

# **Constitution of Cooperative Business New Zealand Incorporated**

August 2020

**Companies Office registration – WN233013**

## CONTENTS

1. NAME	1
2. DEFINITIONS	1
3. OBJECTS	2
4. POWERS AND AFFILIATION	2
5. MEMBERSHIP	3
5.1 Full Members	3
5.2 PROVISIONAL Members	3
5.3 INDIVIDUAL MEMBERS	4
5.4 hONORARY Members	4
5.5 CORPORATE ASSOCIATE Members	5
6. JOINING /SUBSCRIPTION and other fees	5
7. MEMBERSHIP REGISTER	6
8. RESIGNATION OF MEMBERSHIP	6
9. CESSATION OF MEMBERSHIP	6
10. NO PRIVATE PECUNIARY PROFIT	6
11. INABILITY TO MATERIALLY INFLUENCE BENEFIT OR ADVANTAGE	7
12. PROFESSIONAL ACCOUNT AND INFLUENCE	7
13. CONFLICTS OF INTEREST	7
14. ALTERATION of CONSTITUTION	7
15. BOARD	7
16. ELECTION OF MEMBER DIRECTORS	8
17. MEMBER DIRECTOR QUALIFICATION	8
18. APPOINTMENT OF INDEPENDENT DIRECTORS BY BOARD	9
19. REMOVAL OF DIRECTORS	9
20. CONTINUATION OF OFFICE	10
21. CHAIRPERSON AND DEPUTY CHAIRPERSON OF BOARD	10
22. POWERS AND DUTIES OF BOARD	10
23. MEETINGS OF BOARD	10
24. CHIEF EXECUTIVE OFFICER	11
25. NOTICE OF BUSINESS	11
26. AGM	11
27. SPECIAL MEETINGS	12
28. PROCEDURE AT agm / SPECIAL MEETINGS	12
29. BORROWING POWERS	13
30. ACQUISITION OF SHARES IN CERTAIN COMPANIES	13
31. PROPERTY	13
32. FINANCING	13
33. FINANCIAL YEAR	14
34. COMMON SEAL	14
35. REGISTERED OFFICE	14
36. LIQUIDATION	14

# CONSTITUTION OF COOPERATIVE BUSINESS NEW ZEALAND INC.

## 1. NAME

The name of the society is **Cooperative Business New Zealand Incorporated** (hereinafter called "CBNZ").

## 2. DEFINITIONS

For the purposes of the Constitution the following definitions apply:

- (a) **"AGM"** means the Annual General Meeting of CBNZ.
- (b) **"Co-operative(s)"** means a co-operative, mutual, company, organisation, or other entity whose principal purpose is supplying or being supplied by persons who are members or shareholders of that entity with goods or services or both in order to allow those persons with common interests to join together to derive benefits from their transactions with that entity during the course of their membership or while a shareholder.
- (c) **"Corporate Associate Member /membership"** is defined in section 5.5 of the Constitution.
- (d) **"Director(s)"** includes both Member Directors and Independent Directors.
- (e) **"Full Member /membership"** means any full member of CBNZ, and membership has the corresponding meaning as defined in section 5.1 of the Constitution.
- (f) **"Honorary Member /membership"** is defined in section 5.4 of the Constitution.
- (g) **"Independent Director"** is defined in section 18 of the Constitution.
- (h) **"Individual Member /membership"** is defined in section 5.3 of the Constitution.
- (i) **"Members"** include Full Members, Honorary Members, Individual Members, Provisional Members and Corporate Associate Members.
- (j) **"Member Director"** means a person elected to the Board of CBNZ in accordance with either Rule 16 (noting this applies to only Full Members set out in Rule 5.1)
- (k) **"Provisional Member /membership"** is defined in section 5.2 of the Constitution.
- (l) **"Returning Officer"** means the Chief Executive of CBNZ or an alternative returning officer as appointed by the Board.
- (m) **"Special Meeting"** is defined in section 27 of the Constitution.
- (n) **"Working Day"** is defined in the Interpretation Act 1999.

### **3. OBJECTS**

The objects for which CBNZ is established are to:

- (a) Promote the Co-operative business model;
- (b) Encourage and support New Zealand Co-operative enterprise;
- (c) Act as a representative association for those engaged as Co-operatives;
- (d) Promote discussion and cooperation with decision-makers at all levels of government designed to further the interests of Co-operatives;
- (e) Facilitate and coordinate services, expertise and research in support of the Co-operative model;
- (f) Collect, verify, and publish relevant information relating to Co-operatives.

### **4. POWERS AND AFFILIATION**

- (a) To employ staff and provide services and expertise to those engaged in Co-operatives;
- (b) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which CBNZ shall think necessary or expedient for the purpose of attaining the objects of CBNZ or any of them or promoting the interest of CBNZ or its Members and to sell, exchange, let on bail or lease with or without option of purchase or in any manner dispose of such property rights and privileges aforesaid;
- (c) To collect subscriptions and other payments for the general purposes of CBNZ and to invest the moneys of CBNZ not immediately required upon such securities as may, from time to time, be determined;
- (d) To make any such regulations or by-laws for the government of CBNZ and generally to do all such other acts, deeds and things as may be incidental to the above objects or any of them and may be calculated to protect and further the interests of CBNZ and its Members.
- (e) To promote schemes for financing the activities of CBNZ that are of benefit to the Co-operatives;
- (f) CBNZ shall have power to affiliate with, or otherwise support, whether by means of financial contribution or otherwise, any person, society, organisation or other body whose objects are consistent with or similar to those of CBNZ for the purpose of better attaining or otherwise furthering the objects and interests of those engaged in the Co-operatives.

## **5. MEMBERSHIP**

### **5.1 FULL MEMBERS**

CBNZ shall be open for Full membership to all Co-operatives and other organizations that, in the opinion of the Board, reasonably held, meet the definition of Co-operative as defined in the Constitution:

- (a) Full Members shall enjoy the following rights:
  - (i) To stand as Member Directors;
  - (ii) To attend AGMs / Special Meetings;
  - (iii) To speak at AGMs /Special Meetings;
  - (iv) To vote on any matters put to the Members at AGMs /Special Meetings;
  - (v) To participate in CBNZ activities; including CBNZ Annual Awards;
  - (vi) To receive information from CBNZ,
- (b) Organizations seeking to become a Full Member of CBNZ may become a Member upon application, in writing on a form of enrolment, approved by the Board and on satisfying the following requirements:
  - (i) Agreement to abide by the Constitution of CBNZ;
  - (ii) Payment of the prescribed joining fee, if any;
  - (iii) Payment of the prescribed subscriptions, if any;
  - (iv) Full membership is at the discretion of the Board.

### **5.2 PROVISIONAL MEMBERS**

CBNZ shall be open for Provisional membership to Co-operatives or other organizations that the Board considers are in the process of being formed and intend to operate as a Co-operative

- (a) Provisional Members shall enjoy the following rights:
  - (i) To attend AGMs/ Special Meetings;
  - (ii) To speak at AGMs / Special Meetings;
  - (iii) To participate in CBNZ activities;
  - (iv) To receive information from CBNZ,
- (b) Provisional Members agree to
  - (i) Abide by the Constitution of CBNZ;

- (ii) Payment of the prescribed joining fee, if any;
- (iii) Payment of the prescribed subscriptions, if any;
- (c) Provisional membership is at the discretion of the Board
- (d) A Provisional Member may become a Full Member upon satisfying the requirements in 5.1(b)

### **5.3 INDIVIDUAL MEMBERS**

CBNZ shall be open for Individual membership to individuals who are aligned to the Co-operative model, as determined by the Board for such duration as the Board may determine.

- (a) Individual Members shall enjoy the following rights:
  - (i) To attend AGMs / Special Meetings;
  - (ii) To speak at AGMs / Special Meetings;
  - (iii) To participate in CBNZ activities;
  - (iv) To receive information from CBNZ,
- (b) Individual Members agree to
  - (i) Abide by the Constitution of CBNZ;
  - (ii) Payment of the prescribed joining fee, if any;
  - (iii) Payment of the prescribed subscriptions, if any;
- (c) Individual membership is at the discretion of the Board

### **5.4 HONORARY MEMBERS**

CBNZ shall be open for Honorary membership to all individuals as determined by the Board for such duration as the Board may determine, from time to time.

- (a) Honorary Members shall enjoy the following rights:
  - (i) To attend AGMs / Special Meetings;
  - (ii) To speak at AGMs / Special Meetings;
  - (iii) To participate in CBNZ activities;
  - (iv) To receive information from CBNZ,
- (b) Honorary Members agree to abide by the Constitution of CBNZ.
- (c) Honorary Membership is to be at the sole discretion of the Board.

## 5.5 CORPORATE ASSOCIATE MEMBERS

CBNZ shall be open for Corporate Associate membership to all individuals and organizations which the Board from time to time considers have an understanding of and an appreciation for the activities of CBNZ.

- (a) Corporate Associate Members shall enjoy the following rights:
  - (i) To attend AGMs;
  - (ii) To speak at AGMs / Special Meetings
  - (iii) To participate in CBNZ activities;
  - (iv) To receive information from CBNZ,
- (b) Organizations and individuals seeking to become a Corporate Associate Member may become a Corporate Associate Member upon application to the Board and on satisfying the following requirements:
  - (i) Agreement to abide by the Constitution of CBNZ;
  - (ii) Payment of any prescribed fee;
- (c) Corporate Associate Membership is at the discretion of the Board.

## 6. JOINING /SUBSCRIPTION AND OTHER FEES

- 6.1 The obligation to pay joining, subscription or other fees align to obligations set out in section 5 above.
- 6.2 The joining fee payable shall be fixed by the Board, from time to time.
- 6.3 The initial annual subscription, where applicable, shall be based upon:
  - (a) the average of gross revenue of all active Full Members over the previous two years; or
  - (b) an assessment, by CBNZ of the gross revenue of the Member, if there is no appropriate history.
- 6.4 The annual subscription amount and form payable shall be fixed from time to time by resolution of CBNZ at its AGM and will remain in effect from year to year until any change is approved at an AGM, provided that any increase of subscriptions not exceeding the corresponding increase in CPI over the previous year (noting this runs from April to March in the following year) will not require approval of Full Members and Individual Members.
- 6.5 Upper and lower subscription limits for any one Member may be set from time to time by CBNZ at its AGM.
- 6.6 The annual subscription is due within two months of the beginning of the relevant CBNZ financial year, subject to any increase that may be approved at the AGM is due within two months of the date so approved.

## **7. MEMBERSHIP REGISTER**

A register of Members in which the names and current addresses of the registered office, if any applicable, shall be recorded, shall be kept by the Chief Executive of CBNZ.

## **8. RESIGNATION OF MEMBERSHIP**

A Member may resign their membership by giving to the Board notice in writing to that effect and every such notice shall, unless otherwise expressed, take effect as from the end of the CBNZ financial year then current.

## **9. CESSATION OF MEMBERSHIP**

9.1 Any Member (per section 5) that is required to pay a subscription fee or other fee that is in arrears for a period of three months after the due date shall forthwith cease to be a Member PROVIDED that they have received notice in writing from the CBNZ Chief Executive Officer of the outstanding subscription and further PROVIDED THAT such Member may be reinstated on payment of the current year's subscription.

9.2 Any of the Members contemplated in Rule 5 above who refuse to abide by the Constitution of CBNZ or whose actions are prejudicial to the objects of CBNZ may be suspended by resolution of the Board passed by a majority of two-thirds of those present. Ten Working Days' notice of the proposed suspension resolution shall be given to all Directors and to the Member affected. Any Member whose suspension is proposed shall have the right to appear before the Board and to be heard prior to the resolution being put. The suspension imposed shall be confirmed within 40 Working Days by a resolution passed by a two-thirds majority of those present at an AGM. The suspended Member shall have the right to be heard at the AGM. Confirmation of the suspension at an AGM shall result in expulsion. An expelled Member may re-apply to the Board for membership two years after the date of expulsion and the Board shall have the sole discretion to determine whether that person shall be re-admitted to membership.

## **10. NO PRIVATE PECUNIARY PROFIT**

No private pecuniary profit may be made by any person from CBNZ. Notwithstanding the preceding sentence:

- (a) a Director may receive full reimbursement for expenses properly incurred by him or her in connection with his or her position as a Director; and
- (b) CBNZ may pay reasonable remuneration to any person, including a Director, in return for services actually rendered to CBNZ,

provided that any such amount paid shall be reasonable and relative to that which would be paid in an arm's-length transaction, and the restrictions in Rule 11 are strictly observed.



## **11. INABILITY TO MATERIALLY INFLUENCE BENEFIT OR ADVANTAGE**

Notwithstanding anything contained or implied in this Constitution, no person shall directly or indirectly be able to direct or divert, to their own benefit or advantage, an amount derived from a business carried on by, or for, or for the benefit of CBNZ in any manner that would result in section CW 42 of the Income Tax Act 2007 (or any equivalent provision contained in any replacement legislation) not applying to income derived from that business.

## **12. PROFESSIONAL ACCOUNT AND INFLUENCE**

A person who in the course of, and as part of the carrying on of, his or her business of a professional public practice shall not, by reason only of his or her rendering professional services to CBNZ, or to any company by which any business of CBNZ is carried on, be in breach of the terms of Constitution 10 to 11.

## **13. CONFLICTS OF INTEREST**

- 13.1 A Director who is in any way, whether directly or indirectly, interested or concerned, directly or indirectly in any property or undertaking in which CBNZ is or may be in any way concerned or involved shall declare the nature and extent of his or her interest to the other Directors.
- 13.2 No Director shall be entitled to act or to exercise any of the powers conferred under the Constitution in any case where his or her interest or duty in any other capacity whatsoever conflicts with his or her duty as a Director of CBNZ.

## **14. ALTERATION OF CONSTITUTION**

The Constitution may be altered, revised or otherwise amended by a resolution passed by a simple majority of Full Members voting in person or by proxy, at the AGM or Special Meeting, notice of such alteration, revision or other amendment having been given not less than 10 Working Days prior to the date of such meeting, providing that no addition to or alteration or recession of the Constitution shall be approved if it in any way would detract from the charitable nature of the purposes of CBNZ or in any way affects the ability of CBNZ to rely on the income tax or gift duty exemptions for charitable organizations contained in the Income Tax Act 2007 and the Estate and Gift Duties Act 1968 (or in any replacement legislation).

## **15. BOARD**

CBNZ shall be controlled by the Board which will consist of:

- (a) a minimum of four, but no more than six, Member Directors appointed in accordance with Rule 16;
- (b) up to two Independent Directors appointed in accordance with Rule 18; and
- (c) The Board will set the total number of Directors for the CBNZ Board at any given time; for the avoidance of doubt, this will be a minimum of four Member Directors, but no more than

six Member Directors with the potential for an additional two Independent Directors, as appointed by the Board in accordance with Rule 18.

## **16. ELECTION OF MEMBER DIRECTORS**

- 16.1 Elections for Member Directors will be held each year at the AGM, subject to the Constitution below.
- 16.2 A Member Director may be elected for a fixed term (not exceeding three years). A Member Director who has completed their initial term may be eligible for re-election as a Member Director for a further period or periods (each period not to exceed three years).
- 16.3 Prior to each AGM, two current Member Directors must retire from office but may be eligible for re-election as a Member Director, in accordance with the Constitution. The two Member Directors to retire in any given year will be those who have been longest in office since they were last elected and may include any Member Director who is retiring because their fixed term appointment under Rule 16.2 is due to end. In the case of Member Directors who were last appointed Member Directors on the same day, those to retire will be determined by agreement between those Member Directors or, if they cannot agree, by lot. Any Member Director appointed by the Board pursuant to Rule 19.4, who is offered for re-election pursuant to that Rule, will be exempt from the obligation to retire pursuant to this Rule 16.3.
- 16.4 The Returning Officer responsible for supervising nominating procedures, election procedures and eligibility to vote. These duties may be delegated.
- 16.5 Any Full Member, may nominate a person meeting the criteria to be a Member Director as set out in Rule 17.
- 16.6 Nominations must be received by the returning officer at the registered office of CBNZ at least 30 Working Days prior to the AGM.
- 16.7 In the event of the same number of valid nominations being received as vacancies, the returning officer will declare the candidate(s) elected and no election will be held.
- 16.8 If an election is required, the returning officer must include in the Notice of AGM voting papers / proxies and copies of the valid nominations in accordance with section 25 of the Constitution.

## **17. MEMBER DIRECTOR QUALIFICATION**

- 17.1 **Qualified persons:** The following are qualified to be elected or appointed as a Member Director:
- a) Each Member Director appointed under Rule 16.1 must be an employee or director of a Member when the appointment takes effect, but may remain a Member Director if he or she ceases to be an employee or director of a Member; and
  - b) a natural person who is not disqualified by Rule 17.2 may be appointed as a Member Director.
- 17.2 **Disqualified persons:** The following are disqualified from being elected, appointed or holding office as a Member Director:

- a) a person who is under eighteen (18) years of age;
- b) a body corporate;
- c) a person who is an undischarged bankrupt;
- d) a person who is the subject of an order under Section 30 or Section 31 of the Protection of Personal and Property Rights Act 1988;
- e) a person of unsound mind under the Mental Health (Compulsory Assessment and Treatment) Act 1992 and the Mental Health (Compulsory Assessment and Treatment) Amendment Act 1999;
- f) a director or officer of a co-operative which is not a Member;
- g) a person who is disqualified from being a director of a Member;
- h) a person who is disqualified from being a director of a company under the Companies Act 1993; and
- i) an employee of CBNZ.

## **18. APPOINTMENT OF INDEPENDENT DIRECTORS BY BOARD**

- 18.1 The Board may from time to time appoint up to two persons as Independent Directors for a term of office not exceeding three years.
- 18.2 An Independent Director appointed under Rule 18.1 is not required to be an employee or director of a Member.
- 18.3 An Independent Director must not be a disqualified person per Rule 17.2.

## **19. REMOVAL OF DIRECTORS**

- 19.1 The Board may remove a Director by special resolution. For the purposes of this Rule 19.1, "special resolution" means a resolution passed by 75% or more of the Directors.
- 19.2 A Director may resign from office by written notice of resignation to CBNZ.
- 19.3 The office of Director is vacated if the person holding that office:
- a) resigns in accordance with Rule 19.2; or
  - b) is removed from office in accordance with Rule 19.1; or
  - c) becomes disqualified from being a Director in accordance with Rule 17.2; or
  - d) dies; or
  - e) otherwise vacates office in accordance with the Constitution.
- 19.4 If a Director ceases to hold office pursuant to the Constitution 19.1 to 19.3, or in the event of a casual vacancy in the office of Director otherwise being declared by the Board or in the event of

insufficient nominations being received for any regular vacancies, the remaining members of the Board may temporarily fill that vacancy. Any person so appointed to a vacancy by the Board may serve only until the next AGM.

## **20. CONTINUATION OF OFFICE**

20.1 The Directors and other officers of CBNZ in office at the date of adoption of the Constitution shall continue in office and shall be deemed to have been appointed in accordance with the Constitution.

## **21. CHAIRPERSON AND DEPUTY CHAIRPERSON OF BOARD**

The Directors must elect one of their number to be Chairperson of the Board and may elect one of their number as Deputy Chairperson.

## **22. POWERS AND DUTIES OF BOARD**

The Board shall have the following duties and powers:

- (a) The promotion of the objects of CBNZ;
- (b) Subject to the Constitution, and to such directions or recommendations as may from time to time be given by CBNZ at the AGM or Special Meetings, the management of the business and the control of CBNZ's finances and affairs shall be vested in the Board which may exercise all such powers and do all such things as may be exercised or done by CBNZ and as are not in the Constitution or by statute directed or required to be exercised or done by CBNZ;
- (c) To determine whether CBNZ commissions an annual audit or review by a qualified Chartered Accountant;
- (d) The appointment of the Chief Executive Officer;
- (e) The delegation of any of its functions and powers to such person or sub-committee as the Board thinks fit. Any person or sub-committee so appointed shall, in the exercise of the functions and powers so delegated, conform to any instructions that may from time to time be conveyed to it by the Board. Any such delegation shall not prevent the Board generally from acting in regard to the matter delegated; and
- (f) The Board shall have power to make by-laws for the benefit and management of CBNZ and to make such alterations to by-laws as from time to time may be necessary provided no by-laws made hereunder shall be at variance with the Constitution.

## **23. MEETINGS OF BOARD**

23.1 The Board shall meet together to dispatch the business of CBNZ at such times as it thinks fit and shall regulate its meetings as it sees fit. Questions arising at any meeting shall be determined by majority vote and in the case of equality of votes, the Chairperson shall have a casting vote.

23.2 A quorum for the transaction of the business of the Board shall be a majority of the Directors.

23.3 Any Director who has a vested interest may participate in all actions and discussions of the Board, except that where that interest could provide a conflict of interest on any matter, the Director shall declare that interest and absent himself or herself from any voting by the Board relating to that matter.

#### **24. CHIEF EXECUTIVE OFFICER**

The Chief Executive Officer appointed by the Board shall have the following responsibilities:

- (a) To attend and keep records of all minutes of the AGM, Special Meetings and Board meetings and shall be responsible for all correspondence in connection with those meetings;
- (b) To maintain an efficient accounting system that provides a full record of the financial affairs of CBNZ;
- (c) To keep a proper record of all Directors;
- (d) To act as the returning officer for any ballot for Directors and to be responsible for the conduct of Director elections and for the notification of the election or appointment of all Directors;
- (e) To maintain an up-to-date record of the Constitution of CBNZ and of any Board by-laws; and
- (f) To do all things necessary for the efficient management of CBNZ's business.

#### **25. NOTICE OF BUSINESS**

25.1 Not less than 10 Working Days before an AGM or Special Meeting:

- (a) notice thereof, and of the business to be transacted shall be given to every Member; and
- (b) a form of proxy shall be given to every Member.

25.2 No business shall be transacted at any AGM unless a quorum is present. The quorum shall be five Full Members whether personally present or represented by proxy.

#### **26. AGM**

26.1 The AGM shall be held in every year at a time (not being more than 15 months after the holding of the last AGM) and place (including by virtual means) to be fixed by the Board for the following purposes:

- (a) To receive and consider the Annual Report of the Board;
- (b) To receive the income and expenditure account and balance sheet for the previous year (as audited or reviewed by a qualified Chartered Accountant);
- (c) To consider any motion which may have been duly submitted for decision of the meeting together with any proposed amendments thereto;
- (d) To consider any other matter that concerns CBNZ;

- (e) Where there is a contested Member Director election, Full Members;
- (i) Will be provided with a proxy / voting paper in the Notice of AGM, which they can exercise in advance of the AGM;
  - (ii) Alternatively, they can attend on the day of the AGM and vote on the day
  - (iii) Each Member Director candidate, including current Member Directors retiring by rotation will be given an opportunity to speak at the AGM;
  - (iv) Voting at the AGM will be by anonymous voting forms;
  - (v) Results of the votes on the day of the AGM and the proxy / voting papers provided in advance will be tallied and the results will be announced at the conclusion of the AGM.

26.2 Where a Full Member opts to exercise their voting rights in advance of the AGM, voting papers / proxies must be received by the returning officer at the registered office of CBNZ at least three Working Days prior to the AGM, or to an email address specified by the returning officer.

26.3 Each Full Member, in accordance with section 5 of the Constitution, is entitled to one vote for each Member Director vacancy.

26.4 The highest polling candidates equal to the number of vacancies will be deemed to have been elected.

26.5 In the event of equality of votes amongst the highest polling Member Director candidates and one is a sitting Member Director elected by the Members, that candidate will be re-elected, but if either more than one is a sitting Member Director elected by the Members or there are no sitting Member Directors elected by the Members, the returning officer will determine by lot which candidate will serve.

## **27. SPECIAL MEETINGS**

A Special Meeting may be convened at any time by resolution of the Board, or, shall be convened by the Board within 10 Working Days of the written request of any five Full Members, stating the purpose for which such meeting is required.

## **28. PROCEDURE AT AGM / SPECIAL MEETINGS**

28.1 At each AGM / Special Meeting the Chairperson of the Board, or in that person's absence, the Deputy Chairperson, shall take the chair.

28.2 In accordance with section 5, every Full Member shall have one vote and no more except that any person having been duly appointed to vote as a proxy may record a vote for each full Member by whom he or she has been so appointed. Except where otherwise provided in the Constitution, the majority of all votes cast shall decide all questions.

28.3 The mode of voting shall be by voice or, where required, by a show of hands PROVIDED THAT any Full Member may demand and meet the definition of Co-operative as defined in ballot which shall be taken immediately; noting section 26.1(e)(iv).

28.4 Any Full Member who desires to exercise a vote by proxy shall not less than two Working Days prior to the meeting at which such a Member proposes to vote, lodge with the Chief Executive Officer a notice in writing (by email) of that person's intention so to do, signed by the Member and certifying the person to whom the proxy is given and, if the Member wishes, matters on which the proxy is to be exercised.

## **29. BORROWING POWERS**

CBNZ shall, in addition to the other powers vested in it, have power to borrow or raise money from time to time by the issue of debentures, bonds, mortgages or other security founded or based on all or any of the properties and/or rights of CBNZ or without any such security and upon such terms as to priority and otherwise as CBNZ shall think fit but the powers of so borrowing or raising money shall not be exercised except pursuant to a resolution of the Board.

## **30. ACQUISITION OF SHARES IN CERTAIN COMPANIES**

30.1 CBNZ may acquire or subscribe for shares or stock in any company incorporated or carrying on business in New Zealand and having among its objects the business of borrowing lending and depositing monies.

30.2 CBNZ may exercise all rights and powers as the holder of shares and stock so acquired or subscribed for by it and may advance to or deposit with a company in which shares or stock have been acquired or subscribed for by CBNZ as aforesaid, money required by the company for carrying on its business.

## **31. PROPERTY**

CBNZ shall have the following powers to deal with property, both real or personal:

- (a) To acquire by purchase, take on lease or otherwise, lands and buildings and all other property real and personal which the Board considers necessary or convenient for the objects of CBNZ and to sell or dispose of any such property or any part thereof and to erect on any such land any building and to alter, add to and maintain any building erected on such land; and
- (b) To sell, improve, maintain, manage, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property, assets or rights of CBNZ.

## **32. FINANCING**

32.1 The finance of CBNZ shall be under the control of the Board.

32.2 CBNZ shall operate such bank accounts to be fixed from time to time by the Board.

- 32.3 All moneys received on behalf of CBNZ shall forthwith be paid to the credit of CBNZ in any such accounts as the Board may establish.
- 32.4 The signatories to any bank account shall be any two of the following:
- (a) the Chairperson;
  - (b) any Director;
  - (c) the Chief Executive Officer; or
  - (d) any other persons who may from time to time be appointed by the Board.
- 32.5 The income of CBNZ from whatever source derived shall be applied solely towards the promotion of the objects of CBNZ and no portion of the Funds shall be paid or transferred directly or indirectly to members of CBNZ unless in return for any service actually rendered to CBNZ or in reimbursement of expenses or payments made on behalf of CBNZ.
- 32.6 The Board is entitled to invest such money of CBNZ that is from time to time available for investment.

### **33. FINANCIAL YEAR**

The financial year of CBNZ shall run from 1 June to 31 May.

### **34. COMMON SEAL**

- 34.1 The Board shall provide a common seal of CBNZ which shall be kept at the registered office for the time being of CBNZ.
- 34.2 Whenever the common seal of CBNZ is required to be impressed upon any instrument, the same shall be affixed pursuant to resolution of the Board and in the presence of any two of the Chairperson, and Deputy Chairperson, the Chief Executive Officer, or any other persons who may be appointed by the Board and who shall both sign the documents to which the seal is so affixed.

### **35. REGISTERED OFFICE**

The registered office of CBNZ shall be at such location as the Board shall from time to time determine.

### **36. LIQUIDATION**


- 36.1 CBNZ may be put into liquidation voluntarily if CBNZ at an AGM or Special Meeting of its Full Members passes a resolution requiring CBNZ so to be put into liquidation and the resolution is confirmed at a subsequent AGM called together for that purpose and held not earlier than 20 Working Days after the date on which the resolution to be confirmed was passed.




36.2 If upon the liquidation or dissolution of CBNZ there remains after the satisfaction of all costs and its debts and liabilities any property or assets whatsoever the same shall not be paid to or distributed among the Full Members, but shall be given or transferred to some other institution or institutions having objects similar to the objects of CBNZ and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on CBNZ, such institution or institutions to be determined by the Full Members of CBNZ at or before the time of dissolution or in default thereof by a Judge of the High Court of New Zealand or in the absence of any institution then to such public charity or public charities as the said Judge may determine. Notwithstanding the preceding sentence of this Rule 41.2, the property and assets of CBNZ can only be transferred (upon the liquidation or dissolution of CBNZ) to a recipient that is established exclusively for charitable purposes that are carried out in New Zealand.

**The Constitution of Cooperative Business New Zealand Incorporated was approved on 16 October 2020 by:**

<b>Name:</b> Duncan Pryor	<b>Signature:</b> 
<b>Organisation:</b> MG Marketing	<b>Job Title:</b> CFO and Company Secretary

<b>Name:</b> Simon Tucker	<b>Signature:</b> 
<b>Organisation:</b> Fonterra Co-operative Group Ltd	<b>Job Title:</b> Director Global Stakeholder Affairs

<b>Name:</b> David Cunningham	<b>Signature:</b> 
<b>Organisation:</b> The Co-operative Bank	<b>Job Title:</b> Chief Executive Officer