting.

## **38 VOTING AT MEETINGS OF MEMBERS**

- 38.1 At all Annual and Special General Meetings each current Member shall have one vote, which may be given personally or by signed proxy. Voting shall be by show of hands unless a ballot be demanded. The Chair for the time being shall, in all cases of equal voting, have a casting vote as well as a deliberative vote.

## **39 EMPLOYMENT OF STAFF**

- 39.1 The work of **Consumer NZ** shall be carried out by such permanent, temporary or contract employees as the Board considers necessary for the efficient performance of its functions and the achievement of its objects.
- 39.2 The terms and conditions of employment (including salaries and superannuation) shall be as determined by the Board.

## **40 OFFICES OF CONSUMER NZ**

- 40.1 The registered office of **Consumer NZ** shall be at Wellington, or at such other place that the Board may determine.

## **41 CONSUMER NZ SECTIONS AND PREMISES**

- 41.1 **Consumer NZ** shall operate with such head office and district or other sections as the Board may determine.
- 41.2 **Consumer NZ** shall occupy such premises as the Board may decide to lease or buy.
- 41.3 **Consumer NZ** may lease to another person or organisation any accommodation that it owns or leases, as the Board may determine.

## **42 FINANCIAL PROVISIONS**

- 42.1 The financial year of **Consumer NZ** shall be from the first day of January to the last day of December, or such other year as the Board shall determine.

### **43 FINANCIAL POWERS OF THE BOARD**

43.1 The Board shall have the financial powers and responsibilities set out in Rule 6.2.

### **44 PRICES OF SUBSCRIPTIONS AND OTHER PRODUCTS AND SERVICES**

44.1 The Board shall from time to time determine the fees for subscriptions, and also the prices for any other products it may offer for sale.

### **45 FINANCIAL TRANSACTIONS**

45.1 All the financial transactions of **Consumer NZ** covering both income and expenditure shall be handled in accordance with usual business practice, or in such manner as the Board shall from time to time determine. Regular reports shall be made to the Board.

45.2 All money received on behalf of **Consumer NZ** shall be paid into a bank account, as designated by the Board.

45.3 The Board shall have the power to set principles which may be applied to the use of **Consumer NZ** money for purposes additional to the basic functions and expenditure programmes of the organisation.

45.4 **Consumer NZ** shall keep full and correct accounts of all money received and expended. As soon as practicable after the end of each financial year a true statement of income and expenditure and assets and liabilities shall be prepared and submitted to audit.

### **46 RULES**

46.1 The Rules shall not be added to or altered except at an Annual or Special General Meeting where notice is given in accordance with Rule 35. Members may submit to the Board not less than three months prior to the date set for the meeting notices of motion for modification of the Rules. Members may apply in writing to be sent notices of motion for alterations to the Rules.

46.2 Provided that no such addition, rescission, nor alteration shall in any way detract from **Consumer NZ's** charitable nature.

Rule amended 27 June 1997 by addition of final sentence to comply with Inland Revenue tax requirements.

46.3 The Rules are available to be viewed on the Charities Commission website, the Companies Office website and the **Consumer NZ** Website.

Rule amended 27 June 1990 to remove requirement that notices be published in the magazines.

### **47 INTERPRETATION OF RULES**

47.1 The decisions of the Board on all matters, questions and disputes, including the interpretation of these Rules, shall be final and conclusive. They shall be subject only to an appeal on any dispute (other than the interpretation of any Rule to a Special General Meeting).

## **48 ANNUAL REPORT**

- 48.1 An annual report and audited statement of accounts shall be prepared as soon as practicable following each financial year.

Rule amended 27 June 1990 to remove requirement that notices be published in the magazines.

- 48.2 Copies of the annual report will be made available online through the **Consumer NZ** Website.

## **49 STATEMENTS TO THE REGISTRAR OF INCORPORATED SOCIETIES AND CHARITIES COMMISSION**

- 49.1 **Consumer NZ** shall deliver annually to the Registrar of Incorporated Societies such financial statements as are required under the Incorporated Societies Act 1908.
- 49.2 **Consumer NZ** shall deliver annually (within six months after each balance date) to the Charities Commission an annual return as required under the Charities Act 2005.

## **50 COMMON SEAL**

- 50.1 The Chief Executive shall be responsible for the custody of the **Consumer NZ** common seal. It shall be affixed to documents only in accordance with a resolution of or the authority of the Board. It shall be attested by two signatures, which shall be either two Board members or one Board member and the Chief Executive.

## **51 INDEMNITY**

- 51.1 **Consumer NZ** shall indemnify (and use its assets and funds when required) against any loss, expenses or liability incurred by reason of any act or deed done in good faith by the Board members, employees and any other person acting for and under the authority of the Board or **Consumer NZ**.

## **52 DISSOLUTION OF THE ORGANISATION**

- 52.1 **Consumer NZ** shall not be wound up voluntarily except by a resolution adopted at an Annual General Meeting or Special General Meeting of its Members.
- 52.2 Notice of proposed winding up shall be circulated to **Consumer NZ** Members not less than four months prior to the date of the Annual or Special General Meetings at which it is to be voted on.
- 52.3 Upon the winding-up of **Consumer NZ** its assets shall (after payment and discharge of all liabilities) be transferred to one or more organisations having substantially similar charitable objects and activities to those of **Consumer NZ**. Such transferred assets shall be used for charitable purposes similar to the objects for which **Consumer NZ** was established and in ways its members may determine. If there is not existent any organisation having similar charitable objects and activities to **Consumer NZ**, or if the members do not determine to transfer the assets to such an organisation, then the assets shall be applied towards such charitable purposes in New Zealand as the members may determine or being of such other

purpose or purposes of a general charitable nature in New Zealand approved by the Charities Commission.

Rule amended 27 June 1997 to comply with Inland Revenue tax requirements, by the addition of the word "charitable" in three places and of the words following "determine" at the end of the Rule.

52.4 The assets of **Consumer NZ** shall not be distributed in any way to its Members.

52.5 The distribution of the **Consumer NZ** assets upon winding-up shall, subject to Rule 52.3, be determined by its Members in an Annual or Special General Meeting.

Rule amended 27 June 1997 to incorporate amendments to 54.3.

## 53 DEFINITIONS AND INTERPRETATION

### Definitions

**Annual General Meeting** means an annual general meeting of Members held yearly in accordance with Rule 33.

**Board** means the Board members from time to time.

**Board Meetings** means all meetings of the Board held from time to time in accordance with these Rules.

**Board member** means a Member of **Consumer NZ** who has been elected to the Board in accordance with the Rule 5 and has not been disqualified under Rule 11.

**Chair** means a chair of the Board elected by the Board in accordance with Rule 13.

**Chief Executive** means a chief executive appointed by majority decision of the Board in accordance with Rule 23.

**Consumer NZ** means **Consumer NZ** Incorporated, a society incorporated under the Incorporated Societies Act 1908.

**Consumer NZ Website** means the **Consumer NZ** website located at [www.consumer.org.nz](http://www.consumer.org.nz).

**Deputy Chair** means a deputy chair of the Board elected by the Board in accordance with Rule 13.

**Member** means a person who has obtained or continues membership with **Consumer NZ** in accordance with the Rule **Error! Reference source not found.**

**Members Meeting** means either an Annual General Meeting or a Special General Meeting.

**Nominations Consultant** means an independent nominations consultant appointed by the Board to consider and select suitable nominees for election to the Board.

**Rules** means the rules of **Consumer NZ** as contained in this document as amended from time to time.

**Secretary** means a secretary appointed by the Board on recommendation of the Chief Executive in accordance with Rule 24.

**Special General Meeting** means a special general meeting of Members held in accordance with Rule 34.

### **Interpretation**

- 53.1 In the interpretation of these Rules, the following provisions apply unless the context otherwise requires:
- 53.1.1 A reference to 'Board' is a reference to the Board members for the time of the Society whether original, additional or substituted.
  - 53.1.2 Headings are inserted for convenience only and do not affect the interpretation of these Rules.
  - 53.1.3 A reference in this document to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Wellington, New Zealand.
  - 53.1.4 If the day on which any act, matter or thing is to be done under these Rules is not a business day, the act, matter or thing must be done on the next business day.
  - 53.1.5 A reference in these Rules to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.
  - 53.1.6 A reference to a rule, part, schedule or attachment is a reference to a rule, part, schedule or attachment of or to this document.
  - 53.1.7 An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency.
  - 53.1.8 Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.
  - 53.1.9 A word which denotes the singular also denotes the plural, a word which denotes the plural also denotes the singular, and a reference to any gender also denotes the other genders.
  - 53.1.10 A reference to the word 'include' or 'including' is to be construed without limitation.