

**CONSTITUTION OF
THE TOURISM INDUSTRY ASSOCIATION NZ INCORPORATED**

AUGUST 2008

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Name

1. The name of the Association shall be called the Tourism Industry Association NZ Incorporated (TIANZ), (hereinafter called the "**Association**").

Registered Office

2. The registered office of the Association shall be situated at such place in the city of Wellington as the Board of Directors may, from time to time, determine.

Objects

3. The Association is established:
 - (a) to serve as the voice of the tourism industry;
 - (b) to stimulate and promote tourism to New Zealand;
 - (c) to stimulate and promote tourism within New Zealand;
 - (d) to initiate, encourage and conduct research to benefit the tourism industry;
 - (e) to foster unity among all persons, companies and their sector groups or associations, which seek to meet the needs and expectations of visitors and travellers, or in some other positive way, contribute to a quality visitor experience;
 - (f) to encourage the development of strong regional Tourism Organisations and encourage co-operation between them through membership of the Association;
 - (g) to extend recognition of the wide economic, social and cultural benefits tourism brings to New Zealanders and the increased understanding and goodwill it brings between peoples of all countries;
 - (h) to act as the Tourism Industry advisor to the New Zealand Government on all aspects of tourism and to co-operate and work with all Government agencies to achieve these objectives;
 - (i) to act as the Tourism Industry advisor to Local Authorities and work with them to achieve these objectives;
 - (j) to introduce, foster and co-ordinate development in the tourism industry in New Zealand in a manner which recognises the significance of the country's natural assets and to ensure that such developments pay due regard to the protection and public enjoyment of the environment;
 - (k) to encourage the development and improvement of facilities and services for the benefit of travellers to, within and beyond New Zealand;
 - (l) to encourage and foster education and training to benefit the tourism industry;
 - (m) to recognise and promote the important economic benefits provided to New Zealand by the tourism industry both on a regional and national basis;

- (n) to form a fund for the purposes of carrying out the objectives of the Association and to receive subscriptions, affiliation fees, grants, etc from persons or organisations whether members of the Association or not;
- (o) to support the aspirations and needs of the members of the Association according to the policy of the Association;
- (p) nothing contained in the Rules of the Association shall authorise the Association to act as a travel agency, transport operator or to make accommodation, transport or other reservations;
- (q) to discourage unnecessary duplication of effort and resources by individual sector groups of members or their associations, and to more cost effectively champion the interests of divisional or broader membership groups;
- (r) to allow sector groups of members or their associations to retain control of issues more effectively and efficiently handled and funded at that level and to exercise the powers described in this constitution as belonging to the Association for their own funds.

Powers

4. The Association shall have power to do all such lawful acts and things as are incidental or conducive to the attainment of the above-mentioned objects or any of them or any other objects which the Association may from time to time be authorised to undertake and without in any way limiting the generality of the foregoing powers the Association shall have power:
- (a) to use the funds of the Association in payment of all reasonable costs and expenses properly incurred in carrying out the objects of the Association including the employment of such officers, agents and servants as shall appear expedient to the Association;
 - (b) to invest monies and assets belonging to the Association and not immediately required for use in such forms of investment as the Board of Directors see fit and as are authorised in New Zealand for Trustee Investments;
 - (c) to purchase, take on lease, hire or otherwise acquire or hold on any tenure any real or personal property both within and outside New Zealand;
 - (d) to make grants or donations to any person or body undertaking work which in the view of the Board of Directors will further the objects for which the Association is established or assist the Association in furthering such objects;
 - (e) to raise or borrow such sum or sums of money as the Board of Directors may from time to time see fit and with or without security.

Membership

5. (a) Membership of the Association shall be open to any person, company, corporate body, society or association supporting the objects of the Association. The Board of Directors may provide for full members and affiliate members, provided that the Board of Directors may only offer affiliate membership to the members of a society or association which itself is a full member of the Association. Full members shall have all the rights of members contained in these Rules. Affiliate members may not vote on a resolution of members but otherwise shall have

all the rights of members contained in these Rules. The Board of Directors and Chief Executive may distinguish between full members and affiliate members when setting any fees payable as a condition of participation in an activity of the Association. Where the context permits and subject at all times to this clause 5(a), any reference in these Rules to a "**member**" includes both a full member and an affiliate member and "**membership**" shall be construed accordingly.

- (b) Members shall be divided into sectors. The Board of Directors shall ensure that the Chief Executive has effective management processes in place to deliver against the needs of each sector.
 - (i) The sectors shall be Hospitality, Air Transport, Surface Transport, Activities and Shopping, Distribution, Tourism Services, Regional Tourism Organisations, Education-Human Resources, Adventure Tourism and Cruising. The sectors may be amended by a resolution passed by a majority of the members present and entitled to vote at a meeting of members.
 - (ii) Each member shall be allocated to one sector by the Board of Directors after considering any information provided by the member. A member may participate in activities designed for more than one sector but full members may only vote in their allocated sector.
- (c) Every application for membership shall be made in writing on the Association form prescribed for that purpose and shall be approved or rejected by the Board of Directors without any reason being given to the applicant.
- (d)
 - (i) Any person who has performed outstanding and valuable services to the Association may be elected a Life Member at an annual meeting and shall thereafter be entitled to all rights and privileges of membership without payment of annual fees or any special payment for such Life Membership.
 - (ii) No person shall be elected a Life Member unless first proposed for election by two active members entitled to exercise the privileges of membership and the proposal as a Life Member has been approved by the Board of Directors and notice of the intention to propose such member for election to Life Membership has been circulated to members of the Association at least ten (10) days before the Annual General Meeting and the resolution of such election is carried by a majority of three-fourths of those present and voting at the Annual General Meeting when the same is proposed.
- (e) A register of members shall be kept by the Chief Executive at the office of the Association.

Members' Representatives

- 6. (a) Every corporate member shall on becoming a member, nominate a representative in writing who shall have full powers to act for and on behalf of such corporate member. No such representative shall represent more than (1) corporate member. Such nominee need not be a member of the Association.

- (b) On written notice to the Chief Executive given by the corporate member, such representative may be changed from time to time or may be substituted for any particular meeting, excepting only meetings of the Board of Directors to which election shall be personal and pertain to the individual so elected.

Subscriptions

- 7. The Board of Directors may set subscription fees which must be paid by members. In setting the subscription fees the Board of Directors may:
 - (a) distinguish between full members and affiliate members and also between different groups of full members or affiliate members at its discretion;
 - (b) determine the period for which they are payable;
 - (b) set the due date and any terms for their payment, including providing for payment by instalments.

Cessation of Membership

- 8.
 - (a) A member may resign at any time by giving notice in writing to the Chief Executive but such resignation shall not be effective until all financial obligations have been met and no part of any current subscription shall be refunded.
 - (b) If any member shall not abide by the Rules of the Association or shall not comply with any resolution, agreement or contract that may be passed, adopted or entered in to by the Association, the Board of Directors by resolution may request in writing such member to resign and in the event of such member refusing or neglecting to resign, within ten (10) days of the delivery of such notice such member may be expelled by a majority vote of the Board of Directors present and voting. Such member shall have a right to appeal against such expulsion to a Special General Meeting of members called for such purpose; a bare majority vote of the members then present and voting shall be binding on such member and on the Association. Notice of any appeal shall be given by the member to the Chief Executive within fourteen (14) days of the posting to the address of the member held by the Association a copy of the resolution of the Board of Directors.
 - (c) If any part of the subscription fee payable by any member remains unpaid more than 60 days after its due date, the Board of Directors may strike off that member whereupon that member shall immediately cease to be a member of the Association. All arrears due from that member before the date of striking off shall remain recoverable by the Association notwithstanding such striking off provided that, if they are paid in full, the Board of Directors may, at its absolute discretion, reinstate that person as a member.

Board of Directors

- 9.
 - (a) The Association shall elect a Board of Directors which may exercise all or any of the powers, authorities, functions and discretions of the Association save those as are herein expressly reserved to the Association in General Meeting or Special General Meeting.
 - (b) The Board of Directors shall comprise the following elected directors:

- (i) One director representing each sector provided for in Rule 5(b)(i), who must be a member or the representative of a member of that sector appointed under Rule 6, and elected by resolution of the members of that sector;
 - (ii) Three directors, who may be from any sector and who shall be elected by resolution of all members;
 - (iii) In addition the elected directors may elect by resolution to invite one person nominated by the Crown to represent Tourism New Zealand to be a director for such term as may be determined by the elected directors;
 - (iv) All elected directors shall hold office from the next Annual General Meeting following their election and shall be elected by a postal ballot of the members entitled to vote on their election closing at least 7 days before the Annual General Meeting from which they are intended to take office.
- (c) The Board of Directors shall elect a Chairperson and up to two Deputy Chairpersons from among their number at each Annual General Meeting or during the first Board meeting following each Annual General Meeting, whichever is the earlier.
- (d) Each director shall be entitled to one vote on any motion before the Board of Directors.
- (e) A number of elected directors shall be deemed to retire from office at each Annual General Meeting but on retiring shall be eligible for re-election. The number of elected directors who shall be deemed to retire from office shall be the lowest number required to retire to ensure that, after taking into account any elected directors who cease to hold office pursuant to Rule 9(f), over half the elected directors cease to hold office at that Annual General Meeting. The directors to retire shall be determined on the basis that the longest serving directors since their last election shall retire and, where any two or more directors have held office for the same period since their last election, those to retire shall be determined by a call for volunteers, failing which, by lot.
- (f) The Board of Directors may carry on the business of the Association notwithstanding any vacancy in the directors and the Board of Directors may fill any casual vacancy in the directors elected via Rule 9(b)(i) by appointing a full member or the representative of a full member from the sector for which the vacancy occurs, and any vacancy in the directors elected via Rule 9(b)(ii) by appointing any full member or the representative of any full member. Any director appointed by the Board of Directors pursuant to this Rule shall have full voting rights and shall hold office until the next Annual General Meeting.
- (g) If a casual vacancy occurs in offices of Chairperson or Deputy Chairperson or if any such officer is unable to perform the duties of the office for any reason, the Board of Directors shall appoint another director to that office until the next Annual General Meeting.
- (h) The Board of Directors may exercise its powers, authorities and functions through committees of directors or committees of members with the appropriate knowledge and skills, which committees must act within their terms of reference and shall remain accountable to the Board of Directors.
- (i) Any director may resign at any time by giving notice in writing to the Chief Executive.

Chairperson

10. (a) The Chairperson shall be the Chairperson at each General Meeting of the Association and at each meeting of the Board of Directors. In the absence of the Chairperson, the Deputy Chairperson shall take the chair.
- (b) The Chairperson of any meeting shall have a deliberative vote and in the case of an equality of votes shall have a casting vote.

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Appointment & Duties of Officers

13. (a) Except in the case of the Auditor, the Board of Directors shall appoint a Chief Executive and make other appointments of such other officers, servants and agents as it sees fit and on such terms and under such conditions as it may from time to time consider necessary for the effective carrying out of the objects of the Association. The Board of Directors shall define in writing the duties of each such officer, agent or servant.
- (b) No member shall receive or obtain any pecuniary gain, except as a salaried officer from the property or operations of the Association. Any such income paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being the open market value).

Auditor

14. The Auditor of the accounts of the Association shall be a member of New Zealand Society of Accountants and shall be appointed at each Annual General Meeting of the Association. He shall retire annually from office but shall be eligible for re-election. The Auditor shall examine the books and accounts of the Association and shall verify and certify the Annual Balance Sheet and Accounts of the Association.

Meetings

15. (a) The Annual General Meeting of members shall be held not later than September 30 in each year at such place and time as the Board of Directors shall determine, after taking into account the wishes of members as expressed at a prior Annual General Meeting.
- (b) The Board of Directors may, at any time and shall upon requisition in writing signed by at least twenty (20) members of the Association and delivered to the Registered Office of the Association, convene a Special General Meeting which, in the case of a meeting requisitioned by members, shall be held not later than sixty (60) days after receipt of such requisition. Any such requisition shall give sufficient description of the business required to be brought before the Special General Meeting and such description shall be included in the notice to members of the meeting.
- (c) The Board of Directors shall meet at least three (3) times in each financial year and in addition whenever the Chairperson or the Board of Directors shall determine.

- (d) The contemporaneous linking of the Directors by telephone shall constitute a meeting of the Board of Directors, provided the following conditions are met:
- (i) **Hearing:** Each of the Directors taking part in the meeting by telephone must be able to hear each of the other Directors taking part during the whole of the meeting;
 - (ii) **Acknowledge Presence:** At the commencement and conclusion of such meeting each Director must acknowledge his or her presence;
 - (iii) **Withdrawal:** A Director may not withdraw from such a meeting unless that Director has previously obtained the express consent of the Chairperson of the meeting to do so;
 - (iv) **Quorum:** A Director linked by telephone for the purposes of the meeting shall be conclusively presumed to form part of the quorum of such meeting throughout the meeting unless that Director obtains the express consent of the Chairperson to withdraw from such a meeting.
- (e) A resolution in writing signed by all the Directors shall be as valid and effectual as if it has been passed at a meeting of the Directors duly convened and constituted. Any such resolution may consist of several like documents each signed by one or more Directors.

The Chief Executive

16. The Chief Executive shall normally act as Secretary and shall cause proper minutes to be kept of all meetings of the Association which will be open to inspection by any member of the Association at the Association's Registered Office.

Notice of Meeting

17. (a) Notice of the Annual General Meeting shall be forwarded through the post to each member at the address last known of such member and shall be posted at least thirty (30) days before the date appointed for holding same.
- (b) In the case of a Special General Meeting the same procedure shall apply.
- (c) Any notice required to be sent to any member may be sent by ordinary pre-paid post addressed to the member at the last known address of the member and such notice shall be deemed to have been delivered no later than three (3) days following the day on which it was actually posted.
- (d) Any such notice may be incorporated in any Association Newsletter or other document published by the Association for distribution to every member by displaying such notice therein prominently.
- (e) The accidental omission to give notice to or the non-receipt of any notice by any member or any other person entitled to such notice shall not invalidate the proceedings of any General Meeting to which such notice relates.

Special Business

18. A full member may require an item of special business to be discussed at the next general meeting of members by delivering an appropriate request in writing to the Registered Office of the Association before the notice calling that meeting is distributed to the members. Any such request shall:

- (i) include a sufficient description of the proposed special business and a full description of any resolution for consideration at the meeting; and
- (ii) be in a form ready and complete for despatch with the notice calling the meeting.

Upon receipt of a request complying with this clause, the Board of Directors shall include the item of special business on the agenda of the next general meeting to be held. If a request is received after the notice calling the next general meeting has been dispatched, the relevant item of special business shall be discussed at the immediately following general meeting.

Quorum

19. At least twenty (20) members of the Association present and entitled to vote shall constitute a quorum at a General or Special Meeting and four (4) members, one of whom must be the Chairperson or Deputy Chairperson, at a meeting of the Board of Directors. If within half an hour from the time appointed for the meeting to commence a quorum is not present, the meeting shall be abandoned. Reference in these Rules to a member being present or present in person shall mean and include a corporate member whose representative pursuant to Rule 6 is present in person.

Finance

20. (a) The Chief Executive shall deposit all money received in the bank of the Association as promptly after receipt thereof as circumstance may permit. The account of the Association at such bank shall be operated upon and cheques and other bills of exchange and instruments endorsed by such signatories and otherwise in such manner as the Board of Directors may from time-to-time determine.
- (b) The financial year of the Association shall be from the 1st day of April until the 31st day of March next succeeding.
- (c) Reasonable out-of-pocket expenses incurred by members of the Association on approved Association business may, with the approval of the Board of Directors be reimbursed on application by the member, which application shall be supported by vouchers.
- (d) (i) Any income, benefit or advantage shall be applied to the charitable purposes of the Association.
- (ii) No member of the Association, or any person associated with a member, shall participate in or materially influence any decision made by the Association in respect of the payment to or on behalf of that member, or associated person, of any income, benefit or advantage whatsoever.
- (iii) Any such income paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being the open market value).
- (iv) The provisions and effect of this clause shall not be removed from this Constitution and shall be included and implied into any document replacing this Constitution.

Elections

21. (a) The Board of Directors shall be elected as specified in Rule 9(b).
- (b) The Chairperson and Deputy Chairperson(s) shall be elected as specified in Rule 9(c).
- (c) Nominations for elected directors shall be made in writing and shall reach the Chief Executive twenty three (23) days prior to the relevant Annual General Meeting. Each nomination must be signed by a member and shall include the written consent of the nominee. Where a nomination is for an elected director to represent a sector the sector must be specified in the nomination and the nomination must be made by a full member from that sector.
- (d) Should the number of nominations received by the closing date be equal to or less than the number of positions of for which they are nominated, those nominated shall be declared elected. Should there be no nomination for any vacancy, that vacancy may be filled pursuant to Rule 9(f).
- (e) If there are more nominations than vacancies for any of the foregoing positions there shall be a postal ballot complying with Rule 9(b).
- (f) In the event of a tie in the number of votes in any election that election shall be determined by a resolution of members passed at the immediately following Annual General Meeting.

Voting

22. (a) Voting at meetings of members of the Association shall be by show of hands or voice unless the Chairperson of the meeting or any three (3) members present and entitled to vote on the resolution require a secret ballot.
- (b) Notwithstanding Rule 22(a), any issue to be determined by resolution of members shall be determined by postal ballot where required by these Rules or determined by the Board of Directors. Any postal ballot shall include a closing date which shall be determined by the Board of Directors and consistent with these Rules (where applicable). All voting papers for any postal ballot must be dispatched to members no less than 10 days before the closing date for that ballot.
- (c) On a resolution to be determined by show of hands or voice each member present and entitled to vote on that resolution shall have one vote. On a secret ballot each member present and entitled to vote on the resolution shall have one vote for each \$100 (excluding GST) of subscription fee payable by that member for the financial year of the Association during which the vote is determined. If no subscription fee has been determined for that financial year, each member entitled to vote on that resolution shall have one vote for each \$100 (excluding GST) of subscription fee paid or payable by that member for the financial year of the Association immediately preceding the financial year during which the vote is determined. In the case of a postal ballot each member entitled to vote on the resolution shall have the same number of votes as if that member were present and the matter had been determined by secret ballot.
- (d) Voting at a meeting of the Board of Directors or any committee appointed by the Board of Directors shall be on the basis of one vote per director or member of that committee.

Common Seal

23. (a) The Common Seal of the Association shall be under the control of the Board of Directors and shall be retained in the custody of the Chief Executive. It shall not be affixed to any documents except by resolution of a General Meeting of members or of the Board of Directors and shall be affixed in the presence of any two (2) of the Board of Directors and the Chief Executive;
- (b) Any document not requiring to be executed under seal may be executed by any member of the Board of Directors together with the Chief Executive.

Disputes

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Interpretation of Rules

25. In case any matter at any time arises not provided for in the Rules or any doubt arises as to the interpretation of these Rules, the same shall be determined by the Board of Directors whose decision shall be final.

Alteration of Rules

26. No alteration or addition to or rescission of these Rules shall be made except by a resolution passed by a majority of the members present and entitled to vote at a Special General Meeting of which notice shall have been given in the manner provided in Rule 17. No additional, alteration or rescission of the Constitution affecting the charitable objects and powers of the Association, personal benefit clause 20(d), or the Dissolution clause, shall be made without the approval of Inland Revenue.

Indemnity

27. Every director and servant of the Association shall be indemnified by the Association and it shall be the duty of the Board of Directors out of the funds of the Association to indemnify any such director or servant of the Association against any liability incurred in defending any proceedings arising out of the position with the Association, whether civil or criminal, in which judgement is given in favour of the director or servant or an acquittal is entered and the claim of any such director or servant of the Association for the amount of the indemnity given by this clause, either at law or in equity, shall have priority as between members over all other claims.

Dissolution

28. The Association may be wound up voluntarily. If upon the winding up of the Association there remains after the satisfaction of all debts and liabilities any property whatsoever the same shall not be paid to or distributed among the members of the Association, but shall be given or transferred to some other charitable organisation or body having similar objects to those of the Association, or if the members of the Association do not in General Meeting determine that the property shall be given or transferred towards any such organisation or body, then the property of the Association shall be given or transferred towards some other charitable purpose within New Zealand as the deemed members of the Association in General Meeting may determine.