

# **Rules of Wanganui Jockey Club Incorporated**

**Date** 28 August 2017

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# RULES OF WANGANUI JOCKEY CLUB INCORPORATED

## 1. Interpretation

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### 1.1 Definitions

In these Rules, unless the context otherwise requires:

**Annual Members' Meeting** means the meeting of Members that must be called by the Board in accordance with these Rules prior to 30 November of each calendar year, in accordance with Rule 7.1 (Annual Members' Meetings);

**Auditor** means the auditor from time to time of the Club appointed in accordance with Rule 20.5 (Auditor);

**Board** means Directors who number not less than the required quorum, as set out in Rule 11.1 (Quorum required), acting together as the board of Directors of the Club;

**Board Appointed Director** means a person appointed to the Board in accordance with Rule 9.2 (Board Appointed Directors);

**Chair** means the person elected to that role in accordance with Rule 9.3 (Chair and Deputy Chair);

**Club** means Wanganui Jockey Club Incorporated;

**Contact Officer** means the person appointed by the Board in accordance with Rule 17 (Contact Officer);

**Default Interest** means the rate of the published overdraft rate at the Bank of New Zealand or such other bank as the Board may appoint from time to time plus 2 per cent per annum;

**Deputy Chair** means the person elected to that role in accordance with Rule 9.3 (Chair and Deputy Chair);

**Director** means each person appointed to the Board of the Club, being an Elected Director or a Board Appointed Director;

**Elected Director** means a person appointed to the Board in accordance with Rule 9.1 (Elected Directors);

**Executive Officer** means the person appointed by the Board in accordance with Rule 25 (Executive Officer);

**General Resolution** means a resolution of the Board that requires the affirmative votes of at least a bare majority of Directors (50%) eligible to vote to be passed;

**Honorary Life Member** means a person who has been appointed as such in accordance with Rule 5.2 (Membership distinction);

**Incorporated Societies Act** means the Incorporated Societies Act 1908, as amended from time to time;

**Matrix** means the “Board Composition and Recruitment Matrix” set out in the attached Board Composition and Recruitment Matrix document;

**Member** means each person or body corporate who is admitted as a member by the Board pursuant to Rule 5.1 (Members);

**Members’ Meeting** means an Annual Members’ Meeting or a Special Members’ Meeting;

**Members’ Register** means the register of Members maintained by the Club in accordance with Rule 18 (Register of Members and access to information);

**NZTR** means New Zealand Thoroughbred Racing Incorporated;

**Proxy** means a person appointed by a Member as that Member’s proxy in accordance with Rule 7.12 (Proxies) and **Proxies** has a corresponding meaning;

**racing code** is as defined in the Racing Act, as amended from time to time;

**Racing Act** means the Racing Act 2003, as amended from time to time;

**Rules** means these rules, as amended from time to time;

**Rules of Racing** means the New Zealand Rules of Racing for the time being in force, as determined by New Zealand Thoroughbred Racing Incorporated;

**Special Members’ Meeting** means a meeting of Members (other than the Annual Members’ Meeting) called by the Board at any time or following written request by 20 or more Members, in accordance with Rule 7.2 (Special Members’ Meetings);

**Special Resolution** means a resolution of the Board that requires the affirmative votes of at least three-quarters (75%) of Directors eligible to vote to be passed; and

**Subscription Fee** means the fee payable by Members in accordance with Rule 19 (Subscription Fees).

## 1.2 Construction

In these Rules, unless the context otherwise requires:

- (a) the headings appear as a matter of convenience and do not affect the construction of these Rules;
- (b) a reference to any legislation or rules includes the legislation or rules as from time to time amended or re-enacted or substituted;
- (c) the words **written** and **writing** include facsimile communications, emails and any other means of communication resulting in permanent visible reproduction; and
- (d) a **business day** means a day (other than a Saturday, a Sunday or a public holiday) on which registered banks are open for business in the place where the Club’s registered office is situated from time to time.

## 2. Name and commencement

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### 2.1 Name

The name of the incorporated society is “Wanganui Jockey Club” Incorporated (the **Club**).

### 2.2 Rules

These Rules set out the rules governing the Club and are binding on each Member.

### 2.3 Commencement

These Rules will take effect as the constitution of the Club from [insert date e.g. day/month/2016] (the **Commencement Date**).

## 3. Objects and powers of the Club

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### 3.1 Objects of the Club

#### 1) OBJECTS

(a) The objects of the Club are:

- (i) are to hold race meetings on the Club’s racecourse in Wanganui or elsewhere and to promote and assist with the development of the sport of horse racing and breeding.
- (ii) to maintain the track and grounds at the Wanganui racecourse as a venue for race meetings, trials, jumpouts, training, and functions as well as other community events;

(b) the Club is also:

- (i) to account to Members on the Club’s activities; and
- (ii) to do all such other things as may be incidental or conducive to the attainment of all or any of the above objects.

### 3.2 Powers of the Club

The Club has all of the powers of a natural person necessary for, or ancillary or incidental to, fulfilling each object of the Club to the maximum extent permitted by law, including the power to borrow money.

## 4. Location of the Club

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The registered office of the Club will be located at such place within New Zealand as determined by the Board from time to time.

## 5. Membership

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### MEMBERSHIP

- a. The Board can set from time to time various classes of membership.

### 5.1 Members

#### a) ELECTION OF MEMBERS

A proposal of a person as a member of the Club will be in writing in a form prescribed by the Board. There must be two proposer's both of whom are members of the Club.

A proposal will be considered by the Board, which may accept the proposal and declare the person elected or reject the proposal. Each person proposed will be notified whether or not his or her application has been accepted or rejected.

The Board is to admit every person or body corporate as a Member who:

- (i) consents to being a Member;
  - (ii) All persons elected as members of the Club;
  - (iii) All persons elected as life members of the Club;
  - (iv) All persons who qualify as senior members and existing associate members of the Club; and
  - (v) is not disqualified under the Rules of Racing.
- (b) Upon receiving an application in the form prescribed by the Board from a person or body corporate who meets the criteria for membership specified in (a) above, the Board will, within 6 weeks, decide at a meeting of the Board whether to accept the person or body corporate as a Member and advise the person or body corporate of its decision. The Board need not give any reason for rejecting any proposal.
  - (c) If accepted as a Member in accordance with (b) above, the Contact Officer will, following payment by the person or body corporate of the Subscription Fee, enter their name in the Members' Register (at which time the person or body corporate will become a Member).
  - (d) For the avoidance of doubt, a Member that is a body corporate may nominate a representative to attend and vote at Members' Meetings on its behalf. The name and contact details of the nominated representative must be notified to the Board in writing. The Board may (in its sole discretion) require a Member to remove and replace its representative at any time by notice in writing.

### 5.2 HONORARY LIFE MEMBERS

#### **Membership distinction**

- (a) Honorary Life Members will be persons who in the majority opinion of the Board have rendered significant service to the Club and/or the racing industry in New Zealand in any capacity, and who by virtue of their attainments or reputation are worthy of special recognition.

- (b) The election of an Honorary Life Member will be determined by Special Resolution of the Board.
- (c) An Honorary Life Member is entitled to:
  - (i) free membership subscription for life; and
  - (ii) reasonable raceday hospitality limited to the Member's room only unless otherwise approved.

### 5.3 **No ownership interest in the Club**

For the avoidance of doubt, Members will have no ownership interest in the Club or its assets and cannot receive any share in any profits that the Club may make.

### 5.4 **Membership privileges**

Every member will be entitled on production of his or her member's ticket to admission to those parts of the course that are designated for access by members. Membership tickets will be issued in such manner and such form as the Board may from time to time decide.

Each Member of the Club will have the following rights and privileges:

- (a) Voting rights at the Annual Members' Meeting and special general meetings;
- (b) Other rights & privileges as determined by the Board.

### 5.5 **Membership obligations**

All Members and Honorary Life Members shall promote the interests and the objects of the Club and shall do nothing to bring the Club into disrepute. All Members and Honorary Life Members shall, at all times, comply with the Rules of Racing.

### 5.6 **Grievances**

- (a) A Member may complain to the Board in writing if:
  - (i) there has been an unjustified interference with any rights or privileges granted to that Member under these Rules; and/or
  - (ii) the Member has concerns regarding the misconduct or discipline of other Members, (in either case, a **grievance**).
- (b) For the avoidance of doubt, a grievance of the kind described in paragraph (a)(i) above, may relate to the conduct of a Member, a Director or the Club.
- (c) The process followed by the Board must at all times adhere to the principles of natural justice. As necessary, the Board must provide the persons concerned with an adequate opportunity to be heard, either in writing or at an oral hearing, and must consider the information provided by such persons before deciding what actions (if any) the Board will take to remedy the grievance.

- (d) To the extent applicable, the Board will avoid bias in accordance with Rule 6.3(c) (Process to be followed by Board in accordance with natural justice) and conflicts generally in accordance with Rule 14 (Conflicts of interest).
- (e) If, in accordance with the investigations conducted by the Board under (c) above, it becomes apparent that any Member has failed to satisfy the criteria of membership in accordance with Rule 6.1 (Conditions of membership), the Board must follow Rules 6.2 (Failure to satisfy conditions of membership) and 6.3 (Process to be followed by Board in accordance with natural justice).
- (f) If, in accordance with the investigations conducted by the Board under (cb) above, it becomes apparent that any Director should to be removed from his or her position in accordance with Rule 9.4(b) (Extraordinary vacancy), the Board may remove that Director accordingly.
- (g) The Board may, in its sole discretion, elect not to consider or continue consideration of any grievance if it is satisfied that:
  - (i) the matter is trivial or does not appear to disclose material misconduct or material damage to the interests of any Member;
  - (ii) the grievance appears to be without foundation or there is no apparent evidence to support it;
  - (iii) the complainant or Member alleging the grievance has an insignificant interest in the matter; or
  - (iv) the conduct, incident, event or issue has already been investigated and dealt with by or on behalf of the Club.

## 6. Cessation of membership

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A member will cease to be a member:

- a) On his or her death;
- b) On his or her resignation;
- c) By Resolution of the Board pursuant to Clause 6.1, 6.2 and 19.3;
- d) By reason of his or her disqualification or prohibition under the New Zealand Rules of Racing. Any member who is disqualified or prohibited from ownership of a racehorse under the New Zealand Rules of Racing will, upon such disqualification or prohibition, cease to be a member of the Club provided that once a member ceases to be disqualified or prohibited the Board may reinstate his or her membership.

### 6.1 Conditions of membership

- (a) The rights of each Member under these Rules are subject to, and contingent upon, the Member:
  - (i) continuing to satisfy the criteria listed in Rule 5.1(a) (Members);
  - (ii) complying at all times with the Rules of Racing; and

- (iii) continuing to pay the Subscription Fee.

## 6.2 Failure to satisfy conditions of membership

- (a) Subject to Rule 5.5 and 6.3 (Process to be followed by Board in accordance with natural justice), if, in the sole discretion of the Board, a Member ceases to satisfy any of the criteria listed in Rule 6.1 (Conditions of membership), or is convicted of a criminal offence (including any offence involving dishonesty) or becomes bankrupt, the Board may (as appropriate):
  - (i) suspend the Member for any period not exceeding two (2) years, during which period the Member will not be entitled to any of the rights of being a Member; or
  - (ii) terminate the Member's membership, in which event the Member will be removed from the Members' Register and cease to be a Member,

provided that the Board must terminate the membership of any Member who is disqualified under the Rules of Racing.

## 6.3 Process to be followed by Board in accordance with natural justice

- (a) Prior to exercising the powers of censure, suspension or termination under Rule 6.2 (Failure to satisfy conditions of membership), the Board must provide the Member concerned with the following:
  - (i) an explanation of the alleged grounds on which the Board is considering censuring, suspending or terminating the membership of that Member;
  - (ii) at least five (5) business days' notice of the meeting of the Board at which the Board will consider the allegations referred to in (i) above; and
  - (iii) an opportunity to attend that meeting and offer a reply to the allegations (in person or in writing),

and the Board must, acting in accordance with the principles of natural justice, consider any reply before determining whether to exercise its powers under Rule 6.2 (Failure to satisfy conditions of membership).

- (b) In the event of the Member referred to in (a) above failing to attend or reply to the allegations, the matter may be considered and determined by the Board in that Member's absence.
- (c) The Board must take all reasonable steps to avoid bias affecting any Director involved in the decision making referred to in (a) above. If two (2) or more Directors consider that there are reasonable grounds (taking into account all of the circumstances) to infer that one of their fellow Directors (the **Conflicted Director**) may not approach a particular matter being considered impartially or without a pre-determined view, the Conflicted Director may not decide or participate as a decision-maker in respect of the relevant matter.

## 6.4 Voluntary cessation

- (a) A Member may voluntarily relinquish his or her membership of the Club by notifying the Club in writing that he or she wishes to cease to be a Member.

- (b) Following receipt of a notice under (a) above, the Club is to terminate the Member's membership accordingly.

## 6.5 Consequences of termination of membership

Each person whose membership of the Club is terminated ceases to be a Member, but is to remain liable to the Club for all moneys due to the Club whether in respect of a Subscription Fee or other obligation of his or her membership of the Club together with any Default Interest payable in respect of any overdue amounts. Any person whose membership has been terminated in accordance with this Rule 6 (Cessation of membership) may apply in writing to the Board to reinstate their membership.

## 7. Members' Meetings

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### 7.1 Annual Members' Meeting

- (a) An Annual Members' Meeting of the Club must be held each calendar year prior to 30 November at such time and place as the Board determines, provided that each Annual Members' Meeting must occur within 15 months of the previous Annual Members' Meeting.
- (b) The business of the Annual Members' Meeting shall be:
  - (i) to adopt the minutes of the previous Annual Members' Meeting and any recent Special Members' Meeting;
  - (ii) to receive, consider and approve the annual report of the Club, including audited annual accounts;
  - (iii) to receive and consider a notice of any disclosures made in accordance with Rule 14 (Conflicts of interest) since the previous Annual Members' Meeting, including a brief summary of the types of matters to which the disclosures relate;
  - (iv) to elect the Elected Directors;
  - (v) to consider and approve the total amount of Directors' fees;
  - (vi) to appoint an auditor and to authorise the Board to fix the auditor's remuneration;
  - (vii) to consider and, if thought fit, pass any remits (proposed in accordance with Rule 7.4(a) (Remits)) or motions for resolution; and
  - (viii) to consider such other general business as the meeting resolves to consider.

### 7.2 Special Members' Meetings

- (a) Each Members' Meeting other than an Annual Members' Meeting is a Special Members' Meeting.
- (b) A Special Members' Meeting may be called by the Board at any time and must be called following written request to the Board by 20 or more Members.
- (c) A Special Members' Meeting may only consider the matters set out in the notice of the meeting.

### **7.3 Notice of date, time and place**

- (a) The date, time and place for the Annual Members' Meeting or Special Members' Meeting must be notified to each Member and the Auditor 10 days before the date of that meeting (except in relation to a Special Members' Meeting if in the view of the Board such notice period is not practicable).
- (b) For the avoidance of doubt, notice may be given to Members electronically (including by email).

### **7.4 Remits**

- (a) Any two (2) Members may propose a remit for consideration at any Members' Meeting by written notice to the Contact Officer not less than 21 days before the date of that meeting or, in the event that less than 10 days notice of the meeting has been given, by such date as shall be specified in the notice of that meeting.
- (b) The Contact Officer is to include any remits in the notice of the Members' Meeting provided to Members in accordance with Rule 7.5 (Notice of business to be transacted).

### **7.5 Notice of business to be transacted**

- (a) In addition to the requirement stated in Rule 7.3(a) (Notice of date, time and place), a notice of a Members' Meeting including the information specified in (b) below is to be sent to Members and the Auditor not less than 10 days before the date of that meeting or as soon as is reasonably practicable in the event that less than one (1) month's notice of the meeting has been given.
- (b) The notice of meeting must state:
  - (i) the nature of the business to be transacted at the meeting in sufficient detail to enable a Member to form a reasoned judgment in relation to it;
  - (ii) the text of any resolution or remit to be submitted to the meeting;
  - (iii) the time, place and date of the meeting; and
  - (iv) in the case of an Annual Members' Meeting, a report of the activities of the Board conducted since the previous Annual Members' Meeting.
- (c) For the avoidance of doubt, notice may be given to Members electronically (including by email).

### **7.6 Irregularity in notice**

An irregularity in a notice of a Members' Meeting is to be waived if all the Members entitled to attend and vote at, and who attend, the meeting attend that meeting without protest as to the irregularity, or if all such Members in attendance at that meeting agree to the waiver.

### **7.7 Quorum for Members' Meetings**

- (a) No business may be carried out at a Members' Meeting unless a quorum is present.

- (b) Five (5) % of Members (or their Proxies) personally present and entitled to vote at the meeting will constitute a quorum.
- (c) If a quorum is not present:
  - (i) at an Annual Members' Meeting, the meeting shall stand adjourned to the same time and place on the same day in the following week and the Members present at the adjourned meeting may transact any business but only if there is quorum; and
  - (ii) at a Special Members' Meeting, the Special Members' Meeting shall lapse.

## 7.8 Notice not required for adjourned meetings

Where an Annual Members' Meeting is adjourned under Rule 7.7(c)(i) (Quorum for Members' Meetings), it is not necessary to give notice of the time and place of the adjourned meeting other than by announcement at the meeting which is adjourned.

## 7.9 Chair of Members' Meetings

The chair of a Members' Meeting must be the Chair of the Board. In the event of the Chair being unavailable or unwilling to chair the Members' Meeting, the Board must appoint one of its number to chair the meeting in the Chair's absence.

## 7.10 Methods of holding Members' Meetings

- (a) A Members' Meeting may be held by:
  - (i) a number of Members (or their Proxies), who constitute a quorum, being assembled together in person at the place, date, and time appointed for the meeting;
  - (ii) if determined by the Board, assembled by means of audio, or audio and visual, communication provided that all Members (or their Proxies) participating and constituting a quorum can simultaneously hear each other throughout the meeting and confirm their attendance at the start of the meeting in a manner satisfactory to the chair of the meeting; or
  - (iii) by such other electronic means as determined by the Board, so long as all Members (or their Proxies) participating and constituting a quorum can participate in the meeting equally and without unreasonable cost or effort.
- (b) For the avoidance of doubt, any Member participating in a Members' Meeting by means of audio, audio and visual, or other electronic communication (as determined by the Board) will be counted as part of the quorum for that meeting and will be considered to be "personally present" for the purpose of Rule 7.7(b) (Quorum for Members' Meetings).

## 7.11 Attendees

- (a) The following persons will be entitled to attend Members' Meetings:
  - (i) Directors;
  - (ii) Chair;
  - (iii) Members (or their duly appointed Proxy);

- (iv) the Contact Officer;
- (v) in the case of an Annual Members' Meeting only, the Auditor;
- (vi) Honorary Life Members;
- (vii) as an observer, any person employed by the Club;
- (viii) Accountant; and
- (ix) as an observer, any person invited to attend by the Board.

#### 7.12 Proxies

- (a) Any Member not attending a Members' Meeting may appoint a Proxy (who must be a Member) to speak and vote on its behalf.
- (b) The appointment of a Proxy must be in writing signed by the Member and must be in substantially the following form:
 

*[Member's name]* appoints *[insert other Member's name]* to be its Proxy at the meeting of the Club to be held on *[insert date of meeting]*.
- (c) The instrument appointing a Proxy must be provided to the chair of the Members' Meeting not later than three (3) hours prior to the advertised time for the commencement of the relevant meeting. The instrument appointing a Proxy can be provided electronically.
- (d) Failure to comply with the provisions of this Rule renders the appointment of a Proxy null and void unless the chair of the Members' Meeting deems the circumstances such that the irregularity be waived.

#### 7.13 Voting

- (a) Each Member will be entitled to one vote for each resolution voted on at a Members' Meeting.
- (b) A Member may exercise its vote through its Proxy, validly appointed in accordance with Rule 7.12 (Proxies).
- (c) Voting at a Members' Meeting will be conducted as follows:
  - (i) subject to Rule 7.15(a)(iii) (Electronic Voting), a resolution put to the vote will be decided upon a show of hands of the Members unless (before or on the declaration of the result of the show of hands) a poll is demanded by the chair of that Members' Meeting or at least three (3) Members (or their Proxies) present; or
  - (ii) if a poll is demanded, it will be taken in such a manner as the chair of that Members' Meeting directs. On a poll or ballot each Member (or its validly appointed Proxy) will have one vote.

#### 7.14 Electronic Voting

- (a) The Board may permit, in relation to a particular Members' Meeting or generally:

- (i) the appointment of Proxies by electronic means;
  - (ii) postal votes to be cast by electronic means; and
  - (iii) to the extent permitted by law, votes to be cast on resolutions at a Members' Meeting by electronic means.
- (b) The procedures in relation to such electronic appointment or electronic voting shall be those required by law (if any) together with any other procedures determined by the Board. If the Board permits electronic appointment of Proxies or electronic voting in accordance with this Rule, such electronic appointments may be made or electronic votes cast notwithstanding any other provision of these Rules.

#### **7.15 Resolutions**

- (a) Unless otherwise provided in these Rules, any resolution passed by a bare majority of Members (or their Proxies) present and voting at a Members' Meeting will be duly made.
- (b) Notwithstanding (a) above, any resolution relating to the following matters must be passed by not less than 75% of Members (or their Proxies) present and voting at a Members' Meeting to be duly made:
- (i) an alteration, adoption or revocation of these Rules;
  - (ii) the dissolution of the Club in accordance with Rule 24 (Dissolution).
- (c) Any resolution passed in accordance with (a) or (b) above will be binding on all Members whether present or not at the meeting.

#### **7.16 Minutes to be kept**

Minutes must be kept of all proceedings at each Members' Meeting. Minutes of a meeting which have been signed as correct by the Chair (or by the person acting as Chair for that meeting) are conclusive evidence of the proceedings at that meeting.

#### **7.17 Meeting report**

Following each Members' Meeting, the Board will send a report of the proceedings, including the minutes of the meeting, to all Members.

### **8. Management of the Club**

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Management of the Club will be vested in a Board comprising:

- (a) between six (6) and nine (9) Elected Directors; and
- (b) up to two (2) Board Appointed Directors.

## 9. Appointment of Directors to Board

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### 9.1 Elected Directors

- (a) Election of between six (6) and nine (9) Elected Directors will take place at the Annual Members' Meeting held each calendar year prior to 31 December.
- (b) Each Member will be eligible to vote in the election of Elected Directors. Each Member may cast (1) vote.
- (c) Election of Elected Directors will be co-ordinated by an agent of the Club appointed by the Board (the **Election Co-ordinator**). For the avoidance of doubt, the Board may appoint the Chair, the Deputy Chair, the Contact Officer or any other person as the Election Co-ordinator.
- (d) The Election Co-ordinator must, not later than two (2) months prior to the Annual Members' Meeting, call for nominations for candidates to be appointed as Elected Directors. The notice must also specify the closing date (in accordance with (g) below) by which nominations must be received, and the name and email address of the person to whom the nominations must be provided.
- (e) Each Member eligible to vote in accordance with (b) above may nominate no more than one (1) candidate for the position of Elected Director. Subject to Rule 9.5 (Ineligibility for election as a Director), any Member may be nominated as a candidate in accordance with these Rules. For the avoidance of doubt, each candidate must be a Member.
- (f) Each nomination must be received by the Election Co-ordinator no later than one (1) month prior to the Annual Members' Meeting. Each nomination must be accompanied by an application form (as prescribed by the Election Co-ordinator, which is to include a declaration that the person nominated is not ineligible under Rule 9.5 (Ineligibility for election as a Director) to hold office as a Director) completed and signed by the nominee and the candidate. For the avoidance of doubt, a scanned copy of the completed and signed application form emailed to the Election Co-ordinator will be accepted.
- (g) Notice of every eligible nomination received by the Election Co-ordinator by the closing date for nominations (together with the application completed by each nominee) shall be given by the Election Co-ordinator to all persons entitled to vote, in accordance with Rule 9.1(j) (Elected Directors).
- (h) In situations where less than six (6) eligible nominations are received for the position of Elected Director, any eligible candidates nominated for the position shall be announced and declared to have been elected to that position at the applicable Annual Members' Meeting and the Board must call a Special Members' Meeting for Members to elect one or more additional Elected Directors to fill the remaining vacancies and the process described in this Rule 9.1 (Elected Directors) shall apply with any necessary modifications.
- (i) In situations where the number of eligible nominations received for the position of Elected Director is equal to six (6), seven (7), eight (8) or nine (9) then the eligible nominees shall be announced and declared to have been elected to that position at the applicable Annual Members' Meeting.
- (j) In situations where more than nine (9) eligible nominations are received for the position of Elected Director, the Election Co-ordinator will provide notice to Members at least 14 days prior to the Annual Members' Meeting notifying Members' of the list of eligible nominees. An election will be held at the Annual Members' Meeting in accordance with this Rule 9.1 (Elected Directors) and the following process:

- (i) the Election Co-ordinator will provide each Member (or its Proxy) with a voting paper listing the names of each eligible nominated candidate;
  - (ii) each Member must, on receipt of a voting paper provided by the Election Co-ordinator, strike out the names of those candidates for whom that Member does not wish to vote, leaving only the name of the candidate for whom he or she wishes to vote and return the voting paper to the Election Co-ordinator;
  - (iii) the Election Co-ordinator may (in his or her sole discretion) declare invalid any vote that fails to comply with this Rule 9.1 (Elected Directors);
  - (iv) at the conclusion of the voting, the Election Co-ordinator will count the number of valid votes cast in favour of each candidate and, unless the circumstances in (v) below applies, determine the nine (9) highest polling candidates to be elected as the Elected Directors;
  - (v) in the event of a tie (being an equal number of votes) for the position of an Elected Director, the tie shall be resolved as soon as possible by the drawing of lots. "Drawing of lots" refers to resolution of a tie by a method of chance that is random, and does not prejudice any candidate (such as a coin toss, a drawing of names or a drawing of straws). The drawing of lots will be carried out by the Election Co-ordinator in the manner the Election Co-ordinator deems appropriate; and
  - (vi) the Election Co-ordinator will then announce the result of the election at the Annual Members' Meeting and declare each elected candidate an Elected Director. The Election Co-ordinator must retain the voting papers for three (3) months at which time they must be destroyed.
- (k) Subject to the occurrence of any factor listed in Rule 9.4(a) (Extraordinary vacancy), each Elected Director will hold office from the conclusion of the Annual Members' meeting at which they are declared an Elected Member until the conclusion of the next occurring Annual Members' Meeting.
  - (l) Each Elected Director whose term is due to expire under (k) above may stand for re-appointment.

## 9.2 Board Appointed Directors

- (a) There may be up to two (2) Board Appointed Directors at any time.
- (b) Each Board Appointed Director must be appointed by a Special Resolution of the Board. Board Appointed Directors are not eligible to vote on Special Resolutions of the Board that relate to the appointment of Board Appointed Directors.
- (c) Subject to Rule 9.5 (Ineligibility for election as Director), the Board may appoint any person as a Board Appointed Director. When appointing a Board Appointed Director, the Board may take into account the Matrix set out in Schedule 2 and may take into account any other matters it considers relevant to the diversity, balance and effectiveness of the Board, including (but not limited to) a person's skills, experience and qualifications.
- (d) For the avoidance of doubt, a person need not be a Member to be appointed as a Board Appointed Director.
- (e) Each Board Appointed Director will hold office from the date specified by the Board until the earlier of the following:

- (i) such time as the Board decides by Special Resolution to remove that Board Appointed Director;
  - (ii) an Annual Members' Meeting; or
  - (iii) the occurrence of any factor listed in Rule 9.4(a) (Extraordinary vacancy).
- (f) Each Board Appointed Director whose term comes to an end may be re-appointed by the Board in accordance with this Rule 9.2 (Board Appointed Directors).

### 9.3 **Chair and Deputy Chair**

- (a) The Board must, as soon as possible after each election held in accordance with Rule 9.1 (Elected Directors), convene a meeting of the Board to:
- (i) elect one of the Directors as the Chair; and
  - (ii) elect one of the Directors as the Deputy Chair.
- (b) The Chair and Deputy Chair must be appointed by Special Resolution of the Board.
- (c) The Chair and Deputy Chair appointed under this Rule will hold office until the next occurring Annual Members' Meeting. For the avoidance of doubt, if the Chair or Deputy Chair resigns or is removed, the Board must, at the next meeting of the Board, elect a new Chair or Deputy Chair (as applicable).
- (d) Each Chair and Deputy Chair who retires, resigns or is removed may be re-appointed.
- (e) The Deputy Chair will preside at any meeting from which the Chair is absent or where the Chair declines to preside or is conflicted under Rule 14 (Conflicts of interest).

### 9.4 **Extraordinary vacancy**

- (a) In the event of an extraordinary vacancy caused by:
- (i) death;
  - (ii) resignation by notice in writing to the Board;
  - (iii) removal by the Board under Rule 9.4(b) (Extraordinary vacancy);
  - (iv) any ineligibility of the Director to undertake his or her role; or
  - (v) any other incapacity,
- of any Elected Director, the Board will follow the procedure set out in Rule 9.4(c) (Extraordinary vacancy).
- (b) The Board may remove a Director from office in the event that Director is, in the Board's sole opinion:
- (i) ineligible to hold his or her position in accordance with Rule 9.5 (Ineligibility for election as a Director);

- (ii) breaching his or her duties under these Rules or otherwise;
  - (iii) acting in a manner that is or is likely to bring the Club into disrepute;
  - (iv) absent without leave of the Board from more than two successive meetings of the Board;
  - (v) not acting in good faith and what the Director believes to be in the best interests of the Club;
  - (vi) exercising his or her powers for an improper purpose; or
  - (vii) acting, or agreeing to the Club acting, in a manner that contravenes, the Rules of Racing, any legislation (including the Racing Act) or these Rules.
- (c) Where an extraordinary vacancy occurs in respect of an Elected Director who has:
- (i) more than six (6) months of his or her term of office remaining, a by-election must be held in accordance with Rule 9.1 (Elected Directors) (modified as necessary including to adjust any timeframes) within four (4) weeks of the date of the meeting of the Board at which such vacancy was recorded; or
  - (ii) six (6) months or less of his or her term of office remaining, the Board may decide by Special Resolution whether to hold a by-election as described in (i) above or, provided the total number of Directors remaining is not less than six (6), leave the position vacant until the next Annual Members' Meeting.
- (d) Where a by-election held in accordance with (c)(i) above does not result in a total of at least six (6) Directors, the Board must (notwithstanding the limit on the number of Board Appointed Directors that may otherwise be appointed under these Rules) appoint such additional Board Appointed Directors as are necessary to bring the total number of Directors up to six (6) Directors.
- (e) Any person appointed in accordance with Rule 9.4(c) or (d) (Extraordinary vacancy) will hold office as Director for the remainder of the term of the Director who caused such extraordinary vacancy and may, at the expiry of that term, stand for re-appointment.

## 9.5 Ineligibility for election as a Director

Notwithstanding any other provision of these Rules, the following persons are ineligible to be appointed as a Director. A person who:

- (a) is under 16 years of age;
- (b) is an undischarged bankrupt;
- (c) is prohibited from being a director or promoter of, or being concerned or taking part in the management of, an incorporated or unincorporated body under the Companies Act 1993, the Financial Markets Conduct Act 2013, or the Takeovers Act 1993;
- (d) is disqualified from being an officer of a charitable entity under section 31(4)(b) of the Charities Act 2005;
- (e) has been convicted (whether before or after the commencement of these Rules) of any of the following crimes, or of being a party to any such crime:

- (i) crimes involving dishonesty, fraud, forgery, bribery, corruption or an indictable offence;
  - (ii) participation in an organised criminal group under section 98A of the Crimes Act 1961; or
  - (iii) a criminal offence, if the person is not eligible under the Criminal Records (Clean Slate) Act 2004;
- (f) is disqualified, or is otherwise ineligible to hold the position of Director, in accordance with the Rules of Racing; or
- (g) is otherwise disqualified or ineligible to be appointed as an officer of the Club under the Incorporated Societies Act 1908 or any successor Act.

## 10. Powers and duties of Board

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### 10.1 Management of the Club

The business and affairs of the Club, including the control and investment of funds of the Club and the borrowing of money by the Club, is to be managed by, or under the direction or supervision of, the Board.

### 10.2 Exercise of powers by Board

- (a) Subject to the Rules of Racing, the Board may exercise all the powers of the Club which are not required, either by the Incorporated Societies Act or these Rules, to be exercised by the Members at a Members' Meeting, including (without limitation) the powers specified in Schedule 1.
- (b) The Board may develop, amend and implement any policies, procedures or by-laws as determined by the Board, in its sole discretion, from time to time.
- (c) The Board may delegate to a sub-committee, a Director, an employee of the Club, or to any other person or class of persons, any one or more of its powers, vested in the Board pursuant to this Rule.
- (d) The Members, or any other person in whom a power is vested by these Rules or the Incorporated Societies Act, may ratify the purported exercise of a power in Rule 10.2(b) (Exercise of powers by Board) in the same manner as the power may be exercised.
- (e) The purported exercise of a power that is ratified under this Rule is deemed to be, and always to have been, a proper and valid exercise of that power.

### 10.3 Sub-committees

- (a) The Board may, by General Resolution, establish or disestablish sub-committees to advise the Board and may delegate any of its powers (excluding the general power to manage and control all of the affairs of the Club) to any such sub-committee. For the avoidance of doubt, the Board may delegate its powers relating to the maintenance and development of the Club's property.
- (b) The sub-committee:

- (i) subject to paragraph (c) below, may include persons appointed by the Board who are not Directors, but the Board must appoint a Director as that Board's chair;
  - (ii) subject to paragraph (c) below, may co-opt or second any person it deems necessary (provided the sub-committee resolves to do so and the sub-committee's chair approves) to assist the sub-committee to carry out its duties on a short-term basis;
  - (iii) will have no power, unless specifically authorised by the Board in writing, to bind the Club;
  - (iv) must regularly report to the Board on its activities;
  - (v) must comply with any requirements or regulations imposed on it by the Board;
  - (vi) may, as determined by the Board, include the Chair, Deputy Chair, Executive Officer and/or Contact Officer as ex-officio members; and
  - (vii) subject to any other provision of these Rules, may regulate its own conduct and proceedings.
- (c) No person shall be appointed to a sub-committee who would not be eligible to be a Director of the Club under Rule 9.5 (Ineligibility for election as a Director).

#### 10.4 Director's duties

- (a) A Director, when exercising powers or performing duties, is to act in good faith in what the Director believes to be the best interests of the Club and in the manner which he or she believes will best attain the objects of the Club.
- (b) A Director is to exercise a power for a proper purpose.
- (c) A Director may not act, or agree to the Club acting, in a manner that contravenes the Rules of Racing, the Racing Act, the Incorporated Societies Act or these Rules.
- (d) A Director may not:
  - (i) agree to the affairs of the Club being carried on in a manner likely to create a substantial risk of serious loss to the Club's creditors; or
  - (ii) cause or allow the affairs of the Club to be carried on recklessly or in a manner likely to create a substantial risk of serious loss to the Club's creditors.
- (e) A Director may not agree to the Club incurring an obligation unless the Director believes at that time on reasonable grounds that the Club will be able to perform the obligation when it is required to do so.
- (f) A Director, when exercising powers or performing duties as a Director, is to exercise the care, diligence and skill that a reasonable Director would exercise in the same circumstances taking into account:
  - (i) the nature of the Club;
  - (ii) the nature of the decision;

- (iii) the circumstances applying at the time; and
  - (iv) the position of the Director and the nature of the responsibilities undertaken by him or her.
- (g) To the extent applicable, the members of any sub-committee appointed by the Board in accordance with Rule 10.3 (Sub-committees) must comply with the duties outlined in this Rule.

## 11. Quorum and voting at Board meetings

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### 11.1 Quorum required

- (a) Unless extraordinary circumstances exist, no business may be transacted at a Board meeting if a quorum is not present.
- (b) A quorum for a Board meeting is six (6) or more Directors present.
- (c) If a quorum is not present within 30 minutes after the time appointed for the commencement of a Board meeting, the meeting is to be adjourned to such other date, time, and place as the Chair may appoint.

### 11.2 Voting at Board meetings

- (a) At any meeting of the Board all questions will be decided by the affirmative votes of at least a bare majority of Directors (> 50%) eligible to vote (a **General Resolution**), provided that any question relating to:
  - (i) the setting of any Subscription Fee;
  - (ii) appointment of any Board Appointed Director;
  - (iii) selection of the Chair and the Deputy Chair;
  - (iv) adoption of the annual financial budget;
  - (v) any other significant expenditure exceeding budget,will be decided by a resolution requiring the affirmative votes of at least three-quarters (75%) of Directors eligible to vote (a **Special Resolution**).
- (b) Each Director is to have one vote.
- (c) In the event of equality of voting the status quo will be maintained.
- (d) The Chair (or in his or her absence, the Deputy Chair) will have a deliberate vote but no casting vote.

### 11.3 Written resolutions

A resolution in writing, signed or assented to by at least 75% of the Directors entitled to vote on that resolution is as valid and effective as if it had been passed at a meeting of the Board duly convened and held. Each Director must be given notice of the form of the proposed resolution. Any such

resolution may consist of several documents (including electronic or other similar means of communication) in like form, each signed or assented to by one (1) or more Directors. A copy of any such resolution must be entered in or kept with the records of Board proceedings.

## **12. Meeting of Board**

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### **12.1 Methods of holding meetings**

- (a) A minimum of one (1) meeting of the Board must be held each calendar month and may be conducted either:
  - (i) by a number of the Directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting;
  - (ii) by means of audio, or audio and visual, communication by which all the Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting and confirm their attendance at the start of the meeting; or
  - (iii) by such other electronic means as determined by the Chair, so long as all Directors participating and constituting a quorum can participate in the meeting equally and without unreasonable cost or effort.
- (b) For the avoidance of doubt, any Director participating in a meeting of the Board by means of audio, audio and visual, or other electronic communication (as determined by the Board) will be counted as part of the quorum for that meeting.

### **12.2 Notice of meeting**

- (a) A Director or, if requested by a Director to do so, an employee of the Club approved by the Board for this purpose, may convene a meeting of the Board.
- (b) Notice of a meeting of the Board is to be provided to each Director and to Members of the Club by:
  - (i) notifying in writing (including electronically), every Director; and/or
  - (ii) publishing notice of a meeting in any newsletter or publication (including electronically) as the Board determines.
- (c) Unless impracticable in the circumstances, a minimum of three (3) business days' notice must be given prior to any meeting of the Board.

### **12.3 Chair**

If at any meeting the Chair and the Deputy Chair are not present at any Board meeting within 15 minutes after the time appointed for the commencement of the meeting, the Directors present may choose one of their number to be Chair of the meeting.

### **12.4 Minutes to be kept**

Minutes must be kept of all proceedings at each meeting of the Board. Minutes of a meeting which have been signed as correct by the Chair (or by the person acting as Chair for that meeting) are conclusive evidence of the proceedings at that meeting.

## 12.5 Attendance of Members

- (a) A Member may attend any meeting of the Board, provided that the Chair may exclude Members from matters of commercial sensitivity or matters that may raise privacy issues or impact on the reputation of any body corporate or person. Any members must be invited to be present at such meetings.
- (b) The Chair may also limit the speaking rights of Members at such meetings.

## 12.6 Termination of Board Members tenure

Any Board Member being absent for three (3) consecutive meetings without leave of absence from the Board will, unless otherwise resolved by a majority of the Board, cease to be a Member of the Board.

## 12.7 Other procedures

Except as set out in this Rule, the Board may regulate its own procedure.

## 13. Rules of Racing and NZTR

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- (a) Notwithstanding any other provision of these Rules, the Club shall be bound by, and subject to, the Rules of Racing.
- (b) The Club shall comply with, and meet its obligations under, the constitution of NZTR, including in respect of the payment of any levies due to NZTR.

## 14. Conflicts of interest

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- (a) No Director or Board member (including any member of a sub-committee established by the Board in accordance with Rule 10.3 (Sub-committees)) may vote on a resolution of the Board or the sub-committee or sign any document relating to the entry into a transaction or the initiation of the matter in respect of any matter in which that Director or Board member has an interest, including (without limitation) if the Director or Board member:
  - (i) is a party to the transaction, could derive a material financial benefit from the transaction, or has a material financial interest in another party to the transaction; or
  - (ii) is a director, officer or trustee of either another party to the transaction, or a person who could derive a material benefit from the transaction; or
  - (iii) is the parent, child, spouse, civil union partner or de facto partner of either another party to the transaction, or a person who could derive a material benefit from the transaction; or
  - (iv) is otherwise directly or indirectly materially interested in the transaction.
- (b) A person who is prevented from voting on a matter as a result of being interested under paragraph (a) above, may still be counted for the purpose of determining whether there is quorum at any meeting at which the matter is considered. However, if 50% or more of the members of the Board or sub-committee are prevented from voting on a matter, a Special Members' Meeting must be called to consider and determine the matter.

- (c) Any “interest” must be disclosed as soon as practicable after the Director or Board member becomes aware of the interest. The nature and extent of the interest (including any monetary value of the interest if it can be quantified) must also be disclosed. After disclosure, the Director or Board member may not participate in any decision on that matter, and may be excluded by the rest of the Board or sub-committee from any discussion on it.
- (d) The Board must maintain an “interests register” recording the particulars of the Director’s or Board member’s “interest”. This “interests register” shall be open for inspection by Members upon reasonable notice to the Contact Officer. A summary of the “interests register” must be presented to each Annual Members’ Meeting.

## **15. Directors’ remuneration and other benefits**

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### **15.1 Expenses incurred in special circumstances**

Each Director and sub-committee member appointed in accordance with Rule 10.3 (Sub-committees) is entitled to be paid for all reasonable travelling, accommodation and other expenses incurred in connection with the attendance at meetings or otherwise in connection with the Club’s business.

## **16. Indemnity and insurance**

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### **16.1 Indemnity for Directors**

- (e) Each Director, from time to time, is to be indemnified by the Club for any costs incurred by him or her in any proceeding:
  - (i) that relate to liability for any act or omission in his or her capacity as a Director; and
  - (ii) in which judgment is given in his or her favour, or in which he or she is acquitted, or which is discontinued.
- (f) Each Director, from time to time, is to be indemnified by the Club for any liability or costs in respect of:
  - (i) liability to any person other than the Club for any act or omission in his or her capacity as a Director; or
  - (ii) costs incurred by him or her in defending or settling any claim or proceeding relating to any such liability.
- (g) However, a Director’s right to be indemnified does not extend to any liability or costs incurred that are the result of a criminal act or a breach of any fiduciary duty owed to the Club or in relation to any wilful default or fraudulent acts or omissions on the part of the Director.

### **16.2 Indemnities for employees**

In addition to the indemnity set out in Rule 16.1 (Indemnity for Directors), the Club may indemnify an employee of the Club for any costs referred to in Rule 16.1 (Indemnity for Directors).

### 16.3 Insurance

The Board must ensure that, to the extent permitted by law, the Club procures and maintains appropriate insurance in respect of:

- (h) its indemnity obligations in Rules 16.1 (Indemnity for Directors) and 16.2 (Indemnities for employees) above; and
- (i) liabilities that a Director or employee may incur in their capacity as a Director or employee, including the defence costs associated with defending allegations of such liability.

### 16.4 Duty to certify

The Directors who vote in favour of authorising the effecting of insurance under Rule 16.3 (Insurance) are to sign a certificate stating that, in their opinion, the cost of effecting the insurance is fair and reasonable for the Club to incur in the circumstances.

## 17. Contact Officer

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- (a) The Board will appoint a Contact Officer upon and subject to the terms and conditions set out in this Rule 17 (Contact Officer).
- (b) The Contact Officer must be at least 18 years of age and ordinarily resident in New Zealand.
- (c) The Contact Officer must be a member of the Board, and may hold any other office as a member of the Board or a Member of the Club.
- (d) The Contact Officer will be the principal administrative officer of the Club and will perform all such duties as required of the Contact officer as that role may be defined in the Incorporated Societies Act (if at all) from time to time.
- (e) Subject to paragraph (c) above, the Contact Officer will perform all such duties as the Board from time to time decides.

## 18. Register of Members and access to information

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- (a) The Contact Officer will compile and maintain at the offices of the Club, a Members' Register. The register is to include all information required to be kept by the Board, in accordance with any rules or legislation by which the Club is bound.
- (b) The Members' Register will be available for inspection by Members upon reasonable request in writing to the Contact Officer.
- (c) A Member may, at any time, make a written request to the Board for information held by the Club. A written request made by a Member must specify the information sought in sufficient detail to enable the Board to identify it.
- (d) The Board may, in its sole discretion, refuse access to the requested information where it considers such refusal necessary to protect the interests of the Club or any other person or where it considers the request for information to be frivolous or vexatious.

- (e) The Members' Register shall be made available to NZTR upon request to enable it to fulfil integrity and such other functions and requirements that may be necessary from time to time.

## **19. Subscription Fees**

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### **19.1 Subscription Fees**

All Members must pay in advance a Subscription Fee due on 20 September of each year. In the event that a person is elected after the 31<sup>st</sup> January in each year the Board may determine what proportion of the annual subscription is payable by that person for that year.

### **19.2 Duties of Directors**

- (a) The Board will be responsible for setting the amount of any Subscription Fee.
- (b) The Board may, in its sole discretion, increase the amount of the Subscription Fee payable by Members, provided that the Subscription Fee is not increased by the Board more than once each calendar year.

### **19.3 Failure to pay**

Any member failing to pay his or her subscription within three (3) months from the commencement of the financial year may be struck off the register of members by resolution of the Board.

## **20. Financial records and auditing**

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### **20.1 Money received by the Club**

- (a) All Subscription Fees and other moneys received by or on behalf of the Club is to be paid to the credit of the Club's account at ANZ Wanganui or any other bank as the Board may appoint from time to time.
- (b) All cheques drawn on or withdrawals made from the Club's account will be authorised by signature of any two of the following:
  - (i) the Chair;
  - (ii) the Deputy Chair;
  - (iii) the Contact Officer; or
  - (iv) such other persons as designated from time to time by the Board.

### **20.2 Investment by the Club**

The Board may from time to time invest and re-invest the whole or any part of its funds not required for the immediate business of the Club in such securities and upon such terms as it thinks fit. The Board may delegate this power to the Executive Officer.

### 20.3 **No pecuniary gains**

- (a) The funds and property of the Club will be devoted solely to the objects specified in Rule 3 (Objects and powers of the Club), and no pecuniary gains will be derived by any Member from the operations or property of the Club, provided that at its discretion the Board may remunerate Directors (as provided in Rule 15 (Directors remuneration and other benefits)) and/or pay such honorarium to the Chair as it deems appropriate (if any) from time to time.
- (b) No Director or any employee of the Club may enter into any contract with the Club except with the unanimous approval of the Board (excluding the interested Director) or Members at a Members' Meeting, or in the event that the contract is an employment contract between an employee of the Club and the Club.
- (c) No Member or any person associated with a Member shall participate in or materially influence any decision made by the Club in respect of the payment to or on behalf of that Member or associated person of any income, benefit, or advantage whatsoever. Any such income paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being the open market value) and shall not be for the private pecuniary profit of that Member or associated person.
- (d) Rule 20.4(c) (No pecuniary gains) does not prohibit any payment for:
  - (i) a salaried employee of the Club appointed in accordance with these Rules;
  - (ii) professional services rendered to the Club in the course of its business charged at no greater than current market rates in circumstances where the provisions in these Rules governing conflicts of interests have been complied with;
  - (iii) goods supplied, on arm's length terms, to the Club in the ordinary course of business;  
or
  - (iv) any reasonable out-of-pocket expenses incurred by a Director, employee or Member acting in the interests of the Club and with the written approval of the Board.
- (e) Notwithstanding any other provision of these Rules, a Member's membership in the Club shall not be deemed to confer upon that Member any right, title, or interest, either legal or equitable, in the property of the Club.

### 20.4 **Auditor**

- (a) The Members are, at each Annual Members' Meeting, to appoint an Auditor:
  - (i) to hold office as Auditor from the conclusion of the meeting until the conclusion of the next Annual Members' Meeting; and
  - (ii) to audit the financial statements of the Club.
- (b) The Board may fill any casual vacancy in the office of Auditor. However, while the vacancy remains, any surviving or continuing auditor may continue to act as Auditor.
- (c) The reasonable fees and expenses of the Auditor are to be fixed by the Board.

## 21. Annual report and statement of accounts

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- (a) The Board will prepare or cause to be prepared a report of its activities and the state of the industry for the year ended 31 July in each and every year, such report to be signed on behalf of the Board by the Chair and distributed by mail or otherwise notified (including electronically if required) to every Member as soon as practicable after 31 July and not later than 10 days before the Annual Members' Meeting.
- (b) The Board will prepare or cause to be prepared an audited statement of income and expenditure and balance sheet of the Club for the year ended 31 July in every year, such report to be signed on behalf of the Board by the Chair, and to be certified as correct by the Auditor, and distributed by mail or otherwise notified (including electronically if required) to every Member as soon as practicable after 31 July and not later than 10 days before the Annual Members' Meeting.
- (c) In accordance with the Club's obligations under the Racing Act, the Board will provide to the New Zealand Racing Board, as soon as practicable after 31 July each year, a copy of the Club's audited financial statements for the 12 month period ending 31 July. All financial statements sent in accordance with this Rule must be in a form, and based on accounting principles, as determined from time to time by the New Zealand Racing Board.
- (d) In accordance with the Club's obligations under the Gambling Act 2003 as a "Class 4" society, the Board will provide to the Department of Internal Affairs, within three months of the end of the Club's financial year, a report of its activities (including an itemised statement of the application or distribution of net proceeds from class 4 gambling for authorised purposes) and audited financial statements.

## 22. Amendment to Rules

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- (a) Authority to amend, alter, add to or rescind these Rules will be vested solely in the Members, and no amendment, alteration, addition or rescission of these Rules will become effective unless proposed as a remit in accordance with Rule 7.4 (Remits) and approved by a resolution of Members passed by not less than 75% of Members present and voting at a Members' Meeting and signed by no less than three (3) Members.
- (b) 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 Racing Act (including any Rules of Racing issued under the authority thereof), the Incorporated Societies Act, the Income Tax Act 2007 (or any successor enactments to such statutes) 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.

## 23. Signing of documents and common seal

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- (a) The common seal of the Club is to be kept in the custody of the Contact Officer or honorary solicitor and will only be affixed to any deed or document in pursuance of a resolution of the Board and in the presence of the Chair or Deputy Chair, one other Director of the Board and the Contact Officer and the person affixing this seal will at the same time sign the relevant document.
- (b) Subject to (a) above, an obligation or contract which is required by law to be in writing, and any other written obligation or contract which is to be entered into by the Club, may, with the approval of a resolution of the Board, be signed on behalf of the Club by two Directors.

- (c) Any obligation or contract which must be by deed must be made under common seal in accordance with (a) above.

## **24. Dissolution**

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- (a) The Club may be wound-up or put into liquidation by a resolution of its Members in accordance with the procedures (including any notice requirements) specified in the Incorporated Societies Act.
- (b) In the event of the Club being wound-up or put into liquidation in accordance with (a) above, the property and surplus assets of the Club after payment of the Club's liabilities and the expenses of the winding-up must be disposed of in accordance with section 27 of the Racing Act, for racing, public, charitable, or other purposes in the manner that the Club, with the approval of NZTR, determines.
- (c) For the avoidance of doubt, the Club must not distribute any property or surplus assets to or among Members upon dissolution.

## **25. Executive Officer**

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The Board will appoint an Executive Officer to assist the Board with the management of the Club.

- (d) The Executive Officer will perform all such duties as delegated to it by the Board from time to time.
- (e) The terms of employment of the Executive Officer will be decided by the Board, including salary, expense allowances, superannuation and the provision of any real or personal property required to enable such officer to fulfil his or her duties.
- (f) The Executive Officer is entitled to attend and speak at all meetings of the Board, but will not be entitled to exercise a vote at any meeting of the Club or the Board or any sub-committee.

## **26. Notices**

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### **26.1 Form of notice**

Each notice or other communication under these Rules that is to be in writing, is to be made by facsimile, email, personal delivery or by post to the addressee at the facsimile number, email address or physical address, and is to be marked for the attention of the person or office holder (as applicable), from time to time designated for the purpose by the addressee to the Board.

### **26.2 Notice effective**

No communication is to be effective until received. A communication is to be deemed to be received by the addressee:

- (a) in the case of a facsimile or email, on the day on which it is sent or, if sent after 5pm (in the place of receipt) on a business day or, if sent on a non-business day, on the next business day after the date of sending;
- (b) in the case of personal delivery, when delivered; and

(c) in the case of a letter, on the fifth day after posting by fastpost or by airmail.

## **27. General**

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Any matters affecting the Club not provided for in these Rules must be decided by the Board in light of, and without prejudicing, the objects of the Club set out in Rule 3 (Objects and powers of the Club).

## Schedule 1: Powers and functions of the Board

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The powers and functions of the Board shall include (without limitation) the power to:

1. be the principal governing body of the Club with responsibility for overseeing the competent and lawful conduct of the Club's affairs;
2. encourage and oversee the work of the Club in accordance with the objects and the policies from time to time laid down by the Club at its Members' Meetings;
3. adopt an annual plan and budget for financial performance and to monitor results against the annual plan and budget;
4. exercise all powers vested in the Board by the Rules of Racing;
5. elect or appoint, by any means determined by the Board, the number of representatives permitted by NZTR to attend a general meeting of NZTR on behalf of the Club, in accordance with the rules of NZTR, as amended from time to time;
6. exercise control of all the training facilities of the Club from time to time;
7. purchase, lease, hire or by other means acquire any real or personal property necessary or convenient for furthering the objects;
8. sell, lease, exchange, mortgage, improve, manage, develop or otherwise deal with all or any part of the real and personal property of the Club, or in which the Club has or may hereafter have any beneficial interest;
9. borrow or raise money by mortgage or otherwise and in such manner, with or without security, on such terms as the Board must think fit;
10. establish and delegate such powers as it considers appropriate, to such other Boards or sub-committees and groups as it considers appropriate to assist it to carry out its responsibilities;
11. co-opt, engage, contract or otherwise agree to obtain the assistance or advice of any person or organisation for the Club;
12. publish and enforce the rules of the Club and any policies, procedures or by-laws determined from time to time;
13. resolve and determine any disputes or matters not provided for in these Rules;
14. appoint an Executive Officer, who will manage and direct the affairs of the Club subject to any restrictions imposed by the Board;
15. dismiss the Executive Officer, provided such dismissal is in accordance with the laws of New Zealand;
16. adopt clearly defined delegations of authority from the Board to the Executive Officer and to confirm delegation from the Executive Officer;
17. appoint legal, accounting or other advisers as and when necessary;
18. act in accordance with all other powers, duties and obligations contained in these Rules; and

do all other acts and things which are within the powers set out above and the objects and which the Board considers appropriate.