



CODE OF PROCEDURE

Amendments Sept 28 2021 to replace July 7 2020

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Financial Advice New Zealand - 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:

- a. 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).
- b. 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

- a. **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.

- b. Chair's Duties:** The Chair chairs the meeting and ensures that a democratic approach prevails and those present receive a fair hearing
- c. 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.
- d. 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.
- e. 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

- a. 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.
- b. 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.
- c. Secret Ballot:** Any Member may request that a Item of Business put to the vote of the meeting will be decided by secret ballot.
- d. 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 (including Inactive Practitioner Members), Life Member, and Fellow Member present in person or by proxy (if applicable) has one vote.

Simple Majority Required to Pass Item of Business

All Items 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

- a. **Appointment of Proxy:** A member who is entitled to attend and vote may appoint another member who is similarly entitled to attend and vote, or the meeting Chair, to vote on their behalf. Notice of appointment by proxy shall be on the approved Proxy Form, signed and lodged with the Returning Officer no later than 48 hours prior to the start of the meeting.
- b. **Proxy per Member Present at AGM:** One proxy may be held per Member attending the Annual General Meeting in person. If a person holds more than one proxy, the second and additional proxies default to the Chair.
- c. **Chair can hold unlimited proxies:** The Chair does not have a limit on how many proxies they can hold.
- d. **Form of Proxy:** An instrument appointing a proxy shall be in the following form or a form (over page) as near thereto as circumstances admit.
- e. **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:
 - i. “This form is to be used in favour of/against the Item of Business to [specify Item of Business or Item of Business].
 - ii. Unless otherwise instructed the proxy will vote as he or she thinks fit.
 - iii. 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.”

- f. **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.

PROXY FORM

I _____ being a Member of Financial Advice NZ entitled to attend and vote at this AGM hereby appoint:

[Please select one, if none is selected the meeting Chair will be appointed:]

- _____ or failing him/her the Chair of the meeting
 the Chair of the meeting

as my proxy to vote for me on my behalf at the Annual General Meeting of the Association to be held on the _____ and at any adjournment.

This form is to be used *[Please select one:]*

- in favour of/against or abstention* to the specific resolution or resolutions as noted below
[Please indicate your proxy vote by ticking the box below]
 unless otherwise instructed the proxy will vote as he or she thinks fit.

| Items of Business | IN Favour | NOT IN Favour | Abstain |
|-------------------|--------------|------------------|---------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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

Signature _____

Signed on the _____ day of _____

Note: Only one proxy may be held per member attending the Annual General Meeting. The Chair can hold unlimited proxy votes. If a member holds more than one proxy vote, the second and additional proxy votes default to the Chair.

Proxy forms must be received by the Returning Officer no later than 48 hours before the AGM starts.

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.