



NZDIA

New Zealand Defence Industry Association
Sovereignty / Security / Defence

**NEW ZEALAND DEFENCE INDUSTRY
ASSOCIATION INCORPORATED**

RULES

**As approved at the Annual General Meeting
Held in Auckland on 6 December 2017**

NEW ZEALAND DEFENCE INDUSTRY ASSOCIATION INCORPORATED

RULES

INDEX

Clause No.		Page No.
1.	RULES OF THE ASSOCIATION	1
2.	INTERPRETATION	1
3.	PURPOSE AND OBJECTS OF THE ASSOCIATION	2
4.	POWERS	3
5.	REGISTERED OFFICE	3
6.	MEMBERSHIP	4
7.	APPLICATION FOR MEMBERSHIP	4
8.	RULES AND DUTIES OF MEMBERS	4
9.	CESSATION OF MEMBERSHIP	4
10.	SUBSCRIPTION PAYABLE BY MEMBERS	5
11.	THE BOARD - COMPOSITION AND ELIGIBILITY	5
12.	ELECTION OF MEMBERS TO THE BOARD	6
13.	APPOINTMENT OF DIRECTORS TO THE BOARD	6
14.	PROCEEDINGS OF THE BOARD	7
15.	POWERS AND DUTIES OF THE BOARD	8
16.	REMOVAL OF BOARD DIRECTOR	9
17.	CHIEF EXECUTIVE OFFICER (CEO)	10
18.	GENERAL MEETINGS	10
19.	QUORUM FOR GENERAL MEETINGS	11
20.	PROCEEDINGS AT MEETINGS	12
21.	FINANCES	14
22.	MINUTES AND NOTICES	14
23.	REGISTER OF MEMBERS	15
24.	INDEMNITY	15
25.	ALTERATION OF RULES	15
26.	SEAL	15
27.	WINDING UP	15

NEW ZEALAND DEFENCE INDUSTRY ASSOCIATION INCORPORATED

RULES

1. RULES OF THE ASSOCIATION

- 1.1. The following are the rules of the New Zealand Defence Industry Association Incorporated (“the Association”).

2. INTERPRETATION

- 2.1. Except where the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting” and “AGM” means the general meeting of the Association held each year to conduct the business referred to in Rule 18.3.

“Appointed Board Director” means a Board Director appointed under Rule 13;

“Balance Date” means 30 June until changed by resolution of the Members;

“Ballot” includes any vote submitted at a meeting or by way of Remote Electronic Voting;

“Board” means the Board for the time being of the Association;

“Board Director” means a member of the Board including Elected Board Directors and Appointed Board Directors;

“Chief Executive Officer” and / or “CEO” means the person for the time being appointed to that office in accordance with these Rules and includes any other person for the time being performing the role of the CEO with the authority of the Board whether an employee or a contractor;

“Day” means a calendar day in New Zealand and “working day” has the meaning given in the Interpretation Act 1999;

“General Meetings” means Annual General Meeting and Special General Meetings.

“In writing” and “written” includes any method of recording or reproducing words in a visible form or in a manner capable of being reproduced in a visible form or any non-visible and non-transitory substitute for a visible form, including without limitation:

- (a) printing;
- (b) by electronic means (for example, by email or on a website);
- (c) in an electronic form (for example, sending a media storage device by post);

“ISA” means the Incorporated Societies Act 1908 and all amendments to that Act in force for the time being or any Act passed in substitution for that Act;

“Member” of the Association means an entity or any person accepted as a Member by the Board and where the context requires in these Rules includes any person who is the appointed representative of a Member that is an entity and not a natural person;

“Ordinary Resolution” means a resolution passed by 51% of votes cast;

“Register of Members” is the current register of Members maintained by the CEO under these Rules;

“Remote Electronic Voting” means a facility to enable Members to vote electronically in elections for elected Board Directors. The term “remote electronic participation” has the equivalent meaning, for the purpose of facilitating remote participation including voting by Members at Members Meetings. Any remote electronic voting or remote electronic participation, including any contracting arrangement for the operation of any such facility, must be approved by the Board prior to the first occasion on which that facility is to be used;

“Rules” means the Rules of the Association as determined in general meeting from time to time;

“Special General Meeting” and “SGM” means any General Meeting that is not an AGM.

“Special Resolution” means a resolution passed by two-thirds of votes cast;

“Voting” shall be interpreted as including any votes submitted at a meeting or by Remote Electronic Voting;

“The Association” means the New Zealand Defence Industry Association Incorporated. The Association was incorporated on 10 August 1998 at New Zealand Companies Office under the Incorporated Societies Act 1908 No.920840 (originally under the name of New Zealand Defence Technologies Joint Action Group Incorporated and changed to current name on 19 September 2002) and as renamed from time to time;

Words importing only the singular number shall include the plural number and vice versa; and

Words importing only the masculine gender shall include the feminine gender and vice versa.

3. PURPOSE AND OBJECTS OF THE ASSOCIATION

3.1 The Purpose of the Association is:

To deliver mutually beneficial process improvement, lower business cost, improve commercial outcomes for Defence and associated agencies (e.g. security, intelligence, border control, police, customs) and the Association’s Members by achieving recognition as the Defence Industry Stakeholder Representative of Choice for reference, consultation and engagement across industry, sector and procurement initiatives.

3.2 The objectives (the Objects) of the Association are:

- To create a defence industry capability so that industry sectors can work together to develop and increase market share;
- To raise international perception of the New Zealand defence industry’s professionalism and commercial competency;
- To support activities that maximise return on assets for Members;
- To identify niche markets worldwide by working with New Zealand and international suppliers of equipment and services;
- To assist in improving the global competitiveness of all Members;
- To assist in increasing the level of technology and skill base of all Members;
- To assist in the development of the defence industry’s infrastructure, to cope with the growth and demand in the targeted export markets;

- Independently or in cooperation with the Defence Industry Advisory Council (DIAC), collaborate with the Ministry of Defence (MOD) and the New Zealand Defence Force (NZDF) to maximise New Zealand industry participation in defence and security projects.

To achieve the Objects, the Association will focus on these key strategic enablers:

- Continue to build reputation and representation;
- Build organisational capability and capacity within the Association;
- Identify and develop value-adding opportunities for Members and Defence; and
- Position the Association as a leader in industry collaboration, support and capability development.

4. POWERS

4.1 The Association has the power, subject to these Rules to:

- Purchase, lease, hire or otherwise acquire, hold, manage, maintain, insure, sell or otherwise deal with property and other rights, privileges and licences;
- Control and raise money including borrow, invest, loan or advance monies and secure the payment of such money by way of mortgage or charge over all or part of any of its property and enter into guarantees;
- Sell, lease, mortgage, charge or otherwise dispose of any property of the Association and grant such rights and privileges over such property as it considers appropriate;
- Determine, raise and receive money by subscriptions, donations, fees, levies, entry or usage charges, sponsorship, government funding, community funding or otherwise;
- Produce, develop, create, license and otherwise exploit, use and protect the intellectual property of the Association;
- Make, alter, rescind, enforce these Rules, and any rules, by-laws, regulations, policies and procedures for the governance, management and operation of the Association;
- Consider and settle disputes between Members;
- Determine who are its Members and withdraw, suspend or terminate membership;
- Enter into, manage and terminate contracts or other arrangements with employees, sponsors, Members and other persons and organisations;
- Pay fees and emoluments to Board Directors;
- Organise events and programmes;
- Delegate powers of the Association to any person, Board, working group, committee or sub-committee;
- Purchase or otherwise acquire all or any part of the property, assets and liabilities of any one or more companies, institutions, incorporated societies, or organisations whose activities or objects are similar to those of the Association or with which the Association is authorised to amalgamate or generally for any purpose designed to benefit the Association;
- Do any other acts or things which are incidental or conducive to the attainment of the Objects of the Association.

5. REGISTERED OFFICE

The Registered Office of the Association shall be situated in such place in New Zealand as the Board may from time to time determine.

6. MEMBERSHIP

- 6.1 Members of the Association may be any person, body corporate, trust, non-commercial organisation (such as not-for-profit associations, government departments, government funded agencies, research institutes, quasi-governmental agencies etc) engaged or interested in any matter relating to the defence and security of New Zealand.
- 6.2 The Board of the Association shall formally accept an individual or an organisation as a Member of the Association. Membership may not be granted if a majority of the Directors consider such membership to be inappropriate. Potential or actual competition in the New Zealand or international marketplace shall not be grounds for the Board to accept or decline membership.
- 6.3 Classes and subscription and other fees for membership of the Association are as determined by the Board, from time to time.

7. APPLICATION FOR MEMBERSHIP

- 7.1 Application for membership shall be made in writing to the CEO on the form prescribed by the Board from time to time. On confirmation of approval the Association will invoice for the first 12 months' membership. Applications for membership shall be considered at the earliest possible opportunity by the Board at a meeting or otherwise and, if approved by a majority of the Board, the applicant will be notified and the applicant's name shall be entered in the Register of Members. The Board shall not be called upon to give any reason for approving or not approving any application submitted to it. The Board's decision shall be final and conclusive.

8. RULES AND DUTIES OF MEMBERS

- 8.1 All Members shall be subject to these Rules and any regulations or bylaws determined by the Association within the provision of these Rules.
- 8.2 Every Member shall be provided with a copy of these Rules free of charge upon request.
- 8.3 Any entity that is a Member shall appoint a person as a representative to attend all meetings of the Association and to exercise voting and other rights vested in such a Member including the right to stand for election to the Board or other office. Such Member shall, before the commencement of every General Meeting, give notice in writing to the CEO of any change of its representative. Where any such representative is elected to the Board, such representative shall become a Director and shall attend all Board meetings as an individual and shall have no rights to appoint any alternative or other representative to act in his/her place or on his/her behalf as a Director.
- 8.4 Notwithstanding the provisions of Rule 8.3, any Member may invite any employee or associate or any other interested person, subject to logistical constraints, to attend any meeting or conference of the Association.

9. CESSATION OF MEMBERSHIP

- 9.1 Any Member wishing to resign from the Association shall give notice in writing to the CEO to that effect and shall pay all subscriptions and levies due up to the date of such notice. Such termination of membership shall not entitle the Member to any refund of subscription or relieve the Member of liability for any subscription due for payment.

- 9.2 The Board shall have power to remove from the Register of Members any Member whose subscription is six months in arrears; such power to be exercised only after a resolution proposing removal has been passed by the Board at a duly constituted meeting. That person shall nevertheless remain liable to the Association for the amount due.
- 9.3 Membership may also be withdrawn, suspended or terminated by the Board if a Member fails to comply with these Rules including any codes of conduct or requirements set out in regulations, by-laws, policies or procedures of the Association or if a Member acts in a manner which is considered by the Board to be harmful to the Association or inconsistent with the standards of behaviours expected of a Member.
- 9.4 A Member whose membership is withdrawn, suspended or terminated by the Board may apply for the matter to be reviewed by such process as may be specified in any regulations, by-laws, policies or procedures of the Association or in the absence of any relevant provisions then by a General Meeting of the Association. If the issue goes to a General Meeting then the decision of the Board shall stand except to the extent it is varied by or overturned by a Special Resolution passed at such a General Meeting.

10. SUBSCRIPTION PAYABLE BY MEMBERS

- 10.1 Every Member shall be required to pay an annual subscription to the Association at a rate to be determined each year by the Board. Subscriptions shall become due and payable on joining and then on the anniversary of joining, or twelve (12) months since the previous renewal, or on such other date as the Board may from time to time prescribe.

11. THE BOARD - COMPOSITION AND ELIGIBILITY

- 11.1 The governance of the Association shall be vested in the Board, which may exercise all the powers of the Association and do all things which are not expressly required to be undertaken by the Association at a General Meeting. The Board's focus in sharing with and delegating the Board's powers to the CEO, is to reserve to the Board predominantly setting strategic direction and governance over the CEO's activities in managing the operations and affairs of the Association.
- 11.2 The Board shall comprise of:
- Five (5) persons elected by the Members from time to time (Elected Board Directors); and
 - Up to two (2) persons appointed in accordance with Rule 13 (Appointed Board Directors).
- 11.3 No Member or its representative shall be eligible for appointment to the Board if at the time of election has been under a pecuniary liability to the Association for a period of more than three months.
- 11.4 A person seeking election, or to remain in office as a Board Director shall be eligible provided they remain the representative of a Member, and a person who is an Appointed Director and who is also a representative of a Member shall be eligible provided they have been appointed by the Board. The following persons shall not be eligible for appointment, election, or to remain in office as a Board Director:
- (a) A person who is an undischarged bankrupt or is subject to a condition not yet fulfilled or any order under the Insolvency Act 1967, or any equivalent provisions under any previous or replacement legislation;
 - (b) A person who has been convicted of any offence punishable by a term of imprisonment of two (2) or more years (whether or not a term of imprisonment is

- imposed) unless that person has obtained a pardon or has served the sentence imposed on them;
- (c) 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 the Companies Act 1993 or the Charities Act 2005;
 - (d) A person who is subject to a property order made that the person is lacking in competence to manage their own affairs under the Protection of Personal and Property Rights Act 1988.

12. ELECTION OF MEMBERS TO THE BOARD

- 12.1 The term of office for all Board Directors shall be two (2) years, expiring on conclusion of the AGM in closest proximity to the end of their term. A Board Director may be re-elected to the Board. Prior to each AGM, the CEO shall confirm to the Board the schedule of rotation and the vacancies arising in Board Director positions at the upcoming AGM.
- 12.2 At the date of adoption of these Rules in 2017 there were two vacancies, one due to retirement from the Board and one due to expiry of their term, and three Elected Board Directors with one further year of their term to run.
- 12.3 In the event there is a vacancy on the Board, the remaining Board Directors may appoint a person of their choice to fill the vacancy, or the Board may leave the vacancy unfilled until the next AGM.
- 12.4 The term of office for a person appointed as a Board Director to fill a vacancy under Rule 12.3 shall expire at the conclusion of the AGM following their appointment. Thereafter the vacancy shall be determined in accordance with these Rules.
- 12.5 The Elected Board Directors shall be elected as follows:
 - (a) The CEO shall call for applications for any Elected Board Director positions that are to be vacated due to the expiry of their term of office at an AGM, at least thirty (30) days prior to the AGM;
 - (b) Applications for Elected Board Director positions shall be made by applicants in the approved form as determined by the Board, and received at the registered office of the Association not less than twenty (20) days before the date set for the AGM;
 - (c) Upon receipt of any applications for vacancies for Board Director positions, the CEO shall secure a biography on the candidate and include the biography in the Notice of AGM. The procedure for election of Elected Board Directors is set out in Rule 20;
 - (d) People interested in becoming Appointed Board Directors may submit applications and expressions of interest at any time during the year for consideration by the Board as the Board determines.
- 12.6 Applicants for positions as Board Directors may not hold or continue to hold a position as an employee or contractor of the Association if they are appointed or elected as a Board Director.

13. APPOINTMENT OF DIRECTORS TO THE BOARD

- 13.1 The Board may determine at any time to appoint up to two (2) persons to be Appointed Board Directors.
- 13.2 The Appointed Board Directors (who do not have to be representatives of Members but may be) will be selected by the Board based on criteria determined by the Board but with the aim

of securing additional governance and industry experience and to assist in creating a Board with intellectual diversity.

- 13.3 Appointed Board Directors will be appointed on terms to be agreed by the Elected Board Directors but for terms not to exceed two (2) years and will be without remuneration unless the Elected Board Directors determine otherwise in setting the terms of the appointment.
- 13.4 Appointed Board Directors can stand for vacancies which come up from time to time for Elected Board Director positions, notwithstanding that their term as an Appointed Board Director has not expired. The Board may fill any vacancy created with the appointment of another Appointed Board Director.

14. PROCEEDINGS OF THE BOARD

- 14.1 Except to the extent specified in these Rules, the Board shall regulate its own procedure.
- 14.2 At its first meeting following the AGM, any current Chair or Deputy Chair shall vacate their roles. The Board must elect a Chair and Deputy Chair for such period of time up to the next AGM as they shall determine, and may change the Chair or Deputy Chair at any time, by a majority vote at any duly convened Board meeting. The Appointed Board Directors will not have a vote on a resolution to appoint a Chair or Deputy Chair. The Chair shall not use their casting vote on any vote regarding the selection of the Chair.
- 14.3 The role of a Chair is to chair meetings of the Board and to represent the Board. The role of the Deputy Chair is to act in the role of Chair if the Chair is unavailable. In the event of the unavailability of a Chair or Deputy Chair for any reason, then another Board Director appointed by the Board shall undertake the Chair's role during the period of unavailability.
- 14.4 Board Meetings may be called at any time on not less than five (5) days' notice or, if a majority of the Board agrees that shorter notice is required under the circumstances, on 3 days' notice, by the Chair, the CEO or two Board Directors, but generally the Board shall meet at regular intervals agreed by the Board with not less than four (4) meetings per year.
- 14.5 The quorum for a Board Meeting shall be three (3) Board Directors, or all the remaining Board Directors if a lesser number are in office. However, during any period where there are seven (7) Directors the quorum will be four (4). The Board may continue to act notwithstanding any vacancy in its membership, so long as there is a quorum.
- 14.6 A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in the Board by any means whatsoever.
- 14.7 Questions arising at any meetings of the Board shall be decided by the majority of the votes recorded and each Board Director shall have one vote. The Chair shall have an additional casting vote. Voting shall be by voices or upon request of any Board Director by a show of hands or by a ballot. Proxy and postal voting are not permitted for Board Meeting decisions.
- 14.8 A resolution in writing, signed or consented to by email, facsimile or other forms of visible or other electronic communication by a majority of the Board shall be valid as if it had been passed at a meeting of the Board. Any such resolution may consist of several documents in the same form each signed by one or more Members of the Board.
- 14.9 Any Board Director may participate in any meeting of the Board and vote on any proposed resolution at a meeting of the Board without being physically present. This may only occur at meetings by telephone, through video conferencing facilities or by other means of electronic communication provided that prior notice of the meeting is given to all Board Directors and all persons participating in the meeting are able to hear each other effectively

and simultaneously. Participation by a Board Director in this manner at a meeting shall constitute the presence of that Board Director at that meeting.

14.10 The Board may appoint committees and working groups from among Board Directors or from among other Members of the Association who are not members of the Board. The Board may delegate any of its powers to any such committees and may make rules for regulating the proceedings of such committees. The following further provisions shall apply to such committee:

- the Chair shall be ex-officio a member of all such committees;
- the Board shall determine the quorum for meetings of such committees;
- provided always that a majority of members of a committee are representatives of Members and unless the Board otherwise directs, a committee may co-opt other persons as members of the committee subject to prior approval by the Board;
- any person who is a member of a committee but is not a Member shall have a right to speak but not vote at any meeting of a committee.

15. POWERS AND DUTIES OF THE BOARD

15.1 The duties of each Board Director are to:

- (a) Regularly attend Board meetings and General Meetings of the Association;
- (b) Provide good governance for the Association;
- (c) Exercise the powers of the Board for proper purpose;
- (d) Regularly monitor and review the performance of the Association;
- (e) Act in good faith and the best interests of the Association at all times;
- (f) Act, and ensure the Association acts, in accordance with these Rules;
- (g) Formulate such by-laws, regulations, policies and procedures as are appropriate for the Association;
- (h) Where appropriate, engage in activities to promote, market, represent and fundraise for the Association;
- (i) Disclose to the Board the nature and extent of any interest in a transaction or proposed transaction as soon as the Board Director becomes aware of the fact that s/he has such interest;
- (j) Take such other steps as determined by the Board in respect of any interest specified in Rule 15.1(i) which may include, without limitation, abstaining from deliberations and / or vote regarding such interest;
- (k) Not disclose information that the Board Director would not otherwise have available other than in his or her capacity as a Board Director, to any person, or make use of or act on the information except:
 - (i) As agreed by the Board for the purposes of the Association;
 - (ii) As required by law; or
 - (iii) To persons, or for reasons identical to those specified in sections 145(2) and 145(3) of the Companies Act 1993.
- (l) Do such other things within these Rules as the Board agrees to promote the Objects of the Association.

15.2 The Board shall have the power to:

- (a) Appoint the CEO;

- (b) Define delegations of authority from the Board to the CEO;
- (c) Adopt and review the strategic plan for the Association;
- (d) Adopt and review the annual plan and budget for the Association;
- (e) Determine applications from persons or organisations wishing to be Members of the Association;
- (f) Hold meetings and forums for the Members, including General Meetings;
- (g) Approve rules and regulations for any Association competitions or events including conditions of entry;
- (h) Establish sub-committees, working groups, advisory councils, or other groups to carry out any work of the Board by its delegated authority;
- (i) Employ, engage or otherwise appoint support personnel for the Association and to determine the terms and conditions of such appointments and, if necessary, terminate such appointments;
- (j) Determine the yearly calendar for events of the Association;
- (k) Subject to these Rules, fill vacancies on the Board and any committees or other groups which are established by it;
- (l) Control expenditure and raise funds to fulfil the Objects of the Association;
- (m) Open and operate in the name of the Association such bank accounts as deemed necessary;
- (n) Make, repeal or amend any regulations, policies and procedures as it thinks appropriate, provided that such policies and procedures are not inconsistent with these Rules;
- (o) Engage, contract or otherwise agree to obtain the assistance or advice of any person or organisation for the Board;
- (p) Determine the fees, and if any payable, to Board Directors and the Chair;
- (q) Resolve and determine any disputes or matters not provided for in these Rules; and
- (r) Do all other acts and things which are within the powers and Objects of the Association and which the Board considers are appropriate.

If any situation arises that, in the opinion of the Board, is not provided for in these Rules, any regulations, or the policies or procedures of the Association, the matter will be determined by the Board.

16. REMOVAL OF BOARD DIRECTOR

- 16.1 The Members in a SGM called for this purpose may, by Special Resolution, remove any Board Director before the expiration of their term of office if the Members consider the Board Director has breached his or her duties as specified in Rule 15.1.
- 16.2 Where the removed Board Director in Rule 16.1 was an Appointed Board Director, the Board shall appoint another person in their place to hold office until the expiration of the term of the Board Director which he or she is replacing. Where the removed Board Director was an Elected Board Director the vacancy shall be filled in accordance with Rule 12.3.
- 16.3 Upon the CEO receiving a request for a SGM for the purpose of removing a Board Director, the CEO shall send the notice to the Board Director concerned in addition to the Members.
- 16.4 Following the notification under Rule 16.3 and before voting on the resolution to remove a Board Director, the Board Director affected by the proposed resolution shall be given the

opportunity prior to and at the SGM to make submissions in writing and / or verbally to the Board and the Members about the proposed resolution.

- 16.5 The Board may, with the approval of no less than two-thirds of the Board, remove any Board Director from the Board before the expiry of their term of office if the Board considers the Board Director concerned has seriously breached their duties as specified in Rule 15.1, such that immediate removal is considered appropriate. Before considering such a motion the following procedures shall apply:
- (a) The Board Director concerned shall be notified that a Board meeting is to be held to discuss the proposal to remove the Board Director from office; and
 - (b) The Board Director concerned shall be given an opportunity to make submissions about the proposed motion to the Board in writing prior to the Board meeting.

17. CHIEF EXECUTIVE OFFICER (CEO)

- 17.1 There shall be a CEO of the Association who shall be employed for such term and on such conditions as the Board may determine.
- 17.2 The CEO shall be under the direction of the Board and shall be responsible for the day-to-day management of the affairs of the Association in accordance with the Rules, regulations, by-laws, policies and procedures of the Association and within such delegated authority as may be imposed by the Board.
- 17.3 The Board will delegate its powers under Rule 15.2 to the CEO to the extent possible and necessary to achieve separation of governance and operations.
- 17.4 The CEO may attend Board Meetings and any meetings of sub-committees and working parties etc, but will have no voting rights at Board Meetings.

18. GENERAL MEETINGS

- 18.1 Meetings of Members of the Association for the transaction of business and the consideration of matters relating to the direction and management of the affairs of the Association shall be undertaken by way of AGMs or SGMs.
- 18.2 The AGMs shall be held in each calendar year no later than six (6) months after the Association's Balance Date, with effect from 1 January 2018.
- 18.3 The business of the AGM shall be to receive and consider:
- (a) the report of the Board on the affairs of the Association for the past financial year;
 - (b) the accounts made up to the previous Balance Date (which accounts shall be signed by a Board Director and by the CEO);
 - (c) the appointment of an auditor for the ensuing year;
 - (d) voting for Elected Directors to fill vacancies;
 - (e) The appointment of scrutineers for the Meeting;
 - (f) Any motion(s) proposing to alter these Rules; and
 - (g) Any other items of business that have been properly submitted for consideration under the ISA or in accordance with Rule 18.4, at the AGM.
- 18.4 A Member wishing to bring any motion before the meeting shall give written notice to the CEO on or before thirty (30) days prior to the date of the meeting and no such motion shall

come before the meeting unless notice has been so given. No other business shall be considered unless the same is specified in the notice convening the meeting. However, where no such notice has been given, business may be considered where it is deemed a matter of extreme urgency by a majority of the Members assembled or is expressly authorised by the Rules.

- 18.5 Any General Meeting of the Association shall be held at such times and at such places as the Board shall from time to time determine. Not less than twenty-one (21) days' notice of any AGM and not less than twenty-one (21) days' notice of any SGM specifying the day, hour and place of the meetings and the general nature of the business to be dealt with, shall be given to Members in the prescribed manner. In computing a twenty-one day period of notice, the date of posting the notice and the date of holding the meeting shall be excluded.
- 18.6 An agenda containing the business to be discussed at an AGM shall be sent by the CEO to the Board and the Members by no later than twenty-one (21) days before the date of the AGM. No additional items of business not listed on the agenda can be voted on but may be discussed by unanimous agreement of the Meeting.
- 18.7 Notice of a General Meeting and the agenda must be given to Members by:
- (a) electronic means (but excluding by telephone); and
 - (b) being displayed on the Association's website.
- 18.8 If no electronic address is held by the CEO for any Member, notice may be given to that Member by fax or post to the most recent fax number or address supplied by the Member.
- 18.9 The Board must call a SGM upon a written request from:
- (a) The Board itself; or
 - (b) Such Members as are entitled to exercise thirty percent or more of the voting rights of the Association.
- 18.10 The written request for an SGM must state the purpose for which the SGM is requested.
- 18.11 The SGM must only deal with the business for which the SGM is requested.
- 18.12 The notice requirements for the SGM are twenty-one (21) days unless the Board in its discretion determines that the nature of the SGM business is of such urgency that a shorter period of notice is to be given to Members.

19. QUORUM FOR GENERAL MEETINGS

- 19.1 No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting is due to commence. The quorum for a General Meeting shall be thirty per cent (30%) of the Members who are entitled to vote. The quorum must be present at all times during the meeting.
- 19.2 If a quorum is not obtained within thirty (30) minutes of the intended commencement time of the General Meeting, then the General Meeting shall be adjourned to such other day, time and place as determined by the Board and if no quorum is obtained at the stage of such further General Meeting, then the Members present at that further General Meeting are deemed to constitute a valid quorum.

20. PROCEEDINGS AT MEETINGS

- 20.1 The Chair shall take the chair at every General Meeting of the Association. In the absence of the Chair a Board Director shall be chosen to take the chair. If at any meeting no person entitled to take the chair shall be present within fifteen (15) minutes after the time appointed for holding such meetings, or if all such persons present decline to take the chair, then Members present shall choose one of their number to chair the meeting.
- 20.2 The Chair of a General Meeting may with the consent of the meeting adjourn the same from time to time and from place to place. No business shall be transacted at any adjourned meeting other than business unfinished at the meeting at which the adjournment took place.
- 20.3 Each motion submitted to a Meeting shall be decided in the first instance on the voices or, if demanded, by a show of hands, and in the case of an equality of votes the Chair shall both on a show of hands and at a poll have a casting vote in addition to the vote to which the Chair may be entitled as a Member.
- 20.4 At any time, unless a poll is demanded by at least ten (10) Members present personally and entitled to vote at the meeting, a declaration by the Chair that a resolution has been carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the books of proceedings of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 20.5 If a poll is demanded pursuant to Rule 20.4 it shall be taken in such a manner and at such time and place as the Chair of the meeting directs, either at once or after an adjournment or otherwise. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded. The demand for a poll may be withdrawn only by consent of the meeting. Any poll demanded on the election of a Chair of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
- 20.6 Any irregularity, error or omission in notices, agendas and relevant papers of General Meetings or the omission to give notice within the required time frame or the omission to give notice to all Members and any other error in the organisation of the meeting shall not invalidate the meeting nor prevent the meeting from considering the business of the meeting provided that:
- (a) The Chair in his or her discretion determines that it is still appropriate for the meeting to proceed despite the irregularity, error or omission;
 - (b) A motion to proceed is put to the Meeting and a majority of two-thirds of votes cast is obtained in favour of the motion to proceed.
- 20.7 No Member shall be entitled to vote at any meetings while under any pecuniary liability to the Association which shall have existed for more than three months.
- 20.8 An Ordinary Resolution at a General Meeting shall be sufficient to pass a resolution except as specified in these Rules.
- 20.9 In the event that a secret ballot is called, two scrutineers must be appointed at the General Meeting to count the votes.
- 20.10 Every Member shall have one vote. Votes may be given either personally or by proxy. The instrument appointing a proxy shall be substantially based on the following form:

I of being a Member of New Zealand Defence Industry Association Incorporated (NZDIA) appoint:

..... of or, failing that person attending the meeting,

..... of.....

as my proxy to vote for me on my behalf at the annual (or special) general meeting of NZDIA, to be held on the day of 20..... and at any adjournment thereof.

[My proxy may exercise their discretion as to how they vote] or

[My proxy will vote in the following way:]

Signed:

Dated: day of 20.....

- 20.11 A proxy form may not be used at an election held by postal ballot or using Remote Electronic Voting.
- 20.12 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. The proxy form must be lodged with the CEO not less than forty-eight (48) hours before the commencement of the meeting.
- 20.13 The proxy may vote at any subsequent meeting being an adjourned meeting of the original meeting and should the Member who appointed the proxy be able to attend an adjourned meeting to vote personally then that Member may cancel the authority conferred by the proxy instrument.
- 20.14 Elections of the Elected Board Directors at an AGM must be undertaken by a secret ballot if there are more nominations than vacancies.
- 20.15 If there are the same number of nominations as positions available, a secret ballot or poll is not required.
- 20.16 If there are insufficient nominations for the positions, the remaining position or positions shall be left vacant and filled as determined by the Board as if it is a vacancy in accordance with Rule 12.3.
- 20.17 Those applicants for the vacant Elected Board Director positions who have the highest number of votes in their favour will be declared elected.

- 20.18 If it is determined by the Board that an election of Directors (or other decision requiring Member approval) is required and an AGM is not upcoming or it is desirable concurrently with the notice period for an AGM, the Board may decide to hold an election of Directors or a Ballot (on any other issue requiring a Member decision but not an AGM resolution), using Remote Electronic Voting and following this process:
- (a) In the case of an election of Directors, nominations for Elected Directors must be called for electronically by the CEO at least forty (40) days before the voting will occur;
 - (b) In response, each candidate must nominate and provide contact details of their nominating Member to the CEO, at least thirty (30) days before the date set for Remote Electronic Voting;
 - (c) Members will be invited by email to vote anonymously via Remote Electronic Voting in a ten day period ending not later than one day before the AGM or, if no AGM, during a ten (10) day period before the designated date of announcement;
 - (d) The results of the Remote Electronic Voting will be announced and ratified at an AGM or electronically if outside of the process of an AGM; and
 - (e) In the case of any other decision a similar process with similar timeframes shall be applied.

21. FINANCES

- 21.1 All monies received on account of the Association shall be paid into the account of the Association with its bankers forthwith after receipt (and the Association may maintain as many separate accounts for funds received as the Board deems appropriate). The Board may make and give receipts, releases and discharges for moneys payable to the Association for the claims and demands of all or any of them.
- 21.2 All cheques drawn upon the bankers of the Association and all other payment instructions given to them shall be signed or otherwise executed in such manner and by such persons as the Board shall from time to time determine. Cheques or other negotiable instruments paid or payable to the bankers of the Association for collection requiring the endorsement of the Association may be endorsed by such person or persons as the Board shall from time to time appoint.
- 21.3 The CEO shall keep, or cause to be kept, a proper account of the income and expenditure of the Association and of the matters in respect of which such income and expenditure arises and takes place respectively, and of the property, credits and liabilities of the Association, and shall produce accounting records, properly maintained, when required by the Board.
- 21.4 The books of the Association shall be audited annually and reported upon by an auditor appointed by the AGMs of the Association. The auditor shall be a member of the Institute of Chartered Accountants of New Zealand and shall hold no other office with the Association and shall receive such fee as the Board may from time to time fix.

22. MINUTES AND NOTICES

- 22.1 Minutes shall be kept of all resolutions and proceedings on paper or in electronic form and must be retained for not less than seven (7) years from the date of the meeting to which they related including:
- (a) General Meetings of the Association;
 - (b) Meetings of the Board; and
 - (c) Meetings of any committee.

22.2 A notice may be served by the Association upon any Member personally, electronically or by sending it through the post in a prepaid letter or envelope addressed to the address of the Member shown on the register of Members.

22.3 Any notice served electronically shall be deemed to have been served at the time of transmission. Any notice sent by post to a Member of the Association shall be deemed to have been served on the day following that on which the letter or envelope containing the same is posted. In proving service of the notice it shall be sufficient to prove that the letter or envelope containing the notice was properly addressed and posted. A certificate in writing signed by the CEO or other officer of the Association that an email was sent or the letter or envelope containing the notice was so addressed and posted, shall be conclusive evidence.

23. REGISTER OF MEMBERS

23.1 The CEO shall keep a register of all Members.

24. INDEMNITY

24.1 The Board Directors, Auditor, CEO and other officers of the Association shall be indemnified by the Association to the extent permitted by law from all losses and expenses incurred by them in the discharge of their duties except when losses occur through dishonesty.

24.2 No Board Directors, Auditor, CEO or other officer of the Association shall be liable for the acts or defaults of any other Board Director, Auditor, CEO or other officer, or for any loss or expense happening to the Association, unless the same happens from that first person's willful default.

25. ALTERATION OF RULES

25.1 These Rules or any of them (including the name of the Association) may be altered, added to or rescinded by resolution passed at any Annual or Special General Meeting by two-thirds of those Members present or represented at such meeting. Notice of the intention to propose such resolution and the nature of the same shall be included in the notice calling such meeting.

26. SEAL

26.1 The Common Seal of the Association shall be that adopted by the Board, who shall be responsible for the safe custody and control of it.

26.2 Whenever the Common Seal of the Association is affixed to any deed, document or other instrument, the seal shall be affixed pursuant to a resolution of the Board or any General Meeting of the Association by any two Directors or by one such Director and the CEO.

27. WINDING UP

27.1 If upon the winding up or dissolution of the Association and after the satisfaction of all debts and liabilities there remains any property whatsoever, then such property shall not be paid or distributed among the Members but the property shall be given to some other institute or body in New Zealand having Objects similar to the Association and a constitution or rules containing a prohibition on the division of surplus income or assets among its Members.