

Constitution

New Zealand Metropolitan Trotting Club Incorporated

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Constitution

1. Definitions and interpretation

1.1 Definitions: In this Constitution, unless the context otherwise requires:

- 1.1.1 **Act** means the Incorporated Societies Act 2022 or any legislation which replaces it (including amendments to it from time to time), and any regulations made under the Act or under any legislation which replaces it.
- 1.1.2 **Additional Officer** means an additional Officer appointed under Rule 14.6.
- 1.1.3 **Annual General Meeting** means the Annual General Meeting held pursuant to Rule 13.1.
- 1.1.4 **Annual Report** means the Annual Report of the Club containing information about the activities, operations, personnel and finances of the Club in the previous year.
- 1.1.5 **Appointed Officer** means an Officer appointed by the Board Appointments Panel under Rule 14.3.1.
- 1.1.6 **Audit and Risk Subcommittee** means any Audit and Risk Subcommittee appointed pursuant to Rule 16.2.1.2, whose terms of reference are set out in Appendix 1.
- 1.1.7 **Balance Date** means the date on which the Financial Year ends in each year (being 31 July of each year, at the time this Constitution is registered).
- 1.1.8 **Board** means the committee of the current Officers including any current Co-Opted Officer and Additional Officers.
- 1.1.9 **Board Appointments Panel** means the board appointments panel to be appointed in accordance with Rule 15.
- 1.1.10 **Business Day** means a day of the week other than:
 - 1.1.10.1 Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, Matariki Observance Day, Canterbury Anniversary Day and Labour Day;
 - 1.1.10.2 A day in the period commencing with the 24th day of December in any year and ending with the 8th day of January in the following year;
- 1.1.11 **Chairperson** means the Officer who has been elected as chairperson of the Board, under Rule 14.5.1.
- 1.1.12 **Chief Executive** means the Chief Executive of the Club as appointed by the Board pursuant to Rule 16.1.1.1.

- 1.1.13 **Club** means New Zealand Metropolitan Trotting Club Incorporated and includes its employees, Officers and agents.
- 1.1.14 **Constitution** means this document and all amendments to it from time to time.
- 1.1.15 **Convenor** means the convenor of the Board Appointments Panel as appointed under Rule 15.4.
- 1.1.16 **Co-Opted Officer** means as that term is defined in Rule 14.7.
- 1.1.17 **Cup Day** means the day on which the New Zealand Trotting Cup is held at the Club's course.
- 1.1.18 **Deputy Chairperson** means the Officer who has been elected as the deputy chairperson of the Board, under Rule 14.5.1.
- 1.1.19 **Elected Officer** means an Officer elected by the Members under Rule 14.4.
- 1.1.20 **Event Day** means any day that the Club holds a racing event at the Club's course but excluding Cup Day.
- 1.1.21 **Financial Year** means the financial year of the Club as set out in Rule 17.1.
- 1.1.22 **General Meeting** means an Annual General Meeting or Special General Meeting.
- 1.1.23 **Honorary Member** has the meaning set out in Rule 10.
- 1.1.24 **Honorary Veteran Member** has the meaning set out in Rule 11.
- 1.1.25 **Intellectual Property Rights** means any rights in or to intellectual or industrial property, including any trade or service mark, patent, copyright, moral right, design, trade secret, confidential information and/or know how, in all cases whether arising by common law or by statute.
- 1.1.26 **Interests Register** means the register of officer interests maintained by the Board pursuant to Rule 16.4.1.
- 1.1.27 **Life Member** has the meaning set out in Rule 9.
- 1.1.28 **Maximum Continuous Period** means a period of 4 Terms as Officer commencing from the Annual General Meeting in the first year an Officer is appointed and expiring at the Annual General Meeting which was 4 Terms after the initial appointment of such Officer.
- 1.1.29 **Member** has the meaning set out in Rule 8.1 and includes, where the context permits, Life Members, Honorary Members, and Honorary Veteran Members and any other form of membership as created by the Board pursuant to Rule 12.14.

- 1.1.30 **Month** means a calendar month.
- 1.1.31 **Objects** means the objects of the Club stipulated in Rule 5.1.
- 1.1.32 **Officer** means an officer of the Club appointed or elected as an officer in accordance with this Constitution.
- 1.1.33 **Ordinary Resolution** means a resolution that is approved by a simple majority of the votes of the Members entitled to vote and voting on the question.
- 1.1.34 **Property** means Addington Raceway or any replacement property used by the Club for race meetings.
- 1.1.35 **Race Meeting Steward** means a member of the Club appointed pursuant to Rule 16.2.1.3.
- 1.1.36 **Related Company** means any company in which the Club holds shares.
- 1.1.37 **Special General Meeting** means any meeting (other than an Annual General Meeting) of Members entitled to vote on an issue, called at any time by the Board or by any other person who is authorised by the Board to call meetings of Members.
- 1.1.38 **Special Resolution** means a resolution of Members approved by a majority of 75% of the votes of those Members entitled to vote and voting on the question.
- 1.1.39 **Statement of Financial Performance** means the statement of the revenue and expenditure of the Club for the 12 Months ending on the Balance Date.
- 1.1.40 **Statement of Financial Position** means the statement of the assets and liabilities of the Club as end of the Financial Year.
- 1.1.41 **Subcommittee** means a subcommittee of the Board established pursuant to Rule 16.2.1.5.
- 1.1.42 **Term** means the period of time an Officer serves on the Board as set out in Rule 14.2.1.
- 1.2 **Interpretation:** In this Constitution, unless the context otherwise requires:
- 1.2.1 The singular in all cases includes the plural and vice versa.
- 1.2.2 References to rules are references to clauses in this Constitution unless expressly specified otherwise.
- 1.2.3 A reference to a person includes a company, other corporations and also a body of persons (corporate or unincorporated).
- 1.2.4 Where words or expressions are defined, other parts of speech and grammatical forms of that word or expression have corresponding meanings.

- 1.2.5 The words “includes”, “including” or “include” must be read and interpreted without limitation.
- 1.2.6 Any reference to any statute or regulations is a reference to that statute or those regulations as amended or replaced.
- 1.2.7 Any reference to communication includes electronic communication by email.
- 1.2.8 The headings to the Constitution are for convenience of reference only and shall not in any way affect the construction or interpretation of this Constitution.

2. **Name**

- 2.1 The name of the incorporated society is New Zealand Metropolitan Trotting Club Incorporated.

3. **Registered office**

- 3.1 The registered office of the Club shall be at such place in New Zealand as the Board from time to time determines. Changes to the Registered Office will immediately be notified to the Registrar of Incorporated Societies in a form and as required by the Act.

4. **Status**

- 4.1 The Club is an incorporated society established under the Act and a racing club permitted to operate in accordance with the Racing Industry Act 2020.
- 4.2 The Club is not and does not intend to be registered as a charitable entity under the Charities Act 2005.

5. **Objects**

- 5.1 The objects of the Club are:

- 5.1.1 To promote harness racing and to hold harness race meetings and attendant activities in accordance with the laws and regulations governing the same;
- 5.1.2 To promote and utilise all of the facilities and other assets owned by the Club for the purpose of holding or hosting a range of events other than those relating to harness racing but for the ultimate benefit of the harness racing industry.

- 5.2 The Club must not operate for the purpose of, or with the effect of:

- 5.2.1 Any Member of the Club deriving any personal financial gain from membership of the Club, other than as may be permitted by law;
- 5.2.2 Returning all or part of the surplus generated by the Club's operations to Members, in money or in kind; or
- 5.2.3 Conferring any kind of ownership in the Club's assets on Members,

5.3 Despite Rule 5.2, the Club may:

- 5.3.1 Reimburse a Member for reasonable expenses legitimately incurred on behalf of the Club or while pursuing the Objects, which have been authorised by the Chief Executive or the Board;
- 5.3.2 Provide benefits to members of the public or of a class of the public and those persons may include Members or their families;
- 5.3.3 Pay a Member a salary or wages or other payments for services to the Club on arm's length terms;
- 5.3.4 Pay any Member interest at no more than current commercial rates on loans made by that Member to the Club; or
- 5.3.5 Provide a Member with incidental benefits (for example, trophies, prizes, or discounts on products or services) in accordance with the Objects.

6. **Powers**

6.1 The Club has all the powers of a natural person to give effect to the Objects to the maximum extent permitted by law, including the power to:

- 6.1.1 Acquire by purchase, exchange, lease or otherwise (and either alone or in conjunction with any other person) upon such terms as it may think fit any real or personal property and any rights and privileges either necessary or convenient for the Club's purposes;
- 6.1.2 Subscribe for and take up shares of any kind or description in any company, public or private, incorporated in New Zealand or elsewhere;
- 6.1.3 Dispose or join in disposing of by sale, lease, licence, exchange or otherwise any property (real or personal) or any rights or privileges not required for the Club's purposes;
- 6.1.4 Build and construct, improve or alter stands, entertainment facilities, racing tracks, and all buildings and conveniences necessary or requisite for the Club's purposes;
- 6.1.5 Borrow or raise money on mortgage of the real or personal property of the Club or any part thereof or upon debentures or mortgage debentures of the Club and to issue such debentures or mortgage debentures charging the whole or any part of the assets of the Club and to execute mortgages to secure such debentures or mortgage debentures or to borrow money from bankers or other persons with or without security;
- 6.1.6 Subscribe to or otherwise aid sporting, benevolent, charitable, national or other institutions or objects of a public character or which have any moral or other

claim to support by the Club by reason of the locality of its operations or otherwise;

- 6.1.7 Expend such funds of the Club and to do all such acts and things as may be deemed by the Club or the Board to be desirable or expedient in the promotion of goodwill amongst Members of the Club and its clients;
 - 6.1.8 Do all such other things as the Club or the Board may think necessary or desirable for the purpose of furthering any of the Objects or incidental or conducive to the attainment of the Objects.
- 6.2 Nothing in this Constitution authorises the Club to do anything which contravenes or is inconsistent with the Act, any regulations made under the Act, or any other legislation.

7. Membership

- 7.1 The Club shall consist of those persons who are now Members and those who may from time to time be accepted as Members in accordance with this Constitution.
- 7.2 The Club must maintain the minimum number of Members required by the Act.

8. Members and Subscriptions

- 8.1 Any person wishing to become a Member of the Club must complete and submit an online application form containing that applicant's:
 - 8.1.1 Full name;
 - 8.1.2 Postal address;
 - 8.1.3 Phone number;
 - 8.1.4 Email address; and
 - 8.1.5 Consent to being a Member of the Club (should that person be accepted as a Member).
- 8.2 The Board reserves the right to accept or decline any application for Membership and is not required to provide reasons for that decision.
- 8.3 The annual subscription payable by Members shall be such amount as the Club in a General Meeting shall from time to time determine. All subscriptions shall be payable on the 1st day of August in each year or on such other day as may from time to time be fixed by the Club in a General Meeting. Notices of reminder shall be sent out by the Chief Executive to the Members at least 7 days prior to that date. New Members shall pay their subscription at the time they apply for membership. A Member shall remain continuously liable as such until their membership is determined by resolution of the Club or by resignation in writing in accordance with Rule 12.9.2. Any Member having failed to pay their subscription by 30 April in any year, may at the discretion of the Board, be removed as a Member.

8.4 Members other than Life Members, Honorary Members and Honorary Veteran Members, shall not be qualified to vote or enjoy any of the privileges of Members until their subscription has been paid.

8.5 Following the death of a Member that is a natural person, that Member's surviving spouse or partner may receive all of the benefits of that Member's membership. To receive those benefits, the surviving spouse must notify the Club of its desire to take over the membership within 12 months from the date of the Member's death. This clause does not apply to a spouse or partner of a Life Member, which is dealt with in Rule 10.

8.6 **Consumer Price Index Increase**

8.6.1 For the purposes of this clause, "Review Date" means 1 August in each year or the date on which the Club determines that its Financial Year will commence under Rule 17.1.

8.6.2 Notwithstanding Rule 8.3 but subject to Rule 8.6.6, the annual subscription for Members will increase annually as from the Review Date, by the change in the Consumer Price Index, calculated and communicated to Members at least 1 Month prior to the Review Date, using the following formula:

$$A = B \times (C \div D)$$

Where:

8.6.2.1 A equals the annual subscription payable as from the Review Date, which will be rounded up or down to the nearest \$10.

8.6.2.2 B equals the annual subscription payable immediately prior to the relevant Review Date.

8.6.2.3 C equals the Consumer Price Index for the January to March quarter in the same year as the relevant Review Date.

8.6.2.4 D equals the Consumer Price Index for the January to March quarter in the year prior to the relevant Review Date.

8.6.2.5 Where $(C \div D)$ shall not be less than 1.

8.6.3 If the Consumer Price Index is discontinued and not replaced, or if there is a material change to the basis of calculation of the Consumer Price Index, or resettling of the Consumer Price Index, an appropriate index which reflects the change in the cost of living in New Zealand as determined by the Board will be used.

8.6.4 The annual subscription payable as from the relevant Review Date cannot be less than the annual subscription payable immediately preceding the relevant Review Date.

8.6.5 Nothing in this Rule 8.6 prohibits the Club from increasing the annual subscription for an amount which is greater than the amount calculated under the formula set out in Rule 8.6.2, if the Club resolves to do so.

8.6.6 The Board may elect not to implement an increase to the annual subscription under this Rule 8.6 for any given year.

9. **Life Members**

9.1 Life Members may be elected at the Annual General Meeting or at any Special General Meeting called for that purpose as an appreciation for services rendered to the Club or rendered to the sport of harness racing provided that the name of the proposed Life Member has been submitted and approved of by the Board prior to the relevant General Meeting. Such Life Member when elected shall be entitled to all the privileges of an ordinary Member of the Club without payment of a subscription.

10. **Honorary Members**

10.1 An Honorary Member will be the surviving spouse of a Life Member and will have the same rights and privileges as the deceased Life Member.

11. **Honorary Veteran Members**

11.1 Honorary Veteran Members shall be those Members who have had 40 years continuous membership of the Club. Such Honorary Veteran Members when qualified, shall be entitled to all the privileges of a Member without payment of a subscription.

12. **Rights and Obligations of Members**

12.1 All Members shall be bound by this Constitution.

12.2 Each Member must advise the Chief Executive of their contact details. Each Member must promptly advise the Chief Executive of any changes to their contact details.

12.3 All letters and notices delivered at, emailed, or sent by post to the contact details given by a Member shall be deemed to have been delivered. If no address has been given, then all letters and notices posted to the last-known place of abode of the Member shall be sufficient.

12.4 Members may apply for a leave of absence and exemption from subscriptions. The Board may at their discretion exempt any Member from the payment of subscriptions during any period.

12.5 A Member shall be supplied with a copy of their personal details held in the Club's register on written request of the same.

12.6 The Board may reserve and set aside for special or exclusive use or purpose of the Members such parts of the grounds, stands or buildings as it may from time to time think fit.

- 12.7 On Event Days all Members shall be entitled to admission to those parts of the Property set apart by the Board as exclusively for the use and enjoyment of Members. The Member must produce their Member's badge to access those parts of the Property. This entitlement will be in addition to the Members' rights to free access to all those parts of the Property available to the general public.
- 12.8 On Cup Day, Members, may only access those parts of the Property set apart by the Board as exclusively for the use and enjoyment of Members. The Member must produce their Member's badge to access those parts of the Property.
- 12.9 A Member ceases to be a Member:
- 12.9.1 Subject to Rules 8.5 and 10.1, on death (or if a body corporate on liquidation or deregistration, or if a partnership on dissolution of the partnership), with effect from the date of death of the Member (or if a body corporate from the date of its liquidation or deregistration, or if a partnership from the date of its dissolution);
- 12.9.2 By resignation in accordance with this Constitution, with effect from the date of receipt of the notice of resignation by the Chief Executive (or any subsequent date stated in the notice of resignation); or
- 12.9.3 On termination of a Member's membership under this Constitution, with effect from the date of termination under this Constitution.
- 12.10 Any Member wishing to resign from the Club shall notify the Chief Executive in writing of their intention at least 7 days prior to the beginning of the Financial Year. In default of such notice, that Member shall be liable for their subscription for the current and subsequent year.
- 12.11 Any Member ceasing to be a Member of the Club on any account whatever shall:
- 12.11.1 Forfeit all right to or claim which that Member may or might have had upon the Club or its property, by virtue of such membership;
- 12.11.2 Remains liable to pay all subscriptions and other fees up to the next Balance Date; and
- 12.11.3 Return to the Club all material provided to Members by the Club (including any membership certificate, badges, handbooks, and manuals).
- 12.12 If a Member is proved to the Board's satisfaction to be guilty of misconduct of a serious enough nature, the Board may either:
- 12.12.1 suspend that Member for any period not exceeding 3 Months; or
- 12.12.2 expel that Member from the Club.
- 12.13 Notice of such suspension or expulsion shall be sent immediately to such Member by registered post. In the case of expulsion, the Member shall have the right to be heard at a special committee meeting called for the purpose to hear submissions to the Board for

reconsideration of the expulsion either in person or in writing. Such request must be made within 1 Month of the notification of expulsion.

12.14 The Board shall have the power to create alternative forms of membership or alter the terms and conditions of any existing class of membership at its discretion.

13. **General Meetings**

13.1 Annual General Meetings:

13.1.1 The Annual General Meeting of the Club shall be held annually at such time and place as the Board shall decide but not later than:

13.1.1.1 6 Months after the Balance Date; and

13.1.1.2 15 Months after the previous Annual General Meeting.

13.1.2 The Chief Executive or his or her nominee shall give not less than 30 Business Days' written notice of the meeting to all Members.

13.2 Special General Meetings:

13.2.1 All meetings of Members other than the Annual General Meeting are Special General Meetings.

13.2.2 The Chief Executive or his or her nominee shall convene a Special General Meeting at the request of the Board or upon receipt of a written requisition by not less than 30 Members. Such requisition shall set forth the purpose of the proposed Special General Meeting. The Special General Meeting shall be held within 30 Business Days of receipt by the Chief Executive of the request or requisition.

13.2.3 The Chief Executive or his or her nominee shall give written notice to all Members of all business proposed to be brought before any Special General Meeting at least 15 Business Days prior to the date of such meeting. No business other than that notified pursuant to this Rule may be brought before or transacted at a Special General Meeting.

13.2.4 The Chief Executive or his or her nominee shall convene a Special General Meeting if required under section 64(3) of the Act as soon as practicable.

13.2.5 All the Rules applicable to the Annual General Meeting shall, apply to a Special General Meeting. Despite the first part of this clause, if there is a conflict between the provisions of this Rule 13.2 and any Rule applicable to the Annual General Meeting, then the provisions of this Rule 13.2 will apply to a Special General Meeting.

13.3 Voting:

13.3.1 Only Members are entitled to vote, subject to the provisions of Rule 8.4.

13.3.2 Each Member shall have 1 vote.

13.3.3 Subject to Rule 13.3.4, voting must be by voices, by show of hands or by electronic submission if there are Members who are attending the General Meeting by electronic means.

13.3.4 All Elected Officer Positions to be filled will be voted on by a ballot as outlined in Rules 14.4.8 to 14.4.11.

13.3.5 A poll may be demanded by:

13.3.5.1 not less than 5 Members having the right to vote at the General Meeting; or

13.3.5.2 the Chairperson.

13.3.6 The poll may be demanded either before or after the vote is taken on the motion.

13.3.7 Unless stated otherwise, all matters to be determined by Members at a General Meeting shall be determined by Ordinary Resolution.

13.4 Role of the Chairperson:

13.4.1 At all General Meetings the chair will be taken by the Chairperson, but if the Chairperson is not present, able or willing to take the chair then (if available) the Deputy Chairperson shall take the chair but if neither the Chairperson nor the Deputy Chairperson is present, able or willing to take the chair then the Board shall nominate another person to take the chair.

13.5 Quorum:

13.5.1 At General Meetings, a quorum shall be achieved when 30 Members who are entitled to vote are present in person, by electronic means or by proxy.

13.5.2 If, within half an hour after the time appointed for a General Meeting a quorum is not present, then:

13.5.2.1 If it was a Special General Meeting convened upon request of Members, the meeting shall be dissolved; and

13.5.2.2 In all other cases, the General Meeting shall stand adjourned to a day, time and place determined by the Chief Executive, and if at such adjourned meeting a quorum is not present, then those present in person, by electronic means or by proxy shall be deemed to constitute a sufficient quorum.

13.5.3 Any decisions made at a General Meeting when a quorum is not present are not valid.

13.6 Order of Business at Annual General Meeting:

13.6.1 The order of business of the Annual General Meeting shall be to:

13.6.1.1 Receive and adopt the Annual Report, including the audited Statement of Financial Performance and Statement of Financial Position for the previous Financial Year;

13.6.1.2 Elect Life Members;

13.6.1.3 Set the Members' subscriptions for the next Financial Year;

13.6.1.4 Elect the Elected Officers;

13.6.1.5 Appoint an auditor;

13.6.1.6 Consider and approve the Chairperson's recommendation as to the maximum annual amount of remuneration for the Board;

13.6.1.7 Consider any business or proposed resolution of which notice has been given; and

13.6.1.8 Transact any general business.

13.6.2 The Board must, at each Annual General Meeting, present the following information for the most recently completed Financial Year:

13.6.2.1 An Annual Report on the affairs of the Club including the Statement of Financial Performance and Statement of Financial Position; and

13.6.2.2 Notice of any disclosures of conflicts of interest made by any Officers during that period (including a brief summary of the matters, or types of matters, to which those disclosures relate).

13.6.3 The Chief Executive will also supply to each Member an order of business for the General Meeting including a copy of the Annual Report and/or the Statement of Financial Performance and Statement of Financial Position at least 10 Business Days prior to the Annual General Meeting.

13.6.4 Any Member requiring any business to be discussed or any resolution to be considered at the Annual General Meeting shall give notice in writing to the Chief Executive of such business or such resolution no later than 20 Business Days prior to the date fixed for the meeting.

13.7 Minutes

- 13.7.1 The minutes of each General Meeting must be taken by the Chief Executive, or a person delegated by the Chief Executive. The Chief Executive will keep the minutes of each of General Meeting.
- 13.8 Written Resolution in lieu of General Meeting
 - 13.8.1 A written resolution is as valid as if it had been passed at a General Meeting if it is approved by no less than 75% of the number of Members who are entitled to vote.
 - 13.8.2 A written resolution may consist of 1 or more documents in similar form (including letters, electronic mail, or other similar means of communication) each approved by or on behalf of 1 or more of the Members who are entitled to vote.
 - 13.8.3 For the purposes of Rule 13.8.2, a Member may give their approval by:
 - 13.8.3.1 signing the resolution; or
 - 13.8.3.2 giving their approval to the resolution by email or any other electronic means approved by the Board.

14. **Board**

14.1 Composition

- 14.1.1 The Board shall consist of a minimum of 5 Officers and a maximum of 7 Officers.
- 14.1.2 Officers may be appointed by the Board Appointments Panel under Rule 14.3.1 or elected by the Members under Rule 14.4, however at all times the Board must comprise:
 - 14.1.2.1 A majority of Officers who are Members or representatives of body corporates that are Members; and
 - 14.1.2.2 A majority of Officers who are Elected Officers.

14.2 Term

- 14.2.1 Each Officer will serve on the Board for a term of 3 years commencing at the end of the Annual General Meeting in which they are elected or appointed. Subject to Rule 14.2.2, an Officer may serve on the Board for multiple Terms.
- 14.2.2 No Officer may serve on the Board for a continuous period which is greater than the Maximum Continuous Period.
- 14.2.3 Should an Officer serve on the Board for the Maximum Continuous Period, that Officer will not be eligible for election or appointment for one 3 year period commencing at the expiry of the Maximum Continuous Period. At the expiry of that non-eligibility period, the Officer will again become eligible for election and appointment.

14.2.4 The Board will operate a rotational policy for the elections and appointments of Officers in accordance with Appendix 2.

14.3 Role of Board Appointments Panel

14.3.1 The Club delegates authority to the Board Appointments Panel to appoint such persons (both Members and non-Members) it considers suitable to fill the Appointed Officer positions which are to be filled, in accordance with Rules 15.6 and 15.7.

14.3.2 In addition to its role as appointor under Rule 14.3.1, the Board Appointments Panel may also recommend to the Annual General Meeting the non-Member candidates it considers would be suitable to fill the Elected Officer positions which are to be filled.

14.4 Process for Appointment and Election of Officers

14.4.1 At least 55 Business Days prior to the Annual General Meeting in any year, the Board shall supply the Chief Executive (who shall advise the same to all Members in the Notice of Meeting) a list of those Officers who have chosen to retire or whose Term will expire at the upcoming Annual General Meeting.

14.4.2 Subject to Rules 14.1.1 and 14.1.2 being complied with at all times, the Board may decide not to fill an Officer position which has been vacated for whatever reason and the Chief Executive is not required to call for applications to fill that Officer position under Rule 14.4.3.

14.4.3 Subject to Rule 14.4.2, the Chief Executive shall call for applications for any Officer positions that are to be vacated due to retirement or expiry of an Officer's Term at the upcoming Annual General Meeting, at least 45 Business Days prior to the date of the Annual General Meeting.

14.4.4 Applications for the position of Officer shall be made by candidates (who may be Members or non-Members) in the approved form as determined by the Board and received at the registered office of the Club not less than 35 Business Days before the date of the Annual General Meeting.

14.4.5 The Chief Executive shall refer all applications received that comply with the requirements in Rule 14.4.4 to the Board Appointments Panel on the date following the closing date for applications.

14.4.6 The Board Appointments Panel shall undertake its responsibilities as set out in Rule 14.3 and, subject to Rule 15.8, will notify the Chief Executive of:

14.4.6.1 Those candidates it has appointed to fill the vacant Appointed Officer positions (effective from the end of the upcoming Annual General Meeting); and

- 14.4.6.2 The non-Member candidates whom it considers would be suitable to fill the Elected Officer positions which are to be filled,
no later than 20 Business Days prior to the date of the Annual General Meeting.
- 14.4.7 Upon receipt of the recommendations from the Board Appointments Panel in Rule 14.3.2, the Chief Executive shall no later than ten (10) Business Days before the date of the Annual General Meeting, notify the Members of the list of candidates comprising:
- 14.4.7.1 Those non-Member candidates the Board Appointments Panel considers would be suitable to fill the Elected Officer positions which are to be filled; together with
- 14.4.7.2 Any other person who has been a Financial Member for the 2 years prior to the relevant Annual General Meeting, and who has applied as a candidate under Rule 14.4.4, for the Elected Officer positions which are to be filled and who has not already been appointed as an Officer by the Board Appointments Panel under Rule 14.4.6.1 for that Annual General Meeting.
- 14.4.8 The list of candidates provided to members under Rule 14.4.7 will include short biographical details on each candidate, and the list will be the ballot paper for the Members to vote for their chosen candidates. Members will be required to submit a vote for each Elected Officer position to be filled.
- 14.4.9 Ballot papers must be completed and submitted as directed by the Chief Executive in the Order of Business sent out to Members under Rule 13.6, and ballot papers may be completed and submitted by postal or electronic means. All ballot papers must be received by the Chief Executive no later than 12 noon on the day on which the Annual General Meeting has been convened. The Board will appoint 2 scrutineers who are not members of the Board, to monitor and review the ballot process.
- 14.4.10 It will be incumbent on any Member desirous of exercising his or her voting rights to vote for the exact number of candidates required to fill the vacancies, and any ballot paper containing votes for a greater or lesser number shall be rejected as informal.
- 14.4.11 The persons elected as Elected Officers will be:
- 14.4.11.1 Where a single Elected Officer position is to be filled, the candidate who receives the highest number of votes; or
- 14.4.11.2 Where more than 1 Elected Officer position is to be filled, the candidates equal to the number of positions who receive the highest number of votes; and
- which will be confirmed at the Annual General Meeting.

14.5 Election of Chairperson and Deputy Chairperson

14.5.1 The Chairperson and Deputy Chairperson will be elected annually by the Board (from within the Officers) immediately after the Annual General Meeting and shall hold office until the first meeting of the Board after the next Annual General Meeting unless the Board chooses to replace the Chairperson and Deputy Chairperson between Annual General Meetings.

14.6 Additional Officer

14.6.1 Subject to Rule 14.1.1, the Board may appoint 1 additional Officer whom the Board considers has business or professional expertise which would assist the Board in conducting the Club's business more effectively and the Board is authorised to agree an additional Officer fee amount for such an appointee (i.e. additional to the fees approved at the Annual General Meeting pursuant to Rule 13.6.1.6).

14.6.2 The appointment pursuant to Rule 14.6.1 will be subject to ratification at the next Annual General Meeting and annually thereafter.

14.7 Co-Opted Officer

14.7.1 If any Officer dies, resigns, or forfeits their position (or a position is or becomes vacant for any other reason) then:

14.7.1.1 the Board may, but shall not be obliged to, appoint a replacement Officer ("Co-Opted Officer") provided that the appointment shall not be made within 3 Months of the date of the next Annual General Meeting; and

14.7.1.2 the Board will not be in breach of Rules 14.1.1 or 14.1.2 if it does not comply with either or both of such Rules simply because of the resignation, death or forfeiture;

14.7.2 If the Co-Opted Officer replaced an Officer who was due to retire at the next Annual General Meeting, then:

14.7.2.1 the Co-Opted Officer's appointment will automatically expire at the conclusion of the next Annual General Meeting; and

14.7.2.2 the Co-Opted Officer may apply as a candidate for a vacant Officer position under Rule 14.4.4.

14.7.3 If the Co-Opted Officer replaced an Elected Officer who was not due to retire at the next Annual General Meeting, then the Co-Opted Officer's appointment will be subject to ratification at the next Annual General Meeting, and upon ratification, that Co-Opted Officer will be deemed to be an Elected Officer.

- 14.7.4 If the Co-Opted Officer replaced an Appointed Officer, or if the Co-opted Officer's appointment is ratified under Rule 14.7.3, then the Co-Opted Officer will serve out the remaining Term of the former Officer that the Co-Opted Officer was appointed for.
- 14.7.5 If the Co-Opted Officer's appointment is not ratified under Rule 14.7.3, then the provisions of Rule 14.7.1 shall apply provided that the Board may not appoint the same individual whose appointment was not ratified at the Annual General Meeting.
- 14.8 Forfeit
- 14.8.1 Any Officer who fails to attend 2 consecutive meetings of the Board without leave of absence granted by the Chairperson shall forfeit their seat on the Board.
- 14.9 Meetings
- 14.9.1 Meetings of the Board shall be held at such time and place as the Board shall decide but not later than 2 Months after the last Board meeting.
- 14.10 Quorum and Voting
- 14.10.1 The quorum for meetings of the Board is a majority of the Officers who are present in person, by electronic means or by proxy.
- 14.10.2 Each Officer has 1 vote. A resolution of the Board is passed if a majority of Officers present vote in favour of that resolution.
- 14.11 Remuneration of Officers
- 14.11.1 The maximum annual amount of remuneration for Officers must be approved at the Annual General Meeting pursuant to Rule 13.6.1.6 after consideration of the recommendation of an independent person nominated by the Chairperson.
- 14.12 Written Resolutions
- 14.12.1 A resolution in writing, signed or assented to by email, or other form of visible or other electronic communication by all the Officers shall be as valid and effectual as if it had been passed at a meeting of Officers. Any such resolution may consist of several documents in like form each signed by 1 or more Officers.
- 14.13 Eligibility
- 14.13.1 The following persons are disqualified from being appointed or elected as an Officer:
- 14.13.1.1 A person who is under 18 years of age;
- 14.13.1.2 An undischarged bankrupt;

14.13.1.3 A person who has been convicted of any offence and has been sentenced to a term of imprisonment of 3 Months or more unless that person has obtained a pardon or has served the sentence or otherwise suffered the sentence imposed upon that person;

14.13.1.4 A person who is prohibited from being a director, or promoter of, or being concerned or taking part in the management of, a company under section 382 or section 383 or section 385 of the Companies Act 1993;

14.13.1.5 A person who is subject to a property order made under section 30 or section 31 of the Protection of Personal and Property Rights Acts 1988;

14.13.1.6 A person who is mentally incapable as defined in the Protection of Personal and Property Rights Acts 1988;

14.13.1.7 A person who has committed an offence under the Racing Industry Act 2020; or

14.13.1.8 A person who is disqualified from being appointed or elected as an Officer under the Act.

14.14 Cessation of Officership

14.14.1 Each Officer shall within 15 Business Days of submitting a resignation or ceasing to hold office, deliver to the Chief Executive all books, papers and other property of the Club held by such former Officer and the Chief Executive shall revoke any electronic access that Officer has to Board information.

14.14.2 An Officer may be removed from office if:

14.14.2.1 They no longer satisfy the requirements of Rule 14.13; or

14.14.2.2 A resolution for the removal of the Officer is passed at a General Meeting by a two-thirds majority of those present and voting.

14.15 Director of Related Entities

14.15.1 The Club may appoint each Officer as a director of a Related Company for that Officer's Term.

14.16 Employee of Club

14.16.1 A person who applies for an Officer position must not hold or continue to hold a position as an employee of the Club if they are appointed or elected as an Officer.

15. **Board Appointments Panel**

15.1 The Board will appoint a Board Appointments Panel which will comprise:

15.1.1 1 person being the Chairperson (or their nominee), or if they are seeking re-appointment or re-election to the Board, then another Officer who is not seeking re-appointment or re-election to the Board as determined by the Board;

15.1.2 1 nominee who is:

15.1.2.1 independent of the Board; and

15.1.2.2 experienced in governance, compliance and the functions and appointment process of Officers and/or trustees in New Zealand,

as determined by the Board; and

15.1.3 1 nominee who is:

15.1.3.1 independent of the Board; and

15.1.3.2 has an interest in and understanding of harness racing in New Zealand; and

15.1.3.3 who has governance experience and/or executive experience, as determined by the Board.

15.2 No person will be eligible to be a member of the Board Appointments Panel, or to remain on the Board Appointments Panel, if any of the circumstances listed in Rule 14.13 have occurred, or occur to that person, as if every reference to an Officer in that Rule is to an appointee to, or a member of, the Board Appointments Panel.

15.3 If the Board as a whole has been removed, resigns en masse, or does not have a quorum and is therefore unable to appoint the Board Appointments Panel, the Board Appointments Panel shall be appointed by the Chairperson of the committee of Harness Racing New Zealand.

15.4 The convenor of the Board Appointments Panel shall be the Chairperson of the Board or their nominee, (as specified in Rule 15.1.1) or such other Officer who is appointed on the Board Appointments Panel under Rule 15.1.1.

15.5 The Board Appointments Panel must be constituted at least 60 Business Days prior to the date of the Annual General Meeting and shall remain in office until formation of the new Board Appointments Panel prior to the next Annual General Meeting. There is no limit to the number of occasions a person can be appointed to the Board Appointments Panel.

- 15.6 In conducting its functions under Rules 14.3.1 and 14.3.2, the Board Appointments Panel shall receive and assess applications from candidates (including undertaking such enquiries and holding interviews and meetings as it sees fit).
- 15.7 In appointing Officers under Rule 14.3.1 and recommending candidates for election as Officers at the Annual General Meeting under Rule 14.3.2, the Board Appointments Panel shall do so based on merit and shall take into account the following factors about the candidate and the Board as a whole:
- 15.7.1 The candidate's prior experience as an Officer, trustee, or experience in any other governance role;
 - 15.7.2 The candidate's knowledge of, and experience in, harness racing generally;
 - 15.7.3 The candidate's occupational skills, abilities, and experience;
 - 15.7.4 The candidate's knowledge of, and experience in, community, sports and/or not for profit organisations generally;
 - 15.7.5 The needs of the Club and/or the Board based on the current and probable future projects of the Board;
 - 15.7.6 The desire for conflicts of interest on the Board to be minimised;
 - 15.7.7 The desire for a wide range of skills and experience on the Board including skills in commerce, finance, marketing, law, or business generally; and
 - 15.7.8 The desire for diversity on the Board.
- 15.8 For the avoidance of doubt, if the Board Appointments Panel considers that there are insufficient candidates with the requisite skills and experience to meet the needs of the Club, it will not be required to:
- 15.8.1 appoint an Officer under Rule 14.3.1; or
 - 15.8.2 recommend any candidates to the Annual General Meeting under Rule 14.3.2.
- 15.9 No member of the Board Appointments Panel may seek appointment or election as an Officer whilst a member of the Board Appointments Panel.
- 15.10 The Board Appointments Panel shall meet as and when required and in such manner as it thinks fit, including by teleconference.
- 15.11 The quorum for a meeting of the Board Appointments Panel shall be 3 members.
- 15.12 Any decision of the Board Appointments Panel regarding the appointment of Officers or persons to be recommended to the Annual General Meeting as suitable candidates for election must be unanimous.

- 15.13 All information received by the Board Appointments Panel, and its deliberations, shall be kept confidential except to the extent required by law.
- 15.14 Any member of the Board Appointments Panel who considers they may have a potential conflict of interest in considering the appointment or otherwise of any candidate, shall declare that potential conflict to the Convenor and if the Convenor considers it appropriate to do so, they may require that member to vacate their position on the Board Appointments Panel. If the Convenor considers they may have a potential conflict of interest, they shall notify the Board and if the Board considers it appropriate to do so, it may require the Convenor to vacate their position on the Board Appointments Panel.
- 15.15 Any vacancy that arises in the membership of the Board Appointments Panel shall be filled with a replacement member who satisfies the corresponding criteria under Rule 15.1 which is relevant for that vacancy.
- 15.16 The Board may remove any member of the Board Appointments Panel if the Board considers, in its sole discretion, that:
- 15.16.1 The member of the Board Appointments Panel has a conflict of interest which has not been resolved to the Board's satisfaction by the Convenor;
- 15.16.2 There are circumstances which may give rise to a question of actual or apparent bias in the Board Appointment Panel's composition and/or process; or
- 15.16.3 Any of the circumstances listed in the Rule 14.13 have occurred to the member.
- 15.17 Before removing any member from the Board Appointments Panel, the Board must notify the member of its proposal to remove them and give the member and the other members of the Board Appointments Panel the opportunity to make submissions on the proposed removal.
- 15.18 If the Board Appointments Panel determines there are more sufficiently qualified candidates than Elected Officer positions to be filled, it may recommend a maximum of 2 candidates in addition to the number of candidates required to fill the Elected Officer positions to be filled.

16. **Duties of the Board**

16.1 Duties:

16.1.1 The Board shall:

- 16.1.1.1 Appoint a Chief Executive of the Club and cause the Club to enter into an employment contract with that person for such remuneration and on such terms and conditions as the Board shall think fit;
- 16.1.1.2 Adopt and regularly review a strategic plan for the Club which shall include goals and objectives for racing and the management of the Club's assets and measures of short term and long term success;

- 16.1.1.3 Review annually the Club's strategic direction to ensure that issues of significant importance to the Club are brought before the Board on a regular and scheduled basis;
- 16.1.1.4 From time to time, systematically develop a medium to long term statement of strategic direction;
- 16.1.1.5 Adopt an annual plan and budget for financial performance and to monitor results against the annual plan and budget;
- 16.1.1.6 Adopt clearly defined delegations of authority from the Board to the Chief Executive and to confirm delegation from the Chief Executive;
- 16.1.1.7 Regularly agree performance indicators and standards within management;
- 16.1.1.8 Keep a membership register of Members recording their names and contact details, the dates each member became a Member and all other information required by the Act, which the Board may choose to delegate to the Chief Executive;
- 16.1.1.9 Delegate the management of the financial affairs of the Club to the Chief Executive;
- 16.1.1.10 Review its own processes and effectiveness; and
- 16.1.1.11 Generally, carry out any activity that furthers and advances the aims and Objects of the Club and in this regard to deal with any matter not specifically provided for in this Constitution.

16.2 Powers of the Board:

- 16.2.1 The Board shall have, in addition to and without derogating therefrom, all of the Club's powers (other than those required by the Act or by these Rules to be exercised by the Club in General Meeting), as may be necessary for properly carrying out the Objects, the following particular powers and authorities:
 - 16.2.1.1 To make such decisions, by-laws, regulations and standing orders as may be deemed necessary for the efficient management of the affairs and the business of the Club provided that the same are consistent with this Constitution;
 - 16.2.1.2 To appoint an audit and risk subcommittee from within its own number and to delegate to them such powers and responsibilities as they shall determine but within the terms of reference contained in Appendix 1 attached hereto;

16.2.1.3 To appoint Race Meeting Stewards and delegate such powers and responsibilities as it shall determine are required. The Race Meeting Stewards must be Members.

16.2.1.4 Call Special General Meetings;

16.2.1.5 To appoint any other Subcommittees of the Board that the Board shall consider appropriate; and

16.2.1.6 To enter into contracts on behalf of the Club or delegate such power to a Board member, Subcommittee, employee, or other person.

16.3 Sale of assets:

16.3.1 If the Board resolve to sell more than fifty percent by value of the Club's assets, consent for such a sale must be obtained by Special Resolution (of which notice has been given in accordance with this Constitution) passed at a General Meeting.

16.4 Disclosure of Interests

16.4.1 The Board must maintain a register in which Officers' interests are recorded.

16.4.2 An Officer who is interested in a matter relating to the Club (as defined in section 62 of the Act) must disclose details of the nature and extent of the interest (including any monetary value of the interest if it can be quantified):

16.4.2.1 to the Board; and

16.4.2.2 in the Interests Register.

16.4.3 Disclosure under clause 16.4.2 must be made as soon as practicable after the Officer becomes aware that they are interested in the matter.

17. **Finance, Annual Report and Audit**

17.1 The Financial Year of the Club commences on 1 August of each year and ends on 31 July in the following year. The Club's Financial Year may be altered from time to time by Ordinary Resolution at an Annual General Meeting.

17.2 A report of the year's activities together with a Statement of Financial Performance and a Statement of Financial Position shall be prepared by the Board for presentation to the Annual General Meeting.

17.3 The Statement of Financial Performance and the Statement of Financial Position shall be audited prior to the Annual General Meeting.

17.4 The auditor shall be a practising chartered accountant with a current Certificate of Public Practice or where applicable by a recognised audit firm.

17.5 The Financial Report and audit shall comply with the requirements of the Act and any amendments or enactment in substitution thereof and any other applicable legislation or regulations.

17.6 The Board must maintain bank accounts in the name of the Club, and all electronic transactions must be approved by a person delegated by the Board.

18. **Alteration of the Constitution**

18.1 This Constitution may be altered, repealed, or replaced by a Special Resolution (of which notice has been given in accordance with this Constitution) passed at a General Meeting.

19. **Indemnity and Insurance**

19.1 Indemnity:

19.1.1 The Club indemnifies its Officers, Members and employees against those liabilities outlined in sections 96(1) and (3) of the Act.

19.2 Insurance

19.2.1 The Club may effect insurance for:

19.2.1.1 itself generally; and

19.2.1.2 each Officer, Member and employee of the Club (whether past or present) against those liabilities outlined in section 97(1) of the Act.

20. **Winding up**

20.1 The Club may be dissolved or wound up in the manner prescribed by and under the provisions of the Act or the Racing Industry Act 2020. Upon the dissolution or winding up of the Club the assets of the Club after all creditors' claims on the Club have been satisfied will

20.1.1 be dealt with in accordance with the provisions of the Racing Industry Act 2020;
or

20.1.2 If there is no requirement prescribed by that legislation or any replacement legislation as to the distribution of the Club's surplus assets on wind up, then be transferred to any not-for-profit Incorporated Society or company having as its object the promotion of harness racing in New Zealand or in default thereof, any organisation engaged in equine sport in New Zealand.

21. **Administration**

21.1 Common Seal:

21.1.1 The Common Seal of the Club shall be held in the custody of the Chief Executive and shall be affixed only by resolution of the Board and attested by 1 Officer and either the Chief Executive or another Officer, and details of every use of the Common Seal shall be entered by the Chief Executive in a register kept for such purpose.

22. **Dispute Resolution**

22.1 Despite any other provision in this Constitution, if any dispute, difference, or question arises between the Club and the Members:

22.1.1 as to the interpretation or construction of this Constitution;

22.1.2 concerning anything contained or arising out of this Constitution;

22.1.3 as to the rights, liabilities or duties of the Club, the Board, or the Members;

then any party involved with the dispute may make a complaint to the Board and the procedures contained in the Schedule 2, clauses 2 to 8 (inclusive) of the Incorporated Societies Act 2022 will be deemed to be included in this Constitution and shall apply to the resolution of the dispute.

22.2 The Board will be responsible for managing the dispute resolution process provided that:

22.2.1 if the complaint relates to 1 or more Officers, that Officer or those Officers must be excluded from the Board's management of the dispute resolution process and decision making;

22.2.2 if the complaint is made by 1 or more Officers, that Officer or those Officers must be excluded from the Board's management of the dispute resolution process and decision making; and

22.2.3 if the Board is unable to proceed because it will not have a quorum of Officers to conduct the dispute resolution process as a consequence of Rule 22.2.1 or 22.2.2 above, the Board must appoint an individual who is not a Member to manage the dispute resolution process and make a decision about the complaint.

22.3 After completing the dispute resolution processes provided for in Rule 22.1 and 22.2 above, the Board or the independent person appointed pursuant to clause 22.2.3 above, ("Decision Maker") may:

22.3.1 make a finding considered by the Decision Maker to be fair and consistent with the evidence provided by the dispute resolution process; and

22.3.2 in the case of a complaint against an Officer, remove that Officer from their role as an Officer.

23. **Contact Person**

- 23.1 Unless an alternative “contact person” is appointed by the Board (for the purposes of the Act), the Chief Executive will be the Club’s “contact person.”

Appendix 1 – Audit and Risk Subcommittee Terms of Reference

1. Purpose

- 1.1 The purpose of the Audit and Risk Subcommittee is to assist the Board in discharging its responsibilities with respect to overseeing all aspects of financial and non-financial reporting, control and audit functions and organisational risk.

2. Membership

- 2.1 The Audit and Risk Subcommittee shall be appointed by the Board from among the Officers and shall consist of up to 4 Officers.
- 2.2 The convenor of the Audit and Risk Subcommittee shall be appointed by the Board or otherwise as per Rule 16.2.1.2.
- 2.3 The Chairperson is not eligible to serve on the Audit and Risk Subcommittee.
- 2.4 A quorum shall be a majority of members, 1 of whom must be the Convenor.

3. Operating Principles

- 3.1 The Audit and Risk Subcommittee may have in attendance such Officers, Members, and such other persons as it deems necessary to provide appropriate information and explanations.
- 3.2 The Convenor shall call a meeting of the Audit and Risk Subcommittee if so, requested by any Audit and Risk Subcommittee member, the Board, or an external auditor.
- 3.3 The Convenor shall draw up an agenda to be circulated at least 1 week prior to each meeting. The agenda shall be distributed to the members of the Audit and Risk Subcommittee, and other invitees.
- 3.4 Meetings of the Audit and Risk Subcommittee shall be held at least 4 times each year or as and when necessary. Those meetings are to be held:
- 3.4.1 At the planning stage of the external audit;
 - 3.4.2 Prior to the Board meeting approving the annual report and financial statements; and
 - 3.4.3 At scheduled times during the year in accordance with the Subcommittee's planned programme.
- 3.5 The Audit and Risk Subcommittee will develop an annual audit plan that shall be reviewed and authorised by the Board.
- 3.6 The Audit and Risk Subcommittee is authorised to obtain external resources as required to assist with its work.

- 3.7 The Audit and Risk Subcommittee will give notice to the Board of its programme and requirements for access to key financial and other personnel and all relevant records.
- 3.8 The Audit and Risk Subcommittee shall report to the Board after each Subcommittee meeting or as specified or requested by the Board. Audit and Risk Subcommittee meetings shall be minuted, a copy to be tabled at the following Board meeting.
- 3.9 The Audit and Risk Subcommittee shall annually conduct an assessment of its effectiveness and the contribution of individual Audit and Risk Subcommittee members. Changes in personnel, roles or responsibilities shall be determined by the Board.

4. **Responsibilities**

- 4.1 Identification of the broad risk parameters within which the Club operates and to bring to the Board's notice all such risks as the Audit and Risk Subcommittee feels should be addressed by the Board.
- 4.2 Oversight and monitoring of the effectiveness of the Chief Executive's risk management programme and periodically to report to the Board on the effectiveness of this.
- 4.3 Liaise with external auditors.
- 4.4 Review of the annual audit plan with the auditors.
- 4.5 Review of audit findings and the annual financial statements.
- 4.6 Review of the integrity of the Chief Executive's financial and non- financial reporting to the Board.
- 4.7 Oversight of compliance with statutory responsibilities relating to financial and non-financial disclosure.
- 4.8 Review of internal financial systems and accountabilities.
- 4.9 Supervision of special investigations in areas of financial and non-financial performance when requested by the Board.

In addition, the Audit and Risk Subcommittee shall examine any other matters referred to it by the Board.

Appendix 2 – Board Rotation Policy

1. Interpretation and Definitions

- 1.1 Any reference to an Officer retiring under this Appendix is not a reference to a permanent retirement and an Officer may be eligible for re-election or appointment, subject to Rule 14.2.2.
- 1.2 Unless otherwise stated in this Appendix, any capitalised words or phrases will have the meanings as set out in Rule 1.1 of this Constitution.
- 1.3 If there are any inconsistencies between the wording of this Appendix 2 and the main body of this Constitution, then the interpretation of this Appendix will prevail.
- 1.4 A reference to “clause” means a clause in this Appendix 2.

2. Board Rotation Policy

- 2.1 The Board will operate a rotational board membership policy. The Board shall maintain a schedule of rotation in accordance with and to facilitate this policy and will advise the Chief Executive prior to each Annual General Meeting (who shall in turn advise the Members prior to each Annual General Meeting) of the schedule of rotation in the vacancies arising in Officer positions.
- 2.2 Officers will retire annually upon the expiration of their Terms. The number of Officers retiring at each Annual General Meeting will vary depending on the number of Officers whose Terms have expired.
- 2.3 In order to comply with Rule 14.1.2, Officers will be appointed or elected as the case may be.
- 2.4 By way of an example, the intended rotation of retiring Officers and split between elected and appointed Officers is as follows:
- 2.4.1 2025 Annual General Meeting
- 2.4.1.1 Officer position A (who was elected at the 2022 Annual General Meeting) will retire by rotation.
- 2.4.1.2 1 Officer (Officer position A) will be appointed by the Board Appointments Panel under Rule 14.3.1.
- 2.4.2 2026 Annual General Meeting
- 2.4.2.1 Officer positions B, C and D (who were elected at the 2023 Annual General Meeting) retire by rotation.
- 2.4.2.2 2 Officers (Officer positions B and C) will be appointed by the Board Appointments Panel under Rule 14.3.1.

- 2.4.2.3 1 Officer (Officer position D) will be elected at the Annual General Meeting under Rule 14.4.
 - 2.4.3 2027 Annual General Meeting
 - 2.4.3.1 Officer positions E, F and G (who were elected at the 2024 Annual General Meeting) retire by rotation.
 - 2.4.3.2 3 Officers (Officer positions E, F and G) will be elected at the Annual General Meeting under Rule 14.4.
 - 2.4.4 2028 Annual General Meeting
 - 2.4.4.1 Officer position A retires by rotation.
 - 2.4.4.2 1 Officer (Officer position A) will be appointed by the Board Appointments Panel under Rule 14.3.1.
 - 2.4.5 2029 Annual General Meeting
 - 2.4.5.1 Officer positions B, C and D retire by rotation.
 - 2.4.5.2 2 Officers (Officer positions B and C) will be appointed by the Board Appointments Panel under Rule 14.3.1.
 - 2.4.5.3 1 Officer (Officer position D) will be elected at the Annual General Meeting under Rule 14.4.
 - 2.4.6 2030 Annual General Meeting
 - 2.4.6.1 Officer positions E, F and G retire by rotation.
 - 2.4.6.2 3 Officers (Officer positions E, F and G) will be elected at the Annual General Meeting under Rule 14.4.
- 2.5 The rotation of retiring Officers at all Annual General Meetings following the 2030 Annual General Meeting shall follow the rotation order as set out in clauses 2.1 to 2.4 above for each 3 year period.
- 2.6 The Board may depart from the intended rotation and split of appointed and elected Officer positions as outlined in clause 2.4 above provided that Rule 14.1.2 is complied with at all times.