

RULES & BYLAWS



RULES

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1. NAME

The name of the Association is the "New Zealand Security Association Incorporated".

2. DEFINITIONS

For the purpose of these Rules and any By-Laws the following definitions are used.

“Act” means the Private Investigators and Security Guards Act 1974 and any enactment replacing that Act.

“Association” means the New Zealand Securities Association Incorporated

“Auditor” means a person or persons appointed by the Association’s Board of Directors to audit Corporate members under the Codes of Practice published by the Association from time to time. The auditor will be contracted under terms and conditions as set out by the Association.

“Board” means the Board of the Association.

“Business” means any profession, trade, manufacture, or undertaking carried on for pecuniary profit.

“Certificate of Approval” means a certificate granted to any person who is employed by a corporate member and who is required to hold a Certificate of Approval under the Act

“Dealer/ Franchisee member” means an entity which is a dealer or franchisee and the holder of a licence under the Act.

“Discipline” means the type of security business, or businesses, a member undertakes.

“Entity” means a limited liability company, partnership or sole trader or other entity having legal personality.

“Head Dealer/Franchisor” means a corporate member contracting at least 15 Dealer/Franchisees

“Manned Services” means security services that rely on human resources rather than technology.

“Manned Services Contractor” means a business that holds a licence under the Act, and is specifically contracted to provide services for a Corporate member.

“Security Industry” means the group of organisations, entities and individuals in both public and private sectors that provide security and security-related products and/or services, whether for commercial or non-commercial reasons. This includes (inter alia):

1. security staff services; and
2. electronic security - installation, fault rectification, maintenance, and monitoring; and
3. physical security systems; and
4. information management, destruction and storage; and
5. security management, consultancy, and investigation; and
6. vehicle security systems and installation.

“Working Day” means a day other than:

- Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the

Sovereign's Birthday, Auckland Anniversary Day and Labour Day;

- A day in the period commencing 24th December in a year and ending on the 5th January the following year.

3. OBJECTS

The objects of the Association are:

- 3.1. to enhance the professional standing of the Association's members;
- 3.2. to secure and maintain public recognition of the Association for the benefit of its members and of the community;
- 3.3. to foster the training, education and qualification of persons practising or intending to practice in the security industry;
- 3.4. to exchange and extend information and to provide lectures, meetings, conferences and publications and to promote research in the security industry so as to enhance the skills of members generally;
- 3.5. to promote and encourage ethical conduct amongst members;
- 3.6. to institute, promote and support, or oppose, legislative or other measures or proceedings affecting the interests of the security industry;
- 3.7. to carry out any other related activities that are in the interests of the security industry.

4. POWERS

In furthering its objects the Association shall have the following powers:

- 4.1. to raise funds by levy, subscriptions or fees, and by any other means, and to accept donations and gifts of any kind;
- 4.2. to purchase, take on lease or in exchange, and to hire or otherwise acquire, any real or personal property that may be deemed necessary or convenient for any of the objects of the Association, and to dispose of such property or any part thereof;
- 4.3. to record, print and publish such material as the Board or the members in general meetings, may think desirable for the promotion of the objects of the Association;
- 4.4. to invest moneys of the Association not immediately required for any of its objects in such manner as the Board may from time to time determine;
- 4.5. to affiliate with any body or association having similar objects or to join, co-operate with, or subscribe to the funds of, any such body or association for the purpose of the objects of the Association;
- 4.6. to organise conferences, seminars, workshops and other events for the benefit of the members of the Association;
- 4.7. to provide for accommodation and travel that may be required for the purposes of the meetings of the Board;

- 4.8. to employ staff and engage professional assistance under the direction and supervision of the Board;
- 4.9. to make by-laws for purposes specified elsewhere in these Rules ("By-Laws");
- 4.10. to borrow, raise, or secure the payment of moneys in such lawful manner as the Board may consider expedient, and to discharge any such securities; and
- 4.11. to do all such other lawful things as, in the opinion of the Board, are incidental or conducive to attaining the objects of the Association.

5. Membership

- 5.1. The Association has six classes of membership, namely Corporate members, Dealer/Franchisee members, Associate members, Affiliate members, Honorary members and Life members. Eligibility for membership shall be as follows:
 - 5.1.1. Eligibility for Corporate membership is limited to entities which, at the time of application for membership, are engaged in the security industry and, where applicable, are licensed under the Act or any enactment replacing that Act.
 - 5.1.2. Eligibility for Dealer/Franchisee membership will be accorded to entities which are Dealers/Franchises and hold licenses under the Act.
 - 5.1.3. Eligibility for Associate membership may be accorded in terms of the By-Laws to those entities who do not qualify for Corporate membership.
 - 5.1.4. Eligibility for Affiliate membership may be accorded to those entities who provide services to the security industry but do not qualify for either Corporate or Associate membership.
 - 5.1.5. Honorary membership will be accorded to the Police Department, the Fire Service Commission, the Insurance Board of New Zealand and such other entities as the Board may decide.
 - 5.1.6. Life membership may be accorded in terms of the By-Laws to those persons who have made an outstanding contribution to the Association.
- 5.2. The Board may create further classes of membership and make By-Laws fixing categories and definitions of membership within the classes of membership of the Association, the respective qualifications, if any, for admission to the various categories of membership and all other matters touching the classification of members, and to determine from time to time the fees for membership of the Association.
- 5.3. Any entity who satisfies the criteria for admission to a category of membership and who undertakes in writing to be bound by these Rules may, upon payment of such application fee as may from time to time be fixed by the Board (if any) and upon payment of the appropriate subscription in respect of the financial year then current (or such proportion thereof as the Board in its discretion may determine), be elected by the Board as a member of the Association.
- 5.4. Every entity who becomes a member of the Association shall be entitled to be supplied free of charge with a copy of these Rules, and a copy of any By-Laws made hereunder, and is entitled to attend any General Meeting of the Association.

5.5. For the purpose of these Rules and any By-Laws, only Corporate members, Associate members residing in New Zealand and Life members (“Voting members”) are entitled to vote at meetings of the Association.

5.6. The Executive Officer shall keep a register of all members containing such particulars as may from time to time be prescribed by the Board.

6. TERMINATION OF MEMBERSHIP

6.1. Any member may resign from the Association by giving the Executive Officer notice in writing to that effect. Every such notice shall, unless otherwise expressed, take effect as from the end of the then current financial year. No member so resigning shall be entitled to a refund of any subscription or levy paid by them and/or a waiver of any moneys owing by them.

6.2. The Board may by written notice terminate the membership of:

6.2.1. any member who is convicted on an indictable offence punishable by imprisonment;

6.2.2. any member who becomes bankrupt or which is liquidated or wound up;

6.2.3. any member who makes a composition with their creditors;

6.2.4. any member who becomes of unsound mind, as medically diagnosed.

6.2.5. Any member whose subscription is outstanding and remains unpaid for a period of not less than thirty (30) days after the date payment was due.

6.2.6. Any member pursuant to the provisions of Rule 7.

6.2.7. Except in the case of termination under Rule 6.2.6, termination of membership shall take effect 30 days after the date on which notice was given. In the case of termination under Rule 6.2.6, termination shall take effect 3 days after the date of on which notice was given.

6.3. Any member who resigns pursuant to Rule 6.1, or is removed from the register of members pursuant to Rule 6.2 shall continue to be liable for all arrears of subscriptions due and unpaid at the time of the resignation or removal of the member, and for all other monies due by the member to the Association.

6.4. Any member aggrieved by the Board’s decision in applying Rule 6.2 in respect of its membership, may in writing appeal to the Chairperson of the Association for a review of that decision and on receipt of such an appeal the Chairperson, the Vice-Chairperson and a representative (selected by the Chairperson of the Association) of the Branch, if any, to which the member belongs, shall review the decision and give a written appeal decision for effecting by the Board.

6.5. If the member is not satisfied with the decision on the appeal, the decision shall be submitted to the arbitration of one arbitrator, to be agreed upon by the Board and the member, who shall conduct the arbitral proceedings in accordance with the Arbitration Act 1996 or any enactment replacing that Act.

6.6. If the parties are unable to agree on the arbitrator, an arbitrator shall be appointed, upon the request of either party, by the President or Vice-President for the time being of the District Law Society of the district within which the registered office of

the Association is situated. The appointment and decision shall be binding on both parties to the arbitration and shall not be subject to appeal.

7. DISCIPLINE

7.1. Powers and Procedures:

7.1.1. Members shall be subject to the disciplinary powers and procedures contained in these Rules.

7.1.2. If any member contravenes any of the provisions of these Rules, the Association's By-Laws, Codes of Practice or Code of Ethical Conduct in any material way, the Board may initiate the exercise of disciplinary powers and procedures against that member in accordance with these By-Laws by referring the matter as a complaint to the Executive Officer.

7.2. Complaints:

7.2.1. All disciplinary action must be initiated by a complaint in writing, lodged with the Executive Officer.

7.2.2. Except in the case of a complaint initiated by the board, the Executive Officer shall within 14 working days

- (a) acknowledge receipt of the complaint; and
- (b) seek to determine whether the complainant wishes to have the complainant's identity disclosed to the member against whom the complaint is made; and
- (c) in consultation with the Disciplinary Sub-Committee, form a view as to whether the complaint has substance or is vexatious or frivolous. If the view is formed that the complaint has no substance or is frivolous or vexatious, the Executive Officer will advise the complainant accordingly. If the view is formed that the complaint has substance, is not frivolous or vexatious and the matter complained of is or might be harmful to the reputation or standing of the Association, its members or the Security Industry in the eyes of right thinking members of the Association or public, the following provisions of the Rules relating to Complaints shall apply.

7.2.3. The Executive Officer shall forward a copy of the substance of the complaint to the member against whom the complaint is made and seek an explanation in writing to be received within 21 days. The Executive Officer in consultation with the Disciplinary Sub-Committee shall determine whether the identity of the complainant should be disclosed.

7.2.4 Upon receipt of the written explanation the Executive Officer shall refer the complaint to the Disciplinary Sub-Committee of the Board.

7.3. Investigation of Complaints:

7.3.1. Upon referral of a complaint by the Executive Officer, the Disciplinary Sub-Committee shall consider the complaint, the written explanation of the member and such other information as it may require. It may interview the complainant, the member or any other person it requires to appear before it.

It may require the member to produce any document relevant to the inquiry. It shall be the duty of the member and any other member to assist the Disciplinary Sub-Committee in its inquiry.

7.3.2. After conducting an inquiry into the complaint the Disciplinary Sub-Committee shall prepare a report for the Board within 30 working days. The report shall include a recommendation as to how the complaint ought to be dealt with by the Board. The report shall be delivered to the Executive Officer who shall provide it to the Board.

7.4. Action by Board:

7.4.1. Within 10 working days of receipt of the report by the Disciplinary Sub-Committee, the Board shall review and either adopt or vary the report or refer it back for further investigation by the Disciplinary Sub-Committee.

7.4.2. If the Board decides that disciplinary action should be taken the Board shall, either directly or through the Disciplinary Sub-Committee, or by any other means as it sees fit, do any one or more of the following:

1. determine that a caution should be given to the member;
2. suspend the member for a period of time not exceeding six (6) months;
3. order the member to pay such penalty as may be determined by the Board;
4. order the member to pay any costs and expenses of and incidental to the inquiry;
5. expel the member from the Association.

7.5. The Executive Officer shall advise the complainant and the member of the Board's decision within 10 working days.

7.6. Any member aggrieved by the Board's decision in respect of a complaint, may in writing appeal to the Chairperson of the Association for a review of that decision and on receipt of such an appeal the Chairperson, the Vice-Chairperson and a representative (selected by the Chairperson of the Association) of the Branch, if any, to which the member belongs, shall review the decision and give a written appeal decision for effecting by the Board.

7.7. If the member is not satisfied with the decision on the appeal, the decision shall be submitted to the arbitration of one arbitrator, to be agreed upon by the Board and the member, who shall conduct the arbitral proceedings in accordance with the Arbitration Act 1996 or any enactment replacing that Act.

7.8. If the parties are unable to agree on the arbitrator, an arbitrator shall be appointed, upon the request of either party, by the President or Vice-President for the time being of the District Law Society of the district within which the registered office of the Association is situated. The appointment and decision shall be binding on both parties to the arbitration and shall not be subject to appeal.

8. RE-ADMISSION

Any former member whose membership has been terminated by the Board for whatever reason, or who has resigned from the Association, may apply for re-admission by making application as if it were a new member.

9. SUBSCRIPTIONS

- 9.1. Every member, except Honorary and Life members, shall pay to the Association an annual subscription of such amount, and by such method of payment, as is from time to time fixed by the Board.
- 9.2. Subscriptions are due on the first day of the financial year of the Association and must be paid before the 21st May immediately following the first day of the financial year of the Association
- 9.3. In fixing the annual subscriptions referred to in Rule 8.1 the Board shall not be bound to prescribe a uniform subscription in respect of all members.

10. AUDITING

10.1. Audits

A Corporate member, whose business includes discipline(s) subject to one or more Association Codes of Practice, must have all of the disciplines audited. The cost of such audit will be paid by the member.

10.2. Voluntary Audit

A Corporate member, whose business includes discipline(s) subject to one or more Association Codes of Practice, may at any time apply in writing to the Association to have any or all of the disciplines audited. The cost of such audit will be paid by the member.

10.3. Compulsory Audit

The Board, after receiving a report from the Disciplinary Committee of the Association, may instruct that an audit be undertaken in respect of the practices of the member the subject of the complaint. The cost of the audit will be met by the Association where the audit establishes in the reasonable opinion of the Board that that member's practices comply substantially with the relevant Code(s) of Practice, and by the member where the audit establishes in the reasonable opinion of the Board that the member's practices do not comply substantially with the relevant Code(s) of Practice.

10.4. Certificate of Compliance

After an audit is completed and the auditor is satisfied that the member's practices comply in all respects to the discipline or disciplines being audited, the auditor will advise the Board accordingly. The Association will then issue an appropriate Certificate of Compliance, upon receipt of payment of the relevant fee.

10.5. Fees

Fees for an audit will be set by the Board and may vary depending on the nature and extent of each audit.

11. GENERAL MEETINGS

11.1. Annual General Meetings

The Annual General Meeting ("AGM") of the Association shall be held within six (6) calendar months of the end of the financial year of the Association at such place as the

Board shall determine.

11.2. Special General Meetings

11.1.2 Any meeting of the Association, other than the Annual General Meeting, shall be called a "Special General Meeting" ("SGM").

11.1.3 The Board may at any time convene a SGM of the Association.

11.1.4 The Board shall, within twenty-eight (28) days of the receipt of a requisition in writing to that effect stating the purpose of such a meeting and signed by not less than twelve(12) members of the Association who are entitled to vote, convene an SGM of the Association.

12. NOTICE OF GENERAL MEETINGS

12.1. Notice of every AGM or SGM shall be sent to every member not less than twenty-one (21) days before the meeting.

12.2. If the General Meeting is an AGM, the notice shall be accompanied by a copy of the annual report, financial statements and auditor's report.

12.3. A member who wishes to bring before the AGM any motion or business not relating to the ordinary annual business of the Association shall give notice in writing to the Executive Officer setting out the wording of the motion or the nature of the business not less than fourteen (14) days before the day of the meeting. No motion or business other than business brought forward by the Board shall come before the AGM unless such notice has been given, and no motion shall be discussed unless seconded at the meeting. A notice setting out the motions and business proposed for that meeting notified in accordance with this Rule shall be sent to every member not less than seven (7) days before the AGM.

12.4. Notices sent to members may be sent by letter, facsimile or electronic communication.

13. PROCEEDINGS AT GENERAL MEETINGS

13.1. The business of the AGM of the Association shall be to receive and consider the annual report, financial statements and auditor's report for the preceding financial year, to elect officers and to consider such other business as the Board or any member on due notice may bring before it.

13.2. At all General Meetings, each Voting member shall be entitled to one vote on each matter on which a vote is to be cast for each \$100, or part thereof, paid by that member of the current annual subscription paid by that member under Rule 9 but no member shall be entitled to exercise more than 35 votes on each matter.

13.3. At all General Meetings Voting members may vote either personally or by proxy. The proceedings for voting by proxy shall be set out in the By-Laws.

13.4. The Chairperson or, in the absence of the Chairperson, the Vice-Chairperson of the Association or, in the absence of both, a member of the Board chosen by those Voting members present, shall chair each General Meeting. If at any meeting no such person is present within fifteen (15) minutes after the time appointed for holding the meeting, then the Voting members present shall nominate a member to be Chairperson of that meeting until the Chairperson or the Vice-Chairperson

arrives.

- 13.5. A quorum for all General Meetings is twelve (12) Voting members. No business shall be transacted at any General Meeting unless there is a quorum from the time an item of business is formally proposed until the vote on that item of business is put and determined.
- 13.6. No Voting member shall be entitled to attend or to vote at any General Meeting, or to be considered in a quorum, if their subscription is due and unpaid.
- 13.7. If within thirty (30) minutes after the time appointed for any General Meeting there is no quorum, the meeting shall be re-convened in fourteen (14) days time. In the absence of a quorum at the re-convened meeting, it shall be abandoned.
- 13.8. A motion submitted to a meeting shall be decided in the first instance by voices or a show of hands.
- 13.9. At any General Meeting, unless a poll is demanded by at least two (2) Voting members personally present and entitled to vote, a declaration by the Chairperson that a resolution has been carried or lost and an entry to that effect made in the Minutes of the meeting shall be conclusive evidence of the fact.
- 13.10. If a poll is demanded in accordance with Rule 12.9, it shall be taken forthwith and in writing and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuation of the meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn. Any poll duly demanded concerning the election of a Chairperson of a meeting, or on any question of adjournment, shall be taken at the meeting and without adjournment.
- 13.11. The General Meeting at which a poll is demanded shall appoint two (2) people to act as scrutineers. The Chairperson shall disclose the outcome to the meeting and this shall be conclusive evidence of the result of the poll.
- 13.12. In the case of an equality of votes, the Chairperson shall, both on a show of hands and/or a poll, have a casting vote in addition to the vote to which they are entitled as a member or as a representative of a member.
- 13.13. The Chairperson may, with the consent of the meeting, adjourn the meeting, but no business shall be transacted at any adjourned meeting other than the business unfinished at the meeting from which the adjournment took place.
- 13.14. Minutes of all resolutions and proceedings of meetings of the Association shall be recorded in the Minute Book and signed by the Chairperson of the meeting to which it relates or by the Chairperson of a subsequent meeting.
- 13.15. Any non-Voting member of the Association may speak at General Meetings by applying to the Chairperson at the meeting, who shall ascertain the will of the meeting before giving such member leave to speak.

14. BOARD

- 14.1. There shall be a Board of the Association consisting of the Chairperson, the Vice-Chairperson, up to nine (9) other members of whom representatives of Corporate members must have a majority of at least one.

- 14.2. At its AGM the Association shall elect members of the Board to hold office from that AGM for a term of no more than three (3) years. A retiring Board member shall be eligible for re-election. Nominations, duly seconded, for the position of a Board member must be lodged with the Executive Officer not less than seven (7) days before the date of the meeting.
- 14.3. The Board may also fill any casual vacancy from members eligible to be appointed to the Board, and any member so appointed shall hold office only until the next AGM but shall then be eligible for re-appointment.
- 14.4. The Board may co-opt, at its discretion, any person with special skills and knowledge to any committee of the Board established pursuant to Rule 17.1.
- 14.5. A member of the Board shall cease to be a member of the Board when:
 - 14.6.1 he or she ceases to be a member of the Association;
 - 14.6.2 he or she resigns his or her position on the Board;
 - 14.6.3 he or she is absent from three consecutive Board meetings without leave of absence granted by the Board or without just cause;
 - 14.6.4 the Association passes a resolution to remove him or her from office by a two thirds majority of the Voting members who vote in person or by proxy at a General Meeting, provided that the member has been given notice in writing at least fourteen (14) days before the meeting of the intention to propose the resolution to remove his or her from office.
- 14.6. The following provisions shall apply in respect of the Chairperson and Vice-Chairperson:
 - 14.6.1 The Board shall elect a Chairperson and Vice-Chairperson each year from its members.
 - 14.6.2 (a) No person shall serve as Chairperson for more than three (3) consecutive terms of twelve (12) months each. A former Chairperson may be re-elected as Chairperson after having vacated the office for at least one (1) term of twelve (12) months.
 - (b) Notwithstanding the provisions of clause 14.6.2, the Board, by unanimous resolution, may re-elect the immediate past Chairperson as acting Chairperson if a new Chairperson is not elected, provided that the immediate past Chairperson shall act for a further term of no more than twelve (12) months or until such time as a new Chairperson has been elected, whichever is the sooner.
 - 14.6.3 If a vacancy occurs in the offices of Chairperson or Vice-Chairperson, the Board shall appoint another member of the Board to fill the office for the balance of the term of that Board.
- 14.7. No act or proceeding of the Board, or of any person acting as a member of the Board, shall be invalidated in consequence of there being a vacancy in the membership of the Board at the time of the act or proceeding, or of the subsequent discovery that there was some defect in the election or appointment of any member of the Board or of any person so acting or that they were not eligible to be a member of the Board.

15. INDEMNITY OF OFFICERS

- 15.1. The Chairperson, the Vice-Chairperson, members of the Board, the Executive Officer, the Branch secretaries, members of the Branch committees and other officers, shall be indemnified by the Association from and against all losses and expenses incurred by them in the discharge of their respective duties, except such as may happen from their own dishonesty or willful default.
- 15.2. No officer of the Association or of any Branch and no member of any committee of any Branch shall be liable for the acts or default of any other officer or member, or for any loss or expense suffered or incurred by the Association or any Branch, unless the same happens from their own dishonesty or willful default.

16. DUTIES AND POWERS OF BOARD

- 16.1. It shall be the duty of the Board generally to govern, manage, conduct and control the affairs of the Association and for those purposes the Board shall have vested in it all such necessary powers as are not expressly required by these Rules or the By-Laws to be exercised by the Association. The Board may from time to time establish Codes of Conduct and Codes of Practice as the Board sees fit.
- 16.2. In particular it shall be the duty of the Board to see to the proper collection and disbursement of the funds of the Association, the keeping of all usual and proper accounting records, the compilation and verification of minutes and other records of the business of the Association, and the preparation, audit and submission to the AGM of a report and financial statements for the preceding year.
- 16.3. The Board shall have the authority to appoint staff as required.
- 16.4. The income and property of the Association shall be applied towards the promotion of the objects of the Association.
- 16.5. All moneys received on account of the Association shall be paid promptly into the bank accounts of the Association.
- 16.6. All cheques or other negotiable instruments drawn on the Association's bank accounts shall be signed by such persons as may be authorised for that purpose by the Board.
- 16.7. Cheques or other negotiable instruments received by the Association and requiring endorsement shall be endorsed by such person or persons as may be authorised for that purpose by the Board.
- 16.8. The Board may authorise the funds of the Association to be invested in bank deposits, securities or investments in accordance with the Trustee Act and in any land and buildings required for the purposes of the Association.
- 16.9. The Board may exercise on behalf of the Association all of the Association's powers and functions.

17. PROCEEDINGS OF BOARD

- 17.1. The Board shall meet, adjourn and otherwise regulate its meetings as it may think fit. It may set up committees, for such purposes and with such powers and duties as the Board thinks fit, to deal with particular aspects of the Association's affairs and to report back to the Board.

- 17.2. A meeting of the Board may be convened at any time upon the request of the Chairperson or of any three (3) members of the Board.
- 17.3. The quorum for a Board meeting shall be half of its actual number of members for the time being and no business shall be transacted at any Board Meeting unless the requisite quorum is present.
- 17.4. At any meeting of the Board, the members shall have one vote each, and in the case of an equality of votes the Chairperson shall have a second or casting vote.
- 17.5. Any casual vacancy in the office of Chairperson or Vice-Chairperson shall be filled at the next meeting of the Board after the occurrence of the vacancy.
- 17.6. The Board shall keep minutes of the proceedings at its meetings and of the names of those present at such meetings.
- 17.7. At all meetings of the Board, the Chairperson, or in the absence of the Chairperson then the Vice-Chairperson, shall preside, and in the absence of both of them a Chairperson shall be elected from amongst the members of the Board to preside.
- 17.8. The Minutes of any meeting signed by the Chairperson of the meeting or of the succeeding meeting shall be prima facie evidence of the transactions recorded in such Minutes.
- 17.9. A resolution in writing, copies of which have been forwarded to all members of the Board and which have been signed by at least two thirds of them, shall be as valid and as effectual as if passed at a meeting of the Board duly called and constituted.
- 17.10. Minutes of all meetings and resolutions of the Board shall be available to members of the Association on request.

18. BY-LAWS OF THE ASSOCIATION

The Board, by a resolution passed by not less than two thirds of its members, or the Association by a resolution passed by a two thirds majority of the Voting members who vote in person or by proxy of a General Meeting of which due notice has been given, may make By-Laws for the better administration of the Association's affairs provided that these do not conflict with the Rules, and the Board or the members of the Association may, in like manner, suspend, alter, add to, or revoke any By-Laws so made, by a resolution of similar majority.

19. LIQUIDATION

The Association may be put into liquidation in accordance with the Incorporated Societies Act 1908. If the Association is liquidated and after satisfaction of all its debts and liabilities there remain any assets whatsoever, they shall not be paid or distributed among the members of the Association, but shall be distributed to a charitable organisation or organisations within New Zealand which do not operate for the private pecuniary profit of any individual, and whose objects are similar to those of the Association.

20. PERSONAL BENEFIT

No member of the Association or 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. Any such income shall be reasonable and relative to that which would be paid

in an arms length transaction (being open market value).

21. CONFLICTS

A Board member

- 21.1. may enter into a transaction with the Association; or
- 21.2. may be interested in any arrangement in which the Association is or might be interested; or
- 21.3. may act or not act in any other circumstances

even though the fiduciary or other duty of the Board member to the Association conflicts with other duties or with the Board member's personal interest; IF

- 21.4. the Board member first discloses to the other Board members the nature and extent of any material interest conflicting with the Board member's duties; and
- 21.5. the Board members in respect of whom there is no conflict of interest consider that the transaction arrangement or action is not contrary to the general interest of the Association; and
- 21.6. such disclosures are registered in a Conflicts of Interest Register to be maintained by the Board at all times; and
- 21.7. the Board member in respect of whom there is a conflict may not vote on the conflict issue or be present at the Board discussion in relation to the conflict issue.

22. ALTERATION OF RULES

- 22.1. These Rules may be altered, added to or rescinded by resolution passed by a two thirds majority of the Voting members who vote in person or by proxy at a General Meeting of which proper notice has been given to every member setting forth the purport of the proposed change.
- 22.2. Any alterations to Rules 19, 20 or 22.1, shall not be effective without the prior approval of the Inland Revenue Department.

23. BRANCHES

- 23.1. Separate Branches of the Association may be established with the prior approval of the Board and in accordance with the By-Laws.
- 23.2. Each Branch must, at each AGM of the Association, submit to the Board financial statements for the previous financial year for incorporation into the Association's annual financial statements. Failure to do so will be addressed in accordance with the By-Laws.
- 23.3. A Branch shall have no power to charge, mortgage or pledge any of the assets of the Association in any manner. Branches shall be responsible for any financial transactions they may enter into.
- 23.4. The Chairperson shall be an ex officio member of all Branch committees, and each Board Committee member shall be an ex-officio member of the Branch committee of the area in which they reside.

24. REGIONS

There shall be the following Regions of the Association

Northern Region: From Cape Reinga in the north to a line from Awakino (on the Tasman) through Taupo to Gisborne (on the Pacific).

Central Region: The balance of the North Island, south of the Northern Region, including the Nelson and Marlborough Provinces.

Southern Region: The balance of the South Island.

25. COMMON SEAL

25.1. The Executive Officer shall keep the Common Seal of the Association in safe custody.

25.2. The Board shall use the Common Seal where required for official documents, or as otherwise deemed necessary. The signatures of the Chairperson or Vice-Chairperson and one other Board member or the Executive Officer shall attest its use.

26. EXECUTIVE DIRECTOR

The Board may appoint an Executive Director to manage the Association on such terms and conditions as the Board thinks fit. The responsibilities and accountabilities of the Executive Director shall be laid down by the Board and shall be consistent with the Board directives, Rules and By-Laws. The Executive Officer of the Association may also be appointed Executive Director.

27. FINANCIAL YEAR

The financial year of the Association shall be from 1 April to 31 March, unless the Board decides otherwise.

28. REGISTERED OFFICE

The registered office of the Association shall be situated at such place in New Zealand as the Board of the Association may from time to time decide.

BY-LAWS

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1. DEFINITIONS

For the purpose of these By-Laws the definitions contained in the Rules shall apply.

2. MEMBERSHIP

2.1 Membership - General

2.1.1 All applications for membership to the Association must be made in writing signed by the applicant and in such form as the Board may prescribe.

2.1.3 The applicant will adhere to the Rules, By-Laws, Codes of Practice and Code of Ethical Conduct of the Association as from time to time defined by the Board.

2.1.4 The Board shall consider the application for membership and the applicant shall be advised in writing of the outcome. The application must be approved by a majority of the Board at the time of consideration. The Board shall not be obliged to give any reason for the rejection of an applicant and its decision shall be final. The applicant shall be advised in writing of the outcome within three (3) months.

2.2 Corporate Membership:

Every applicant for corporate membership shall:

2.2.1 Be an entity that is engaged in the security industry and, if applicable, holds a current licence under the Act.

2.2.2 Satisfy the Board that:

- (i) the business of the applicant is in a sound financial position;
- (ii) it has Public Liability insurance cover at a level no less than that set by the Board from time to time;
- (iii) it agrees to have a caveat placed on the policy to the effect that if the policy lapses, or is cancelled, the Association must be advised of the same by the insurer, or such other arrangement as the Board may prescribe;
- (iv) it will adhere to the Rules, By-Laws and standards of the Association as from time to time defined by the Board;
- (v) it will abide by the requirements of the Act or any other enactment replacing the Act.

2.3 Dealer/Franchisee Membership:

2.2.1 The Head Dealer/Franchisor must be a Corporate member of the Association.

2.3.1 The Dealer/Franchisee must have a written agreement with the Head Dealer/Franchisor and hold a licence, under the Private Investigators &

Security Guards Act 1974, in its own right.

- 2.3.2 The Dealer/Franchisee must trade under the name of the Head Dealer/Franchisor.
- 2.3.3 The Dealer/Franchisee must join the Association as a Dealer/Franchisee member.
- 2.3.4 If a Dealer/Franchisee leaves the Head Dealership/Franchise, then its subscription and category of membership may be varied to the current subscription and category that would normally apply as a 'stand alone' Corporate member.
- 2.3.5 The Head Dealer/Franchisor will be responsible for any shortfall in subscriptions owing by the Dealer/Franchisee.

2.4 Associate Membership:

There shall be three (3) categories of associate membership, namely Associate Company, Associate Individual and Associate Student.

- 2.4.1 The Board may admit to Associate Company or Associate Individual membership any entity who does not qualify for corporate membership.
- 2.4.2 The Board may admit to Associate Student membership any person who is studying at a tertiary institute or who is studying full time in an NZQA approved security course.
- 2.4.3 Associate Student members shall have voting rights at General Meetings. They shall not be eligible to be appointed to the Board as a member or as a representative of a member.

2.5 Affiliate Membership:

There shall be two (2) categories of Affiliate membership, namely Affiliate Company and Affiliate Individual membership

- 2.5.1 The Board may admit to Affiliate Company or Affiliate Individual membership any business or person who is involved;
 - i. In the motor vehicle security installation and maintenance business;
 - ii as a Contractor to a Corporate member.
 - iii as a Contractor or Franchisee of an Associate member.
Contractors must have a C of A or Police clearance.
- 2.5.2 Affiliate members shall not have voting rights at General Meetings. They shall not be eligible to be appointed to the Board as a member or representative of a member.

2.6 Life Membership:

The honorary title of 'Life Member' may be accorded to an individual who has been nominated by another member and, in the opinion of the Board, satisfies the following criteria:

2.6.1 The nominee has advanced the standing of the Association; and

2.6.2 The nominee has made a long, substantial and outstanding contribution to the Association; and

2.6.3 The contribution of the nominee to the Association has been of such a special nature as to merit recognition in this manner.

Life members, whose number at any one time shall not exceed five (5), shall be elected by a three-quarters majority vote of voting members present at an Annual General Meeting of the Association on the unanimous recommendation of the Board.

2.7 Designations:

2.7.1 Corporate and Associate members who reside in New Zealand are entitled to the letters MNZSA or Member of NZSA.

2.7.2 Life members are entitled to the letters MNZSA (Life).

2.8 Application Fees:

A non-refundable application fee shall apply to all classifications of membership.

2.9 Penalties

2.9.1 That any costs incurred by the Association to recover unpaid subscriptions or any other debt will be at the cost of the member.

3. CODE OF ETHICAL CONDUCT

3.1 The Association is committed to the highest standards of professional conduct on the part of its members at all times. All members are expected to conform to these standards, personally and collectively in all respects, in both their businesses and their employment, in the obligations due to their clients/principals and the general public, in their responsibilities to staff, and their relationship with other members. In their work and employment members must comply with all applicable laws, regulations and rules.

3.2 Any breach of this Code of Ethical Conduct shall render the member committing a breach liable to the disciplinary procedures of the Association as set out in these By-Laws.

4.1 Auditing

4.1 If, pursuant to Rule 10 of the Rules, a member has been requested to have an audit carried out and has not completed the audit within 6 (six) months of receiving notice

of the audit, then the Board may:

- (a) suspend the member's membership until such time as the audit is completed and/or;
- (b) require the member to pay for the cost of the audit.

4.2 Membership will be reinstated on the completion of a satisfactory audit.

5. PROXY VOTING

Every voting member shall be entitled to exercise his or her vote in accordance with the Rules, either in person or by proxy. The following provisions shall apply to proxies:

- 5.1 The instrument appointing the proxy shall be in writing under the hand of the appointer, and no person shall be appointed a proxy who is not a member of the Association and entitled to vote.
- 5.2 The instrument appointing a proxy for a meeting of the Association shall be deposited at the registered office of the Association or at such other place as the Board may from time to time determine.
- 5.3 The instrument appointing a proxy for a meeting of a Branch shall be deposited at the office of the Branch Executive Officer or at such other place as the Branch Committee may from time to time determine.
- 5.4 Proxies shall be so deposited not less than 72 hours before the time fixed for holding the meeting or adjourned meeting as the case may be, at which the person named in the instrument proposes to vote. Notice of the deadline for and the place at which proxies are to be deposited shall be given in the notice calling the meeting.
- 5.5 A proxy may be appointed for a specific meeting only or any adjournments thereof, or may be for all or any meetings.
- 5.6 The instrument appointing a proxy shall be substantially in the form set out in the First Schedule to these By-Laws.
- 5.7 A vote given in accordance with the terms of an instrument appointing a proxy shall be valid, notwithstanding the previous death or liquidation of the principal or revocation of the instrument under which the vote is given, provided that no intimation in writing of the liquidation or revocation is received before the meeting at the headquarters of the Association, or as the case may be, the office of the Branch of the Association for which the meeting is to be held.

Schedule One

NEW ZEALAND SECURITY ASSOCIATION (INC.)

PROXY FORM OF

I _____ of _____

being a financial voting member of the Association **do hereby appoint**

or as an alternate

as my proxy to vote for me at the meeting of the Association (or of the Branch)

to be held on the _____ day of _____ 20_____

and any adjournment thereof.

Dated this _____ day of _____ 20_____

Member's signature _____