



# **ANNUAL GENERAL MEETING 2019-2020**

## **Annual General Meeting**

Tuesday 13th October 2020  
2.00pm – 3.30pm  
Online via Zoom

### **Items of Business**

1. Welcome
2. Apologies
3. Call for General Business
4. Minutes of Annual General Meeting 21st August 2019
5. Presentation of the Annual Report
6. Presentation of the 2019-20 Financial Statements
7. Board composition
8. Board resolutions
  - Resolution 1 – Appointment of Independent Directors
  - Resolution 2 – Directors' Remuneration
  - Resolution 3 – Appointment of Accountant to review the Financial Statements
9. Announcement of election results and election of the Practitioner Director Risk
10. General Business

**Annual General Meeting Minutes  
Sky City Convention Centre, Auckland  
21 August 2019 2.00pm**

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**1. Welcome**

The Chair, Sue Brown, thanked those members present in person and by video link for attending the Annual General Meeting.

**2. Apologies**

Attendees signed in and are noted below. The meeting reached the required quorum.

Proxies noted: twelve held by the Chair, and one held by Member Peter Leitch.

Apologies from Coralie Yorke, Iain Westcott, Peter Rae, Paul O'Brien, Mike Bennett, Brian Walters, Brian Klee, Ross Sheerin, Paul Sewell, Kathy Jarrett.

**3. Call for General Business**

- Special Interest Group configuration
- CFP campaign

**4. Minutes**

There were no matters arising from the Minutes of the AGM held at the Rotorua Energy Events Centre Rotorua on the 27 September 2018.

**Moved by the Chair that the Minutes of the AGM held at the Rotorua Energy Events Centre Rotorua on the 27 September 2018 be accepted as true and correct.**

**Carried**

**5. Presentation of Annual Report**

The Chair presented the Annual Report. She thanked the members for their continued support and outlined the focus of the Board for the previous twelve months. There was no discussion on the Annual Report.

**6. Adoption of the Financial Performance Report for twelve months to 30 June 2019**

Board Member Stephen O'Connor presented the Financial Performance Report to 30 June 2019. There were no questions or discussion.

**Moved by the Chair that the Financial Performance Report to 30 June 2019 be accepted.**

**Carried**

## 7. Board Composition

As required by clause 12.5 of the Constitution, the Board met in May 2019 to review whether the composition of the Board prescribed in clause 12.2 of the Constitution continues to meet the needs of the Association and if not, to recommend changes to the AGM. The Board considered that the composition of the Board does continue to meet the needs of the Association and accordingly no changes were recommended to the AGM.

## 8. Board Resolutions

### **Board Resolution 1 – Change to Constitution – Number of Independent Directors retiring at the AGM**

Submitted by: The Board

Rule(s) affected: Constitution 12.2.3 (f)

Background:

Constitution clause 12.2.3 (b) states that:

(b) Independent Directors are normally appointed for a three-year term. Independent Directors shall not be on the Board for longer than three consecutive terms. The Board has the discretion to vary the appointment term of any Independent Director to between one and four years.

Constitution clause 12.2.3 (f) states that:

Notwithstanding clauses 12.2.3(a) to 12.2.3(d), at least two Independent Directors shall retire at the next AGM as follows:

- (i) First, any Independent Director whose term has expired,
- (ii) Second, any Independent Director who wishes to retire,
- (iii) Third, the Independent Director who has served the longest consecutive time
- (iv) Fourth, by drawing lots, the result of which shall be conclusively determined by the Board Chair.

Given there are only two independent directors on the Board, the requirement of (f) above means that both independent directors need to retire every year in contradiction to the stated appointment period in (b). In any event, the Board considers retirement of two independent directors each year is undesirable for board and business continuity.

**Moved that clause 12.2.3 (f) of the Constitution be amended to read as follows:**

**Notwithstanding clauses 12.2.3(a) to 12.2.3(d), at least one Independent Director shall retire at each AGM as follows:**

- (i) First, any Independent Director whose term has expired,**
- (ii) Second, any Independent Director who wishes to retire,**
- (iii) Third, the Independent Director who has served the longest consecutive time,**
- (iv) Fourth, by drawing lots, the result of which shall be conclusively determined by the Board Chair.**

**Carried**

***Board Resolution 2 – Change to the Constitution - to reflect changes to disciplinary bodies***

Submitted by: Board

Rule(s) affected: Constitution 9.6 and 11.3

Background:

On the recommendation of a legal expert in Professional Body disciplinary processes the Board amended the Association's Disciplinary Bylaws on 20 December 2018.

These substantive amendments included changing the role of the Professional Conduct Committee to conduct the investigative function regarding a complaint or other disciplinary matter.

Following these changes, the Board established a new committee, the Adjudication Body. The Adjudication body will adjudicate on recommendations and referrals to it by the Professional Conduct Committee and hold a hearing in order to decide whether charges or matters before it have been substantiated.

Further, the deliberations and decisions of the disciplinary bodies may be considered for further action by the Certification Bylaws by the Certification Committee.

**Moved that the following clause 9.6 of the Constitution:**

**The Board shall act as a final body or appeals body (as the case may be) for decisions of the Professional Conduct Committee.**

**Be amended to:**

**The Board shall act as a final body or appeals body (as the case may be) for decisions of committees of the Association, including the Professional Conduct Committee and Adjudication Body.**

**Carried**

**Moved that the following clause 11.3 of the Constitution:**

**Breaches by members, of the Constitution, Code of Ethics and Practice Standards, Rules of Conduct or other Bylaws together with any complaints will be handled by the Professional Conduct Committee and the Board.**

**Be amended to:**

**Breaches by members, of the Constitution, Code of Ethics and Practice Standards, Rules of Conduct or other Bylaws together with any complaints will be investigated by the Professional Conduct Committee, deliberated by the Adjudication Body, and the Board, and the deliberations and decisions of these bodies may be considered by the Certification Committee.**

**Carried**

***Board Resolution 3 – Appointment of Independent Directors***

Submitted by: The Board

Rule(s) affected: Constitution 12.2.3(a)

Background:

Constitution clause 12.2.3(a) states that:

Independent Directors shall be recommended by the Board in a manner determined in its discretion. In recommending the Independent Directors, the Board will seek to ensure the

skillset of such directors is compatible with the achievement of the objectives of the Association. The recommended candidates shall be confirmed by resolution of the members at the next Annual General Meeting of the Association.

Constitution clause 12.2.3(b) states that:

Independent Directors are normally appointed for a three-year term. Independent Directors shall not be on the Board for longer than three consecutive terms. The Board has the discretion to vary the appointment term of any Independent Director to between one and four years.

The Nomination Committee has considered the Board composition required and concluded that the skillsets of the current Independent Directors are compatible with the achievement of the objectives of the Association, and with the resolution of the 2018 AGM which appointed Sue Brown for a period of 3 years and Kate Morrison for a period of 2 years.

Kate Morrison and Sue Brown recused themselves from discussion of, and voting on, this recommendation.

**Moved that the following Independent Directors be confirmed as appointed to the Financial Advice New Zealand Board for the following terms:**

**Sue Brown for a further period of 2 years.**

**Kate Morrison for a further period of 1 year.**

**Carried**

***Board Resolution 4 – Financial Advice New Zealand Directors’ Remuneration***

Submitted by: The Board

Rule(s): Constitution 12.4(a)

Background:

Constitution clause 12.4(a) states that:

The aggregate amount of Directors’ remuneration will be approved by the Members at each Annual Meeting, after receiving advice from an independent person appointed by the Board as a person they consider qualified to advise on matters of director remuneration.

The Board received advice in 2018 from the Institute of Directors in relation to directors’ fees for comparable organisations. The Directors’ remuneration for 2019 was set in accordance with that advice and the Board considers a fee of \$26,000 per annum for each director, plus an additional allowance of \$10,000 for the Chair remains appropriate for the coming year.

The Constitution requires a Board of up to eight directors. Up to four Practitioner Directors and up to four Independent Directors. The current Board has three Practitioner and two Independent Directors.

The Board considers it prudent to recommend the aggregate amount of Directors’ remuneration for the 2019/2020 financial year on the basis of five directors.

**Moved that the approval of the aggregate amount of Directors’ remuneration for the 2019/2020 financial year be set at no more than \$140,000.**

**Carried**

**9. Board Appointments**

**Announcement of Practitioner Director Election Results**

The Chair advised the successful candidate to be appointed to the Board is:

John Bolton (Lending)

**10. Appointment of Auditor for 2020**

**Moved that Crowe Horwath be appointed as Auditor for 2019.**

**Carried**

**11. General Business**

AGM Timing - There was discussion regarding the timing of the AGM, with the possibility of holding it during the conference to allow greater attendance.

Special Interest Groups (SIG) – It was explained these are not ‘hard wired’ into the Constitution, members can approach the CEO or Board to form a SIG e.g. Young Advisers, Financial Capability (John Schell) and Estate Planning.

Board Consumer Advocate – Kate Morrison who is currently the consumer-focused Board Member outlined that her role related to connecting New Zealanders with quality financial advice.

There being no further business the meeting was declared closed at 3.15pm.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

ATTENDEES		
Board Chair	Sue	Brown
Board & Member	John	Bolton
Board & Member	Cecilia	Farrow
Board & Member	Stephen	O'Connor
Board	Kate	Morrison
Staff	Katrina	Shanks
Staff	Andrew	Gunn
Staff	Sarah	Christian
Member	John	Broad
Member	Paul	Carrick
Member	Tony	Dench
Member	Toni	Dodds
Member	Michael	Dowling
Member	Jude	Drummond
Member	Andrew	Garner
Member	Ben	Jamieson
Member	Peter	Lee
Member	Peter	Leitch
Member	Lany	Liang
Member	Darren	Martens
Member	Ramesh	Parmar
Member	Ray	Patel
Member	Sumita	Paul
Member	Kevin	Perreau
Member	Geoff	Peterson
Member	Jeffrey	Royle
Member	Anup	Rup
Member	Aunit	Rup
Member	Ajar	Sarna
Member	John	Schell
Member	Kelvin	Scott
Member	Andre	Stokes
Member	Katrina	Studholme
Member	Nigel	Tate
Member	Emily	Tsai
Member	Steve	Tutbury
Member	Sheryn	West
Member	David	Whyte

**Annual General Meeting 2019-2020**

**Resolution 1 – Appointment of Independent Director**

**Submitted by:** The Board

**Relevant rule(s):** Constitution 12.2, 12.2.3(a) and (b)

Constitution clause 12.2 states that:

*Other than during the Establishment Period, the Board shall consist of up to 4 Practitioner Directors, and up to 4 Independent Directors.*

Constitution clause 12.2.3(a) states that:

*Independent Directors shall be recommended by the Board in a manner determined in its discretion. In recommending the Independent Directors, the Board will seek to ensure the skillset of such directors is compatible with the achievement of the objectives of the Association. The recommended candidates shall be confirmed by resolution of the members at the next Annual General Meeting of the Association.*

**Background:**

Financial Advice New Zealand's constitution provides for a Board consisting of up to 4 Practitioner Directors and up to 4 Independent Directors. However, since establishment, and recognising the resources and needs of the association as a new entity, the Board has consisted of three Practitioner Directors and only two Independent Directors.

One of the Independent Directors (Kate Morrison) was due to retire at this AGM in accordance with the rotation established at the last AGM, but retired slightly earlier in April because she took up full time employment with a financial institution. Sue Brown's term as Independent Director continues for another year.

The Board is currently finalising its recommendation of Independent Director[s] both to fill the vacancy created by Kate's retirement, and to ensure that the number and skillsets of the directors is compatible with the achievement of Financial Advice New Zealand's objectives.

The name of the Board recommended independent director or directors will be announced at least two weeks prior to the AGM\*.

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**Resolution 1:**

**Move that the Board recommended Independent Director(s) be confirmed as appointed to the Financial Advice New Zealand Board.**

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\*As announced on 25 September, the Board recommended Independent Directors are The Honourable Heather Roy and David Kneebone.

**Annual General Meeting 2019-2020**  
**Resolution 2 – Directors’ Remuneration**

**Submitted by:** The Board

**Relevant rule(s):** Constitution 12.4(a) & 12.2

Constitution clause 12.4(a) states that:

*The aggregate amount of Directors’ remuneration will be approved by the Members at each Annual Meeting, after receiving advice from an independent person appointed by the Board as a person they consider qualified to advise on matters of director remuneration.*

**Background:**

In 2018 the Board received advice from the Institute of Directors (IoD) in relation to directors’ fees for comparable organisations. In accordance with that advice, and relevant updates published by the IoD since then, the Board continues to consider a fee of \$26,000 per annum for each director, plus an additional allowance of \$10,000 for the Chair is appropriate. This is unchanged from the previous year.

The Constitution requires a Board of up eight directors; up to four Practitioner Directors and up to four Independent Directors. The Board plans for the coming year to continue to have three Practitioner and either two or three Independent Directors.\*

The Board is currently finalising its recommendation of Independent Director[s] both to fill the vacancy created by Kate Morrison’s retirement, and to ensure that the number and skillsets of the directors is compatible with the achievement of Financial Advice New Zealand’s objectives.

The name of the Board recommended independent director or directors will be announced at least two weeks prior to the AGM.\*

Accordingly, the Board considers it prudent to recommend the aggregate amount of Directors’ remuneration for the 2020/2021 financial year be set at \$166,000.

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**Resolution 2:**

**Move that the aggregate amount of Directors’ remuneration for the 2020/2021 financial year be set at no more than \$166,000.**

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\*As announced on 25 September, the Board has recommended two new Independent Directors - The Honourable Heather Roy and David Kneebone.

**Annual General Meeting 2019-2020**

**Resolution 3 – Appointment of Accountant to review the Financial Statements**

**Submitted by:** The Board

**Relevant rule(s):** Constitution 22.1, 22.2

Constitution clause 22.1 states that:

*Subject to clause 23.2, at each AGM Members will appoint an accountant (Reviewer) to review the annual financial statements of the Association on terms approved by the meeting.*

Constitution clause 22.2 states that:

*The Board or Members may appoint an auditor (Auditor) in any Financial Year, on terms approved at the AGM, where additional assurance is deemed appropriate.*

**Background**

The Board considers the current Reviewer provides appropriate assurance on the financial statements of the Association.

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**Resolution 3:**

**Move that Findex be re-appointed as the accountant (Reviewer) to review the 2020/2021 annual financial statements of the Association.**

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## CODE OF PROCEDURE

### BASIS FOR CODE

This Code is established by the Board of Financial Advice New Zealand Incorporated (Association) to establish the processes for the Association's:

- a) Annual General Meeting, as required by clause 17.7 of the Constitution and
- b) Special General Meetings, as required by clause 18.4 of the Constitution.

### CONFLICT

In the event of any conflict between the provisions of this Code and the provisions of the Constitution the provisions of the Constitution shall prevail. In the event of any conflict between the provisions of this Code and the provisions of any Bylaw of the Association the provisions of this Code shall prevail unless such Bylaw amends this Code or is stated to override the provisions of this Code.

### INTERPRETATION

In this Code unless the context otherwise requires, capitalised terms bear the same meaning as is set out in the Constitution. References in this Code to a clause number are references to clauses in the Constitution. References to 'Financial Year' means the Financial Year commencing 1st July and ending the following 30th June.

### MEETINGS OF MEMBERS

#### Calling Member meetings

The Constitution:

Requires an Annual General Meeting of Members to be held in each Financial Year, within five months of the close of the previous Financial Year and sets out the procedure for calling the meeting (clause 17).

Allows the Board to call a Special General Meeting of Members if it so decides, and requires the Board to call a Special General Meeting of Members if requested by at least 50 Members or 2.5% of the membership. It also sets out the procedure for calling the meeting (clause 18).

#### Conduct of Member Meetings

Chair: The Board Chair shall preside as Chair of Member meetings, or if the Board Chair is not present within 15 minutes after the time set for starting the meeting, another Independent Director selected by the Board Members present at the meeting will act as Chair. If at the time of the AGM there is only one Independent Director on the Board and that Independent Director is not in attendance at the AGM, the Board shall elect a Chair from amongst those Practitioner Directors present.

Chair's Duties: The Chair chairs the meeting and ensures that a democratic approach prevails and those present receive a fair hearing.

**Progress of Meetings:** The Chair will determine the order of business for the meeting. For the Annual General Meeting this will include approval of the minutes of the previous meeting and consideration of the Annual Report and the Financial Statements.

**Quorum:** The Constitution (clauses 17.7 and 18.3) set the quorum for a meeting of Members as 15 voting Members. No business may be transacted at the meeting unless a quorum is present at the time when the meeting proceeds to business. If no quorum is present within half an hour from the time set for the start of the meeting, the meeting shall be deemed adjourned to a date, time and place decided by the Chair of the meeting.

**Adjournment:** The Chair of the meeting may, with the consent of the meeting adjourn the meeting from time to time and from place to place. No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It will not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **Means of Voting**

**Means of Voting:** The Chair decides whether a resolution to be put to the vote of the meeting will be decided on the voices, on a show of hands, proxies or by secret ballot. The Chair will declare the result of the voting immediately after the vote has been taken.

**Request for Show of Hands:** Where voting is taken on the voices, any Member may immediately after the voting on the voices request that a show of hands be taken in which case the Chair must immediately call for a show of hands.

**Secret Ballot:** Any Member may request that a Item of Business put to the vote of the meeting will be decided by secret ballot.

**Declaration of Result:** A declaration by the Chair that a Item of Business has on the voices, on a show of hands or by secret ballot been carried or carried unanimously, or by a particular majority, or lost, or of the result of an election, and an entry to that effect in the Minute Book of the Association is conclusive evidence of the facts without proof of the number or proportion of the votes recorded.

### **Voting Rights**

The Constitution (clauses 17 and 18) provide that Members are entitled to attend, vote or provide a proxy in a manner that is at the discretion of the Returning Officer. The Board appoints the Returning Officer for each meeting.

Every Practitioner Member, Life Member and Fellow Member present in person or by proxy (if applicable) has one vote. No Member is entitled vote unless he or she has paid all amounts then due by him or her to the Association. Associate Members may not vote.

### **Simple Majority Required to Pass Item of Business**

All Item of Business put to the vote of an meeting shall be deemed carried if more than one half of the total votes cast in person or by proxy (if applicable) are in favour of the Item of Business.

### **Minutes**

The Chair must ensure that proper minutes are kept of all proceedings at the meeting.

## **Proxies**

**Appointment of Proxy:** Any Member may by notice in writing, not less than 48 hours before the time for holding the meeting, appoint any other Member, or the meeting Chair, to be his or her proxy to attend and vote at the Annual General Meeting.

**Proxy per Member Present at AGM:** One proxy may be held per Member attending the Annual General Meeting in person.

**Form of Proxy:** An instrument appointing a proxy shall be in the following form or a form [previously provided] as near thereto as circumstances admit.

**Instruction as to Voting:** Where it is desired to afford a Member an opportunity for voting for or against a particular Item of Business, the instrument appointing a proxy shall be amended as follows or as near thereto as circumstances permit namely by adding to the proxy the following:

“This form is to be used in favour of/against the Item of Business to [specify Item of Business or Item of Business].

Unless otherwise instructed the proxy will vote as he or she thinks fit.

Strike out whichever is not desired.

Note where the form is to be used in favour of or against the Item of Business the proxy may vote as he or she thinks fit if the Item of Business is amended at the meeting.”

**Incapacity or Revocation:** A vote given in accordance with the terms of an instrument of a proxy is valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was signed, if no information in writing of such death, insanity or revocation has been received by the Association at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **ITEMS OF BUSINESS**

Items of Business, including any explanatory notes, shall be sent to the Chief Executive Officer so as to reach him or her not less than 30 days before the day on which the session is to commence.

No Items of Business shall deal with more than one subject and the Chief Executive Officer may sever one Items of Business into two or more depending on the number of subjects contained in the original Items of Business provided that a Items of Business shall not be rejected by reason only that it fails to comply with the provisions of this subsection.

The Chief Executive Officer shall cause publication of the Items of Business along with any explanatory notes shall be posted on the Association’s website unless the CEO or Board determine otherwise.

A Member who has agreed to promote a Items of Business shall, on being called by the presiding officer, move without seconder, that the matter contained in the Items of Business be agreed to and adopted and may explain the intention of the Items of Business. The matter shall then be open for debate.

At the conclusion of the debate, (including the right of reply by the promoter) the Chair shall put the motion and it shall be voted upon without further discussion.

If the motion so provided for is carried, the Board shall do whatever may be necessary, including passing a Bylaw, to put the contents of that Items of Business into effect.

If the motion so provided for is lost, the Board may further resolve:

- a) to refer it to the Board, a committee or Management for consideration and report; or
- b) to defer it to the next session; or
- c) to refer it to the promoter or signatories as the case may be, with such recommendations as it thinks fit.

No Items of Business shall be introduced and promoted other than by a Member or the Board. The Chief Executive Officer is entitled to sever Items of Business and to speak to Items of Business.

### **QUESTIONS**

The Board Chair shall answer all questions which may be asked of him or her relating to the administration of the Association and the implementation of policy decisions.

Any Member present at an Annual General Meeting may ask a question of the Board with the leave of the presiding officer and subject to such terms as the presiding officer may impose.

It shall not be mandatory for a presiding officer to vacate the chair in order to answer a question unless he or she or the Members believe it to be necessary or desirable.

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### **Appointment of Returning Officer**

The Constitution (clause 17.6) provides that Members shall be entitled to attend, vote or provide a proxy in a manner that is at the discretion of the Returning Officer. The Board appoints the Returning Officer for each meeting and has appointed Katrina Shanks CEO as the Returning Officer for this meeting.

### **AGM Attendance and voting**

The Returning Officer has determined that every Practitioner Member, Life Member, Inactive Member and Fellow Member may attend the AGM online or by proxy and each Member attending has one vote.

No Member is entitled to vote by any means unless he or she has paid all amounts then due by him or her to the Association. Retired Members, Associates, Corporate Associate representatives and guests may attend the meeting but have no voting rights.

### **Voting for Practitioner Director Risk – Opened 11 September, closes 9am 13th October – [CLICK HERE TO VOTE](#)**

To enable and encourage as many members as possible to exercise their right to vote for Practitioner Directors, the Returning Officer has determined the voting for the Practitioner Director Risk vacancy on the Financial Advice New Zealand board opened on Friday 11th September 2020 and will close at 9am on Tuesday 13th October 2020, the morning of the AGM.

This allows enough time for the votes to be validated, counted and for the successful Practitioner Director to be officially announced at the AGM. This pre-AGM online voting replaces voting for the Practitioner Director at the AGM and is not in addition to it.