

Rules Review Information Pack

April 2026



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About this document

This document has been prepared to help you understand the proposed changes to the Rules of UniMed.

The Rules of UniMed are an important document – they guide how the Society operates and is governed. It is important to note that the proposed changes will not affect Members' health insurance benefits or cover.

UniMed will hold a Special General Meeting (SGM), where we will ask Members to vote on the proposed Rules. Under our current Rules, the resolution must be passed by a two thirds majority of Members who vote at the SGM.

The Board encourages you to read this Information Pack and exercise your right as a Member to vote.

Why are we reviewing the Rules?

The last major review of our Rules was in 2012. Since then, the market and regulatory environment for health insurers have changed significantly, which was further highlighted in a thematic review of governance by the Reserve Bank of New Zealand (RBNZ) and the Financial Markets Authority (FMA) in 2022.

As a result, our Board, together with management and our solicitors, Simpson Grierson, have completed a comprehensive review of the Rules to ensure that they:

- Are compliant with all relevant legal and regulatory obligations – both existing and coming in the near term.
- Are reflective of best practice governance guidance and practice outlined in the RBNZ's and FMA's governance thematic review.
- Balance the historic kaupapa of UniMed as a membership organisation with the need to implement UniMed's current and long-term strategy, and act in accordance with all its financial services licensing requirements
- Are fit for purpose, and suitable in the context of the present-day operating and regulatory environment.
- Are easily understandable and use plain English.

What's not changing?

The proposed changes will not affect Members' health insurance benefits or cover.

What's changing?

Here's a summary of key proposed updates to the UniMed Rules:

- A summary of the key proposed changes and what this means for you can be found on page 4.
- A comparison document showing the differences between the current Rules and the proposed Rules can be found on page 7.
- A full copy of the proposed updated Rules can be found on unimed.co.nz/sgm.

Summary of key proposed updates to the UniMed Rules

Section of the Rules	What's changing	What this means for Members
Objects of the society	The Society's purpose and objectives have been simplified and updated to align with current relevant legislation including the Industrial and Provident Societies Act and the Financial Markets Conduct Act. We have clearly separated why the Society exists from the powers it uses to achieve that purpose.	This will give Members clearer insight into UniMed's purpose: to help Members and their families to stay in lifelong good health.
Membership	Membership rules have been simplified and consolidated, clearly explaining when someone becomes a Member and when membership ends.	This provides greater clarity about who is a Member and when membership begins and ends, aligns the Rules with legislative requirements, and reduces unnecessary complexity.
Member Shares	The Rules have been modernised to reflect current operating practices in relation to the monetary value of Member shares and voting rights during policy suspension.	This clarifies that Members cannot vote while their policy is suspended and that Member shares do not have a financial value.
Annual General Meetings (AGM)	AGM agenda requirements have been clarified and set out more clearly in the Rules.	Gives Members clearer visibility of the matters considered and voted on at AGMs.
Special General Meetings (SGM)	The Rules now clearly explain how Members can request and call an SGM.	Gives Members clearer guidance on how and when they can request an SGM.
Meetings	Notice requirements and meeting methods have been updated to reflect modern technology and good governance practice.	Meetings will be able to be held in different formats, making it easier for Members to attend and participate.
Notice of Resolution	Clarity has been added on how Members can raise matters for discussion at an AGM.	Gives Members clearer guidance on how to submit matters for discussion at an AGM.

Section of the Rules	What's changing	What this means for Members
Voting	Proxy limits have increased from 50 to 100 per Member, with no limit on proxies held by the Chair. Proxy processes and voting procedures have been clarified to align with good governance practice.	This will allow more Members to be represented in votes and will strengthen voting processes.
Composition of the Board	The rules now clarify what qualifies someone to be a Director, stipulates a minimum number of Elected Directors and gives the Board more flexibility to appoint Directors in the event no qualified candidates are nominated for election.	Provides additional transparency around eligibility standards which provides for a strong and balanced Board structure.
Board Term	Director tenure limits have been clarified, with a maximum service period of nine years (whether consecutive or not), aligning with governance guidance from the RBNZ and FMA.	Clear tenure limits promote independence, renewal, and good governance practice.
Proceedings of the Board	The Rules now set out clearer provisions for quorum, proxy use at Board level, written resolutions, and meeting procedures.	Greater transparency and robustness in how Board decisions are made.
Director Remuneration	Clarifies that Members vote on the total remuneration pool for both elected and appointed Directors.	This will clarify the scope of Director remuneration that Members have the ability to vote on and align the Rules with current practice.
Subscriptions and Benefits	This section has been simplified and aligned to policy terms to minimise confusion. References to discretionary payments have also been removed.	This will ensure Members are treated consistently and can more easily understand how premiums and benefits work.
Disputes	The disputes section has been updated to reflect current operating practices and regulatory requirements as a licenced financial service provider.	No change to Members' rights. Complaints can still be raised through UniMed's complaints process and escalated to the Insurance & Financial Services Ombudsman Scheme as required.

Special General Meeting (SGM)

Date and time of the SGM

Thursday 28 May 2026 at 6pm

Location of the SGM

In-person

UniMed, Level 3, 165 Gloucester Street,
Christchurch City Central, Christchurch

Online via Microsoft Teams

RSVP by 6pm Wednesday 27 May 2026

Please let us know if you are attending in-person or online by confirming your attendance preference and Membership/Policy Number via email to Secretary@unimed.co.nz

Those registering to attend online will be sent the meeting link.

If attending online, you will be able to watch the Meeting, vote, and ask questions via Microsoft Teams.

Order of Business

- A. Chair's address
- B. Member questions
- C. Voting on the Resolution

Members will be asked to consider and vote on the following resolution:

That Members of Union Medical Benefits Society (UniMed) approve and adopt the revised and updated Rules of UniMed.

Under our current Rules, the resolution must be passed by a two thirds majority of Members who vote at the SGM.

How to vote

Any UniMed Member aged 16 or older may vote by being present at the SGM (either in person or online) or by proxy.

The proxy form can be found on our website and can be filled in online or printed out and posted back to us.

Full Comparison Table

RULE	EXISTING RULE	PROPOSED RULE
A	NAME, REGISTERED OFFICE AND OBJECTS	
	ORIGINS OF UNIMED	<p>Founded in 1979, Union Medical Benefits Society Limited (UniMed) was established by representatives of New Zealand workers, strongly rooted in the trade union movement, as a not-for-profit mutual society aimed at helping people fund and access healthcare affordably.</p> <p>UniMed is focused on workplace health insurance and wellbeing services, building long-term relationships with New Zealand employers, and individual members, desiring to treat members with respect, equity and integrity.</p>
1.	NAME OF THE SOCIETY	No Change
2.	REGISTERED OFFICE The registered office of the Society shall be at 165 Gloucester Street, Christchurch or at such place as the Board shall from time to time determine ("Registered Office").	<p>2 REGISTERED OFFICE</p> <p>2.1 The registered office of the Society is at 165 Gloucester Street, Christchurch or any other location the Board may decide.</p>
3.	OBJECTS OF THE SOCIETY The objects for which the Society is established are: <p>3.1 To institute and manage the Society on a co-operative basis for the benefit of its members.</p> <p>3.2 To provide funds by subscription of the members for:</p> <ul style="list-style-type: none"> a) the payment of medical, surgical, and hospital fees and the costs of ancillary services incurred by or on behalf of the members; and b) the payment of benefits in respect of: <ul style="list-style-type: none"> (i) personal accident whether fatal or not to members; (ii) the disease or sickness of members; or (iii) such other risks that may be underwritten by the Society from time to time. 	<p>3 PURPOSE OF THE SOCIETY</p> <p>3.1 The Society exists to help its Members and their families stay in lifelong good health. To achieve this, the Board may do any of the following whenever it thinks appropriate:</p> <ul style="list-style-type: none"> (a) arrange contracts of insurance; (b) provide, organise, or pay for health-related services, facilities, and benefits for Members; (c) offer grants or scholarships for research in medical, social science, or education fields that support the Society's purpose; (d) give grants, donations, or loans to, or join with, any organisation that shares the Society's goals; (e) support or oppose laws or other measures that affect the Society's work or its Members' wellbeing; and (f) do anything lawful that helps achieve the Society's purpose, as long as it does not involve running a banking business.

<p>3.3 To further the health, education or welfare of the members and to provide for the relief and maintenance of members when in distressed circumstances.</p> <p>3.4 To make and carry into effect agreements or arrangements with Government, Local Authorities, Hospitals, Nursing Homes, infirmaries, physicians, surgeons or any persons or bodies as may further any of the objects of the Society.</p> <p>3.5 To provide or co-operate in the provision of medical facilities and services of any kind for the benefit of the members.</p> <p>3.6 To provide grants or scholarships for research in all fields of medical or social science or education which further the objects of the Society generally.</p> <p>3.7 To make grants or donations or loans or to amalgamate or affiliate with any association or body having objects similar to the objects of the Society.</p> <p>3.8 To lend or advance money to members upon such security of real or personal property and on such terms as to repayment and interest or otherwise as may be thought fit and to give guarantees in respect of the fulfilment of any contracts or obligations and to become surety for or otherwise financially aid members in distressed circumstances.</p> <p>3.9 To promote or oppose any legislative or other measures affecting or likely to affect the work of the Society or the wellbeing of its members.</p> <p>3.10 To use the funds of the Society in payment of the costs and expenses in furthering or carrying out the objects of the Society or any of them including the employment of a Chief Executive Officer or management company, agents, advisors, counsel, solicitors, accountants, officers or servants as shall appear necessary or expedient.</p> <p>3.11 To guarantee the performance of their duties by the Directors and servants of the Society.</p> <p>3.12 To invest the funds of the Society not immediately required for its purposes in any of the ways authorised by these Rules.</p> <p>3.13 To raise or borrow money for the purposes of the Society and to make arrangements for the discharge or guarantee of all or any of the liabilities of the Society.</p>	<p>3.2 Subject to the IP Societies Act and other laws, the Society:</p> <ul style="list-style-type: none"> (a) can, both in New Zealand and overseas, do anything a natural person can do; and (b) for that purpose, has all the rights, powers, and privileges that a natural person would have. <p>3.3 Apart from the powers in rule 3.2, the Society can also do anything that its Rules must specifically allow under the IP Societies Act, including:</p> <ul style="list-style-type: none"> (a) investing in any securities (as defined in the Financial Markets Conduct Act 2013), including in shares or secured interests in any societies registered under the IP Societies Act or under the Building Societies Act 1965, or companies registered under the Companies Act or other incorporated organisations, as long as those organisations have limited liability and including those issued by banks or the Government; (b) investing in land or buildings (including by purchase, lease, sale or mortgage); (c) lending money to Members, using real or personal property as security or on other agreed terms; (d) entering into acquisitions, mergers, joint-ventures, partnerships, collaborations, or carrying out restructures, either alone or with others, in New Zealand or overseas; (e) raising or borrowing money for the Society’s purposes and arranging to pay or guarantee any of the Society’s debts; and (f) using the Society’s funds to cover costs and expenses needed to achieve its purpose, including hiring a CEO, management company, agents, advisors, lawyers, accountants, officers, or employees.
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	<p>3.14 To engage in any lawful activity whether by way of acquisition, merger, joint-venture, partnership or collaboration or any other structure (including by an entity established by the Society) and whether alone or jointly with any other party either in New Zealand or overseas where products and services may be provided to or involve members or non-members provided that the Board is satisfied that the engagement is in the overall best interests of the Society and its members.</p> <p>3.15 To do all lawful things as are incidental or conducive to achieving any of the above objects, provided that nothing in these Rules shall be deemed to authorise the Society to carry on the business of banking.</p> <p>3.16 Each of the objects and powers set out in rules 3.1 to 3.15 shall not, except as expressly provided in these Rules, be:</p> <p>(a) limited or restricted by reference to or inference from the terms of any other rule; and</p> <p>(b) deemed subsidiary or ancillary to any other objects and powers in rules 3.1 to 3.15. The Society shall have the power to exercise all or any part of the powers conferred by any of rules 3.1 to 3.15 independently of any other of rules 3.1 to 3.15.</p>	
B	MEMBERSHIP	
4	NUMBER OF MEMBERS	
B	The Society shall consist of an unlimited number of members	<p>4 MEMBERS</p> <p>4.1 There is no limit on how many Members the Society can have.</p>

5	APPLICATION FOR MEMBERSHIP	
	<p>5.1 Application for membership shall be made in such form, if any, as the Board may prescribe and shall be delivered to the Registered Office of the Society.</p> <p>5.2 Such application shall be considered by the Board or its delegate which shall have a discretion to determine whether the applicant shall be admitted to membership.</p> <p>5.3 If the applicant is admitted to membership, the member shall be granted one Member Share.</p> <p>5.4 The Board may require the applicant or any dependents or relatives who may be eligible for a benefit to undergo a medical examination by a qualified practitioner approved by the Board, and the cost of such examination shall be borne by the applicant.</p> <p>5.5 The Board may make the grant of membership subject to the payment by the applicant within such time and in such manner as it determines of a subscription or a portion of a subscription payable for that financial year by existing members.</p>	<p>5 MEMBERSHIP</p> <p>5.1 When the Society accepts an application for cover under a Qualifying Policy, all insureds aged 16 or older on that policy become a Member and are issued with one Member Share.</p> <p>5.2 Anyone who is insured by a Qualifying Policy before they turn 16 automatically becomes a Member upon turning 16 if they continue to hold a Qualifying Policy.</p> <p>5.3 The Society may require that cover and ongoing membership is on the terms and conditions stated in the Qualifying Policy documents or in any other legally binding notices given to Members from time to time.</p> <p>5.4 By applying for and receiving cover under a Qualifying Policy, a Member agrees to follow and comply with these Rules.</p>
6	WITHDRAWAL BY A MEMBER	
	<p>6.1 A member shall be able to withdraw from the Society by giving written notice of the decision to do so to the Society at its Registered Office and such notice shall take effect at the expiration of one calendar month from the date of receipt by the Society.</p> <p>6.2 Such withdrawal shall not, in any way, absolve the member of liability to pay the Society any subscriptions or other monies then owing, and the Society may apply any monies to which the member would otherwise be entitled in reduction of such debt.</p> <p>6.3 The Society shall not be liable to make any refund or rebate of the members current paid annual subscriptions either in whole or in part.</p>	<p>6 END OF MEMBERSHIP</p> <p>6.1 A Member's membership automatically ends if they:</p> <ul style="list-style-type: none"> (a) no longer hold a Qualifying Policy, whether because it has lapsed or been terminated or cancelled by the Member or the Society in line with its terms; or (b) die. <p>6.2 Ending a Member's Membership does not remove any responsibility or liability of the Member or the Society for obligations related to the Qualifying Policy or Membership that arose before Membership ended.</p>

7	LOSS OF MEMBERSHIP	
	<p>7.1 In the event of a member failing to subscribe to one of the funds administered by the Society or failing to pay any subscriptions within 3 months of due date they shall cease to be a member of the Society.</p> <p>7.2 A person shall cease to be a member in the event of the Board determining that their continued membership is detrimental to the interests of the Society.</p> <p>7.3 The Rules relating to withdrawal by a member shall apply in the case of loss of membership insofar as they are not inconsistent with this rule 7.</p>	Removed – see Section 6
8	DEATH OR BANKRUPTCY OF A MEMBER	
	<p>If a member of the Society dies or becomes bankrupt, their membership shall cease provided that their executors, administrators or trustees or the assignee of their estate as the case may be shall upon the production of such evidence as may from time to time be properly required by the Board in that behalf and upon the receipt by the Board of a completed application form or such other accounts or receipts as may be required be entitled to receive payment of any benefit to which the member became entitled on death or to which they would have been entitled at that time if they had not died or been adjudicated bankrupt.</p>	Removed - see Section 6
C	MEMBER SHARES	
9	NUMBER	
	<p>9.1 The Member Shares in the Society shall be unlimited in number.</p>	

10	RIGHTS AND VALUE	
	<p>10.1 Each Member Share:</p> <ul style="list-style-type: none"> (a) confers on the holder the right to one vote on a poll at a meeting of members of the Society on any resolution; (b) does not confer any interest in the capital or income of the Society; (c) is not transferable; (d) is not withdrawable; (e) is automatically cancelled on the holder ceasing to be a member. <p>10.2 Each Member Share has a nominal value of \$2, to be credited from the reserves of the Society and returned to reserves on cancellation of the Member Share. A member has no right, title or interest in the nominal value of any Member Share and has no liability to personally pay the nominal value to the Society.</p> <p>10.3 Any Historic Share on issue to any Member on the Effective Date is cancelled on the Effective Date and concurrently replaced with a Member Share.</p> <p>10.4 The following historical decisions are hereby ratified in respect of all Historic Shares:</p> <ul style="list-style-type: none"> (a) Members who joined the Society on or after 1 December 2016 had the application fee of \$2 waived; (b) Each Member who joined the Society before 1 December 2016 is to receive a refund of their \$2 share application fee by way of a rebate to policy premium increases effected on the first anniversary of their policy occurring on or after 1 August 2017, and consequently the cancellation of their Member Shares does not give rise to any right to a refund for them. 	<p>7 RIGHTS AND VALUE</p> <p>7.1 Each Member Share:</p> <ul style="list-style-type: none"> (a) gives the Member the right to attend General Meetings and cast one vote on any decision that requires a resolution of the Society's Members, except when the Member's Qualifying Policy is suspended; (b) does not give the Member any ownership or interest in the Society's capital, income, or assets; (c) cannot be transferred or withdrawn; (d) belongs personally to the Member and cannot be held on any trust, whether express, implied or constructive; and (e) is automatically cancelled when the Member's membership ends. <p>7.2 A Member Share, even if it was originally issued with a nominal value, has no monetary value.</p>
11	MAXIMUM SHAREHOLDING	
	No member shall be entitled to hold more than one Member Share.	Removed as unnecessary, as Rule 5.1 specifies that one share is issued.

12	MEMBER SHARE REGISTER	
	<p>A register shall be kept by the Secretary at the Registered Office in which the Secretary shall cause to be entered the full name, postal address, occupation or status, and date of entrance of each holder of a Member Share, and the Secretary shall cause the register to be amended accordingly in the event of the cessation of membership of any holder of a Member Share. Each member shall notify the Secretary in writing of any change in postal address or occupation or status. For the avoidance of doubt, the information required in this register may be combined with any other records of the Society.</p>	<p>8 MEMBER SHARE REGISTER</p> <p>8.1 The Society will keep a register of Members in line with privacy laws. This register must include each Member’s name, contact details, membership status, and start date and end date of membership.</p> <p>8.2 Members are responsible for keeping their personal information up to date.</p>
D	GENERAL MEETINGS	
13	ANNUAL GENERAL MEETING	
	<p>13.1 An Annual General Meeting of the Society shall be held in each year on such day not earlier than the 1st day of September and not later than the 30th day of November at such hour and place as the Board may appoint.</p> <p>13.2 At every Annual General Meeting of the Society a general statement signed by one of the Directors and the Chairperson showing the transactions of the Society for the preceding financial year ending on the 30th day of June, the Society’s present condition, and the state of its affairs generally, and the accounts and balance sheet together with the Auditor’s report, shall be available for inspection by members.</p>	<p>9 ANNUAL GENERAL MEETING</p> <p>9.1 An Annual General Meeting (AGM) must be held every year within five months after the Society’s balance date.</p> <p>9.2 The business of each AGM must include:</p> <ul style="list-style-type: none"> (a) receiving and approving the minutes of the previous AGM and any Special General Meetings held since then; (b) presenting the annual report on the Society’s affairs during the most recent financial year; (c) presenting the audited financial statements for the most recent financial year; (d) presenting the Auditor’s and Appointed Actuary’s reports on the financial statements; (e) holding any Director elections required under rule 18; and (f) considering any motions, including decisions on Director Remuneration in line with clause 22, and Auditor appointment.

14	SPECIAL GENERAL MEETING	
	<p>A Special General Meeting of the Society:</p> <p>14.1 May be called for at any time by the Board.</p> <p>14.2 May be requisitioned by not fewer than 10% of the membership by written notice delivered to the Secretary. On receipt of such a requisition notice, a Special General Meeting must be called, and notice of the Special General Meeting must be given within 28 days of receipt of the requisition notice.</p>	<p>10 SPECIAL GENERAL MEETING</p> <p>10.1 A Special General Meeting (SGM) of the Society:</p> <p>(a) can be called at any time by the Board; and</p> <p>(b) must be called if at least 10% of the Society's Members give the Board a signed notice requesting an SGM. That notice must state the business to be discussed and include the wording of any resolution to be considered (which must relate to a matter Members are expressly allowed to vote on under these Rules). The Board must send out the notice of meeting for the SGM within 28 days of receiving a valid request from the Members.</p>
15	MEETINGS	
	<p>15.1 Notice of any General Meeting shall be given by advertisement at least once in at least one daily newspaper circulating in each of the four major metropolitan areas of New Zealand at least 21 clear days prior to the day appointed for the meeting.</p> <p>15.2 The advertisement must include the nature of the business to be transacted at the General Meeting and the text of any resolution to be submitted to the meeting.</p> <p>15.3 The advertisement may include a form of proxy.</p> <p>15.4 In the case of an Annual General Meeting the advertisement shall also include a profile of each of the candidates validly nominated for election to the Board (if an election is required).</p> <p>15.5 The Notice must include details of how a member may vote, including (as applicable) any right to vote by proxy, electronic voting or postal voting.</p> <p>15.6 The requirement to "include" any information in the Notice of General Meeting can be satisfied by the Notice stating where that information can be easily and readily accessed by a member, for example on the Society's website.</p>	<p>11 CONDUCT OF GENERAL MEETINGS</p> <p>NOTICES</p> <p>11.1 Notice of any General Meeting must be given to Members at least 21 days before the meeting.</p> <p>11.2 The notice of meeting for any General Meeting must include:</p> <p>(a) the date, time, location, and format of the meeting;</p> <p>(b) the agenda;</p> <p>(c) the text of any proposed resolutions; and</p> <p>(d) instructions for voting.</p> <p>11.3 If a Member does not receive the notice, or if it was accidentally not sent to them, the meeting and its decisions are still valid.</p> <p>METHOD OF HOLDING MEETINGS AND QUORUM</p> <p>11.4 A General Meeting can be held with a quorum of 10 or more Members (or their proxies):</p> <p>(a) physically present at the appointed time and place; or</p> <p>(b) joining by audio, video, or other electronic means; or</p> <p>(c) using a combination of both of these methods, as decided by the Board.</p>

		<p>11.5 If a quorum is not present within 30 minutes of the scheduled start time for the General Meeting:</p> <ul style="list-style-type: none"> (a) if the meeting was called at the request of Members under rule 10(b), it is automatically cancelled; and (b) otherwise, the meeting is postponed to the same day and time the following week, or another time and place set by the Board. If there is still no quorum after 30 minutes at the postponed meeting, those Members present (including proxies) will form a quorum. <p>11.6 Subject to rules 7.1 and 13.3(d), all Members may attend a General Meeting. The Board may also invite others if their attendance is necessary or helpful.</p> <p>MINUTES</p> <p>11.7 The Board must keep minutes of all General Meetings and any resolutions passed. These must be made available to Members as soon as reasonably possible after the meeting.</p>
16	NOTICE OF RESOLUTION	
	<p>Any member intending to bring forward a subject for discussion or to move a resolution must give notice in writing to the Secretary no later than the date advised by the Society from time to time as the last date for receipt of notices to ensure that the notice is included in the notice of the General Meeting, and such notice shall specify the subject or set out the resolution to be moved. The Secretary shall provide full information on the notices received to any member who enquires about the notices.</p>	<p>12 MEMBER RESOLUTIONS</p> <p>12.1 For each AGM, the Society must set and advise a deadline for submitting AGM Remit Notices. A Member may give the Society a written notice (called an AGM Remit Notice) about a matter they want discussed at the next AGM. The Society must receive the AGM Remit Notice by the specified deadline. An AGM Remit Notice cannot propose a resolution, except one asking the Board to consider the matter raised in the AGM Remit Notice.</p> <p>12.2 The AGM Remit Notice must state the subject for discussion. The Member may also include a statement of up to 1000 words supporting the proposal, along with their name and address. The Society will make this information available to all Members, unless the Board considers it defamatory, frivolous, or vexatious.</p> <p>12.3 The Board may, but does not have to, provide its own commentary or opinion on the matter in an AGM Remit Notice, before the AGM.</p>

17	APPOINTMENT OF CHAIRPERSON	
	<p>17.1 The Chairperson of the Board shall chair at all General Meetings if present and willing to act, and if not, the Deputy Chairperson of the Board shall chair.</p> <p>17.2 If neither is present and willing to act, the meeting shall appoint a Chairperson who shall be a Director if any Directors are present and willing to act.</p> <p>17.3 If not, the meeting may appoint a Chairperson from among those members present.</p>	<p>13 APPOINTMENT OF CHAIRPERSON</p> <p>13.1 The Board Chairperson will chair all General Meetings if present and willing to do so.</p> <p>13.2 If the Board Chairperson is unavailable, the Deputy Chairperson will act as Chairperson. If neither is available, the Members present at the meeting may appoint any attending Director as Chairperson.</p> <p>13.3 The Chairperson of a General Meeting:</p> <ul style="list-style-type: none"> (a) oversees the general conduct of the meeting and decides the procedures to be followed; (b) may require any procedure they consider necessary to enable the proper conduct of the meeting; (c) may end discussion or debate on any matter if they consider it is necessary or desirable for the proper conduct of the meeting; and (d) may refuse entry or require a person to leave if they know or suspect that the person: <ul style="list-style-type: none"> (i) is trying to record the meeting without the Board’s permission; (ii) has a placard or banner; (iii) has an item considered dangerous, offensive or likely to cause disruption; (iv) refuses to allow inspection of any item in their possession; or (v) behaves or threatens to behave in a dangerous, offensive or disruptive manner. <p>13.4 A decision made by the Chairperson under rule 13.3 is final.</p>

E	VOTING AT MEETINGS	
18	VOTING	
	<p>18.1 At any General Meeting of the Society each member personally present shall be entitled to:</p> <ul style="list-style-type: none"> (a) one vote for that member; and (b) one vote for each of such proxies as that member may have been appointed to hold up to a maximum of 50 votes. <p>18.2 If any member votes more than once in relation to any matter, the votes shall take priority in the following order: (i) attendance in person or by proxy at the General Meeting; (ii) postal vote; (iii) electronic/internet vote.</p>	<p>14 VOTING AT GENERAL MEETINGS</p> <p>14.1 A Member can vote on a matter:</p> <ul style="list-style-type: none"> (a) in person, in the way decided by the Chairperson (for example, by show of hands or by voice); or (b) by proxy, if the proxy is valid; or (c) in any other way described in the notice of meeting for the General Meeting. <p>14.2 At a General Meeting, the Chairperson may, or must if at least 10 voting Members request it, arrange for each vote to be counted individually to confirm the result of a vote. This can happen before or after a vote is taken. If an individual vote count takes place, votes made in person, by proxy, and in advance (if any) must be counted. The Chairperson may use an independent scrutineer to validate the vote count.</p> <p>14.3 If the Chairperson declares that a resolution has passed by the required majority, that decision is final unless a vote count under rule 14.2 is required. The Chairperson’s decision on the outcome of a vote count is also final.</p> <p>14.4 If the Board allows Members to vote in advance of a General Meeting:</p> <ul style="list-style-type: none"> (a) the voting method will be set by the Board and explained in the notice of meeting; (b) the notice of meeting must give a closing date for any advance votes (which must not be earlier than 48 hours before the meeting starts); (c) a Member who votes in advance cannot vote again or change their vote at the meeting (including on a vote count under rule 14.2) or appoint a proxy; (d) the resolution takes effect on the date of the meeting, even if enough votes were cast earlier; and

- (e) if a Member has validly voted in advance, they count for that vote but not towards the quorum for the meeting, unless they attend the meeting in person or electronically.

14.5 A Member can submit a proxy form to the Secretary no later than 24 hours before the relevant General Meeting, using the form required by the Board. The proxy form must:

- (a) allow the appointor to instruct the proxy to vote 'for' or 'against' all resolutions, and alternatively to exercise their own discretion; and
- (b) allow the Member to appoint either the Chairperson or another Member as proxy, and if no proxy is named, provide that the Chairperson will act as proxy by default.

14.6 The following proxy limits apply:

- (a) A Member can hold up to 100 proxies.
- (b) The Chairperson can hold an unlimited number of proxies.

14.7 Unless stated otherwise, even if a proxy form gives instructions on specific resolutions, it also allows the proxy to:

- (a) vote on amendments to resolutions;
- (b) vote on motions to withdraw resolutions;
- (c) vote on procedural motions; and
- (d) act generally on behalf of the Member, including calling for a vote count under rule 14.2.

14.8 Unless stated otherwise, if the meeting relating to a proxy form is postponed or adjourned, the proxy appointment still applies to the new date and time.

14.9 The Chairperson will decide if a proxy is valid or not.

14.10 Member resolutions are passed by Ordinary Resolution unless these Rules say otherwise.

14.11 If there is a tied vote on a resolution at a General Meeting, the Chairperson has a casting vote.

19	PROXIES	
	<p>19.1 The instrument of appointment of a proxy may be in the form advertised or similar form provided the appointment is in writing under the hand of the appointer. The proxy shall be a person who is personally qualified to vote and the instrument of appointment shall be delivered to the Registered Office not later than 24 hours before the time appointed for the General Meeting.</p> <p>19.2 Any question as to the acceptance or rejection or validity of a proxy shall be determined by the Chairperson or Deputy Chairperson whose decision shall be final.</p>	Removed - see voting section
20	METHOD AND COUNTING OF VOTES	
	<p>20.1 At any General Meeting of the Society any resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded (before or on the declaration of the result of the show of hands) by the Chairperson or by at least five persons present in person or by proxy who are entitled to vote. The result from that vote will be combined with any votes received by way of electronic voting or postal voting prior to the commencement of the General Meeting.</p> <p>20.2 Unless a poll is demanded a declaration by the Chairperson that a resolution has or has not been carried and an entry to that effect in the book containing the minutes of the meeting shall be conclusive evidence that the resolution was or was not carried by a majority of those entitled to vote.</p> <p>20.3 A poll, if demanded, shall be taken in such manner as the Chairperson directs.</p> <p>20.4 The Chairperson shall have only a casting vote on any matter on which voting is otherwise equal.</p>	Removed – See voting section

F	AMENDMENT OF RULES	
21	AMENDMENT OF RULES	
	<p>21.1 These Rules may be amended by:</p> <ul style="list-style-type: none"> (a) a majority of two thirds at a General Meeting; or (b) a majority of two thirds of the Board, <p>Provided:</p> <ul style="list-style-type: none"> (i) any amendments passed by the Board shall be limited to administrative or technical matters to the intent the Society shall retain its general character but may comply with any requirements of the Commissioner of Inland Revenue or statutory bodies and may avail itself of taxation and general administrative advantages and efficiencies; (ii) no amendment shall be of effect until: <ul style="list-style-type: none"> (A) it is registered in accordance with the Act; and (B) it has been notified to the Commissioner of Inland Revenue. 	<p>15 AMENDMENT OF RULES</p> <p>15.1 These Rules can be amended:</p> <ul style="list-style-type: none"> (a) by a Special Resolution; or (b) by a two-thirds majority of the Board, for administrative or technical changes, clarifications of any ambiguity, or changes the Board considers necessary to ensure the Society complies with the law or to take advantage of tax or administrative benefits and efficiencies. <p>15.2 Any amendments to the Rules must:</p> <ul style="list-style-type: none"> (a) align with the Society's purpose; (b) ensure compliance with legal or regulatory requirements; and (c) be notified to Members. <p>15.3 No amendment takes effect until it has been registered under the IP Societies Act.</p>
G	THE BOARD	
22	COMPOSITION OF THE BOARD	
	<p>22.1 The Society shall be managed by a Board of not less than 5 and not more than 8 Directors comprised as follows:</p> <ul style="list-style-type: none"> (a) up to 5 Directors may be elected by the members in accordance with rule 23 ("electd Directors"); and (b) in addition to the elected Directors, the Board may at any time appoint or remove up to 3 persons (whether or not they are members of the Society) to be Directors for such period and on such terms as the Board shall think fit ("appointed Directors"). 	<p>16 COMPOSITION OF THE BOARD</p> <p>16.1 The Society will be governed by a Board of between 5 and 8 Qualified Directors (the exact number to be determined by the Board from time to time).</p> <p>16.2 The number of Elected Directors will be no fewer than three.</p> <p>16.3 A Director is Qualified if:</p> <ul style="list-style-type: none"> (a) the Board has assessed them as meeting the requirements of the Society's Fit and Proper Policy and they have not become disqualified under that policy; (b) the Board has assessed them as having the skills, Independence and competencies required to govern the Society effectively;

		<p>(c) they are not disqualified from being an officer or senior manager of the Society under the Financial Service Providers (Registration and Dispute Resolution) Act 2008 or any other applicable law; and</p> <p>(d) for Elected Directors, they are a Member of the Society.</p> <p>16.4 The Board must appoint enough Appointed Directors to ensure that the Board includes the number of Directors required under these Rules and must do so as soon as reasonably practicable after any vacancy in an Appointed Director position arises. When appointing an Appointed Director, the Board must be satisfied that the appointee will be Qualified.</p> <p>16.5 If an Elected Director’s position becomes vacant before the end of their term, or if there are insufficient Qualified candidates to fill all Elected Director positions at an election, the Board may select a Qualified Member to fill the vacancy as an Interim Director. An Interim Director under this rule will:</p> <p>(a) be treated as an Elected Director from the date of engagement; and</p> <p>(b) will hold office until the end of the next AGM.</p> <p>For the purposes of rule 17.1 the initial period that an Interim Director serves under this rule will count towards their Elected Term if they are elected at the next AGM.</p> <p>16.6 No Director may be an employee of the Society while serving as a Director.</p> <p>16.7 The remaining Directors may continue to act despite any vacancies on the Board. However, if the number of Directors falls below three, the Directors may act only to increase the number of Directors to the minimum required under rule 16.1 or to call a General Meeting.</p>
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23	ELECTION OF THE BOARD	
	<p>23.1 Elected Directors shall serve (subject to resignation or disqualification) for terms of up to 3 years.</p> <p>23.2 Any person who is a member of the Society shall be eligible for election to the Board (as an elected Director) save for those members who are also employees of the Society. Any such employees shall be eligible for election only on having first tendered their resignation in writing to the Secretary (which resignation may be made conditional on and to take immediate effect on being declared duly elected).</p> <p>23.3 All incumbent elected Directors shall be eligible to stand for re-election on expiry of their terms, unless the Director has already served for three consecutive three year terms.</p> <p>23.4 At least 2 months prior to the Annual General Meeting, the Society will give 10 days' notice calling for the nomination of members for the Board to fill any vacancies due to the expiry of the term of an elected Director, or any other retirement or resignation of an elected Director. The Secretary shall accept as nominations for such positions any written nomination by a member of an eligible member of the Society which is seconded by a member and also endorsed with the acceptance of the member so nominated, and which is accompanied by a profile of the nominee including their relevant qualifications and experience. The Board has the discretion to accept late nominations if it considers acceptance to be in the best interests of the Society.</p> <p>23.5 Each candidate validly nominated for election will be assessed by the Board against the Society's fit and proper policy from time to time in place governing the qualifications, requirements, and other criteria that a person must have or satisfy in order to be appointed as a Director. If the Board does not consider that the candidate meets the requirements of the fit and proper policy, the Board will give written notice of that decision to the candidate, and the nomination will be declined. The Board's decision will be final, and the Board is not required to give any reasons for their decision that the candidate is not suitable for election.</p>	<p>17 BOARD TERM</p> <p>17.1 An Elected Director serves a term (called an Elected Term) that starts at the end of the AGM where they were elected and ends at the close of the third AGM after their election, or after three years, whichever is longer. An Appointed Director serves for the term set by the Board, or if no term is set at the time of their appointment, three years.</p> <p>17.2 The maximum time a Director can serve is:</p> <ul style="list-style-type: none"> (a) For Elected Directors: three Elected Terms, whether consecutive or not. (b) For Appointed Directors: nine years, whether consecutive or not. <p>18 ELECTION OF THE BOARD</p> <p>18.1 If any Elected Director positions will become vacant at the end of an AGM, the Society must:</p> <ul style="list-style-type: none"> (a) hold an election at that AGM to fill the vacancies; and (b) call for nominations for each vacancy at least 60 days before the AGM by giving notice to the Members. The notice must explain the nomination process, the closing date for nominations and the requirements to be considered a Qualified Director. <p>18.2 Nominations from Members eligible to stand as an Elected Director must be seconded by another Member and include a profile of up to 500 words and written acceptance by the nominee.</p> <p>18.3 The Board will assess all nominees to confirm they are Qualified. If the Board decides a nominee is not Qualified, it will notify the candidate in writing, and the nomination will be declined. The Board's decision is final, and it does not have to give reasons.</p> <p>18.4 If the number of Qualified candidates does not exceed the number of vacancies, those candidates are deemed elected.</p>

<p>23.6 If the candidates validly nominated for election to the Board and who meet the requirements of the fit and proper policy do not exceed the number of vacant positions, all persons so nominated shall, as from the next Annual General Meeting be deemed to be duly elected Directors.</p> <p>23.7 If the candidates validly nominated for election to the Board and who meet the requirements of the fit and proper policy exceed the number of vacant positions, an election shall be conducted at the Annual General Meeting. The notice of the Annual General Meeting will include a profile of each of those candidates.</p> <p>23.8 Such election shall be conducted by voting papers and each voter may vote for as many candidates as there are vacancies.</p> <p>23.9 Two scrutineers appointed by the meeting shall count the votes, and their decision on the regularity of any of the votes shall be final.</p> <p>23.10 The candidates registering the most votes shall be declared duly elected to the vacant positions by the Chairperson and shall take office from the conclusion of the meeting.</p> <p>23.11 In the event of two or more candidates registering the same number of votes for a vacant position, then:</p> <p style="padding-left: 20px;">(a) if one of them is an incumbent Director he / she shall retain his / her position;</p> <p style="padding-left: 20px;">and, if not,</p> <p style="padding-left: 20px;">(b) the successful candidate shall be determined by lot conducted by the scrutineers.</p>	<p>18.5 If there are more Qualified candidates than vacancies, the Board will decide the voting method. The AGM notice must include each candidate's profile or state where profiles can be accessed. Each Member may vote for as many candidates as there are vacancies.</p> <p>18.6 The candidates with the highest number of votes are elected. If two or more candidates receive the same number of votes, the Chairperson will call for a new vote. If the vote remains tied, the Chairperson will determine the successful candidate in accordance with rule 14.11.</p>
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24	RESIGNATION AND DISQUALIFICATION FROM THE BOARD	
	<p>24.1 All Directors will comply with the Society's Code of Conduct (if any) at all times.</p> <p>24.2 Any Director may resign from office by notice in writing to the Secretary and such notice shall take effect one month from the date it is received.</p> <p>24.3 A Director shall lose office if they:</p> <ul style="list-style-type: none"> (a) cease to be a member of the Society, where they are an elected Director; (b) become subject to a property order made under the Protection of Personal and Property Rights Act 1988; (c) become mentally incapable in relation to property or personal care and welfare, as defined in respect of a donor of an enduring power of attorney under section 94 of the Protection of Personal and Property Rights Act 1988; (d) have been absent without permission of the Board from three (3) consecutive Board meetings, or such other number of meetings as the Board may determine; (e) are convicted of any offence which in the opinion of the Board renders them unfit to continue in office; (f) are removed in accordance with the Society's Code of Conduct; (g) in the opinion of at least two thirds of the other Directors: <ul style="list-style-type: none"> (i) cease to satisfy the requirements of the Society's fit and proper policy from time to time in place governing the qualifications, requirements, and other criteria that a person must have or satisfy in order to be appointed, and continue to hold, a position as a Director; (ii) have otherwise taken any action that is or is likely to be detrimental to the interests of the Society. 	<p>19 RESIGNATION AND DISQUALIFICATION FROM THE BOARD</p> <p>19.1 Directors must follow the Society's governance policies.</p> <p>19.2 A Director ceases to hold office if they:</p> <ul style="list-style-type: none"> (a) resign by written notice to the Secretary. The resignation takes effect one month after the notice is received, unless the Board agrees to a different date; (b) in the opinion of the majority of the other Directors: <ul style="list-style-type: none"> (i) are no longer Qualified; (ii) have been convicted of any offence that makes them unfit to continue in office; or (iii) have acted, or are likely to act, in a way that harms the interests of the Society. (c) are removed under the Society's Code of Conduct; (d) cease to be a Member (if they are an Elected Director); (e) become mentally incapable or subject to a property order made under the Protection of Personal and Property Rights Act 1988, or have their property managed by a trustee corporation under section 32 of that Act; or (f) have reached the end of their term of office without being re-elected or re-appointed (as the case may be). <p>19.3 The Board may agree to a Director taking a temporary leave of absence from their role as Director. The Board, in considering the circumstances of the leave, has full discretion to agree to the leave or not. An agreement to grant leave can be made subject to any conditions the Board determines, including, but not limited to, an adjustment to the Director's remuneration.</p>

25	FILLING OF VACANCIES	
	<p>25.1 Any vacancies arising among the elected Directors may be filled by the Board appointing a replacement Director.</p> <p>25.2 A Director appointed pursuant to this rule 25:</p> <ul style="list-style-type: none"> (a) must be eligible to be a Director under these Rules, including under rule 23.5; (b) will be deemed to be an elected Director for the purposes of rule 26; (c) will hold office until the next Annual General Meeting following their appointment. <p>25.3 Any partial term served by a Director appointed pursuant to this rule 25 will not be taken into account in determining if the Director has served for the maximum term under rule 23.3.</p>	Removed and consolidated with Rule 16
26	QUORUM OF THE BOARD	
E	<p>26.1 Subject to rule 26.2, a Quorum for a meeting of the Board shall be a majority of the Directors, of which at least half of those Directors must be elected Directors. A Director forms part of the Quorum if that Director is in attendance in person or by any other means determined by the Board under rule 27.2.</p> <p>26.2 The business of a meeting of the Board may proceed, notwithstanding the absence of a quorum, if a Director who is unable to attend a meeting appoints another Director as his, her or their proxy to exercise that Director's right to vote on any matter to be resolved at that meeting. In the case of an elected Director the proxy appointed must be another elected Director. Notice of the appointment of a proxy must be given to the Chairperson prior to the meeting of the Board. At the opening of the meeting the Chairperson must declare any notices of the appointment of a proxy that the Chairperson has received. A Director may only ever act as a proxy for one other Director at any meeting of the Board.</p>	<p>20 PROCEEDINGS OF THE BOARD</p> <p>20.1 A Board meeting requires a quorum, which is a majority of the Directors eligible to be counted (having regard to rule 24.2(b)). Attendance may be in person or through audio/video link or other virtual meeting technology facilitated by the Society.</p> <p>20.2 A Director may appoint another Director as their proxy for a specific meeting. Notice of the proxy appointment must be given to the Chairperson before the meeting. At the start of the meeting, the Chairperson must announce any proxy notices received. A Director can act as proxy for only one other Director at any meeting.</p> <p>20.3 A Board meeting may be called by the Chairperson or any two Directors, with at least two days' notice to all Directors. Failure to give notice to, or non-receipt of notice by, a Director does not invalidate the meeting. A Director may waive notice by advising the Chairperson orally (including by telephone) or in writing (including electronically). Attendance at a meeting is a waiver of any objection to improper notice.</p>

		<p>20.4 Subject to rule 24.2, each Director present at a Board meeting has one vote. Decisions are made by a majority of votes. If the votes are tied, the Chairperson does not have a casting vote.</p> <p>20.5 A written resolution signed or agreed to by a majority of Directors is as valid as if passed at a properly convened Board meeting. The written resolution may consist of multiple documents (including electronic copies) in like form signed or agreed to by one or more Directors.</p> <p>20.6 Subject to these Rules, the Board may adjourn and manage its meetings as it sees fit.</p> <p>20.7 Subject to applicable law, everything done at a Board meeting, or by someone acting as a Director, is valid even if it is later discovered that there was a defect in their appointment, election, or qualification, or that they were disqualified or had vacated office.</p>
27	ROLE OF THE BOARD	
	<p>27.1 The affairs of the Society shall be administered by the Board which may exercise all such powers of the Society as are not by the Act, or by these Rules, required to be exercised by the Society in General Meeting.</p> <p>27.2 The Board shall meet at such times as it deems advisable, including via telephone or video conferencing or Skype, and may adjourn and regulate its proceedings as it thinks fit.</p> <p>27.3 A special meeting of the Board may be called by the Chairperson or any two Directors by circular sent (including by electronic means) to each Director at least two days before the day appointed for such meeting.</p> <p>27.4 The Board may at any time within such limits as it may prescribe appoint any committee and delegate any of its powers except to the extent that may be inconsistent with these Rules or the Act. Any powers delegated may be revoked by the Board at any time, such revocation taking effect as from the time of the delivery of the notice. As a minimum, the Board will appoint an Audit and Risk Management Committee.</p> <p>27.5 Without in any way derogating from the Board's powers and its powers of delegation set out in the Rules the Board may engage a Chief Executive Officer ("Chief Executive Officer") or management company to be responsible for the day to day running of the affairs of the Society and the general administration of the society.</p>	<p>21 ROLE OF THE BOARD</p> <p>21.1 The administration, management and control of the Society rests with the Board, except where the law or these Rules limits the Board's powers.</p> <p>21.2 The Board has all the powers it needs to manage, direct and supervise the Society's affairs. It can delegate any of its powers (and revoke that delegation) to employees or other persons on terms it decides, unless the IP Societies Act or these Rules say otherwise.</p> <p>21.3 The Board may set up one or more committees at any time to help govern the Society effectively. The Board decides who will be on each committee and what authority and responsibilities each committee will have.</p> <p>21.4 The Board must establish an audit and risk committee, which will focus mainly on audit and risk oversight for the Society.</p> <p>21.5 The Board must appoint and may remove a Chief Executive Officer (CEO), on terms it decides, subject to the law. The Board may not delegate its power to appoint or remove the CEO. This rule does not prevent the Society from employing employees other than the CEO.</p>

28	DIRECTOR REMUNERATION	
	<p>Elected Directors shall receive such remuneration or gratuities, if any, as is fixed by the Society at an Annual General Meeting from time to time. Appointed Directors, and Directors appointed under rule 25 shall receive such remuneration or gratuities, if any, as is fixed by the Board on the appointment of the relevant Director. All Directors shall in any case be reimbursed for such expenses as the Board shall determine where properly incurred in or about the business of the Society.</p>	<p>22 DIRECTOR REMUNERATION</p> <p>22.1 The Directors are entitled to receive remuneration for their services as a Director of the Society, provided that the total aggregate amount available for payment to all Directors (Remuneration Pool) has been approved by an Ordinary Resolution (but subject to rule 22.4).</p> <p>22.2 The Board may determine, in accordance with the Director Remuneration and Expense Policy, the manner in which the Remuneration Pool is allocated amongst Directors, including by setting different levels of remuneration for Directors undertaking additional duties or holding particular offices.</p> <p>22.3 If the number of Directors is increased, the Board may increase the Remuneration Pool by an amount it considers reasonable to:</p> <ul style="list-style-type: none"> (a) reflect the change in number of Directors; and (b) provide for any additional remuneration payable to the new Director(s) for roles or responsibilities undertaken by them in accordance with the Board Charter, including (without limitation) as Chair of the Board or Chair of any Board committee. <p>22.4 An increase in the Remuneration Pool under rule 22.3 must be proportionate to the increase in Director numbers and related roles or responsibilities, but does not require the approval of a further Ordinary Resolution.</p> <p>22.5 No resolution to increase remuneration previously approved may be passed at a General Meeting unless of the proposed increase is clearly stated in the notice of meeting.</p> <p>22.6 Directors are expected to fully participate in Board-appointed committees as required from time to time.</p> <p>22.7 As long as it complies with the IP Societies Act, the Board can approve extra payments to a Director for (without the approval of an Ordinary Resolution):</p> <ul style="list-style-type: none"> (a) acting as a director of a Related Company of the Society; or

		<p>(b) carrying out any work or providing services that are not part of their role as a Director of the Society or a Related Company of the Society.</p> <p>23 INDEMNITY AND INSURANCE</p> <p>23.1 The Society may indemnify and/or insure any Director or employee of the Society, or any director or employee of a Related Company, against:</p> <p>(a) liability for acts or omissions; and/or</p> <p>(b) costs connected with claims relating to liability, as permitted under sub-sections (3), (4) and (5) of section 162 of the Companies Act to the maximum extent permitted by those sub-sections. For this purpose:</p> <p>(a) references to “company” in section 162 of the Companies Act means the Society;</p> <p>(b) “Related Company” has the meaning given in rule 36;</p> <p>(c) references to “director” in section 162 of the Companies Act mean a Director of the Society or a director of a related company of the Society; and</p> <p>(d) references to “employee” in section 162 of the Companies Act mean an employee of the Society or a related company of the Society.</p>
29	CONFLICTS AND DISCLOSURE OF INTEREST	
	<p>29.1 The Board will adopt and maintain a written conflicts policy.</p> <p>29.2 Each Director will comply with the requirements of the conflicts policy from time to time.</p> <p>29.3 Any Director who is in any way directly or indirectly interested in a contract or proposed contract with the Society shall declare the nature of the interest at the commencement of the relevant Board meeting, and shall not vote in respect of any such contract or arrangement, or be counted in the quorum present at the meeting in relation to the resolution concerning that contract or arrangement.</p>	<p>24 CONFLICTS AND DISCLOSURE OF INTEREST</p> <p>24.1 The Board must keep a written Conflicts of Interest Policy.</p> <p>24.2 Every Director must follow the Conflicts of Interest Policy including:</p> <p>(a) declaring any actual or potential conflict (as defined in the policy) at the start of each Board meeting; and</p> <p>(b) not vote or be counted in the quorum on any matter where they have a conflict.</p>

30	CHAIRPERSON & DEPUTY CHAIRPERSON	
	<p>30.1 At the first meeting of the Board in each year following the Annual General Meeting the Board shall elect a Chairperson and Deputy Chairperson for the ensuing year.</p> <p>30.2 The Chairperson shall chair meetings, and in the Chairperson's absence, the Deputy Chairperson shall chair.</p> <p>30.3 In the event of a vacancy of the position of the Chairperson or Deputy Chairperson, the Board shall elect a replacement Chairperson or Vice Chairperson as the case may be.</p>	<p>25 CHAIRPERSON AND DEPUTY CHAIRPERSON</p> <p>25.1 Each year, after the AGM, the Board must elect a Chairperson and Deputy Chairperson.</p> <p>25.2 The Chairperson will lead Board meetings and General Meetings. If the Chairperson is absent, the Deputy Chairperson will take their place.</p> <p>25.3 If both the Chairperson and Deputy Chairperson are absent, the Directors present at the meeting may elect one of themselves to chair the meeting.</p>
31	SECRETARY	
	<p>31.1 The Board shall appoint a Secretary from the Society's staff after consultation with the Chief Executive Officer.</p> <p>31.2 The Secretary's duties shall be:</p> <ul style="list-style-type: none"> (a) to prepare agendas and keep correct minutes; (b) to notify all Directors, and the Chief Executive Officer or Auditor when appropriate of general and special meetings; (c) to handle all items of correspondence to the Board, maintain a Member Share register and keep a register of charges; (d) to liaise and maintain contact with the Chairperson and other Directors and with the Chief Executive Officer and Auditor on a regular basis; (e) to carry out and perform such duties as are required by the Rules or as may from time to time be assigned to the Secretary by the Board. <p>31.3 The Secretary shall maintain custody of the Common Seal at the Registered Office of the Society.</p>	<p>26 SECRETARY</p> <p>26.1 The CEO must appoint a Secretary and, subject to applicable law, may remove the Secretary from office. The CEO will determine the Secretary's remuneration, duties and terms and conditions of employment.</p>

H	AUDIT	
32	AUDITOR & ACTUARY	
	<p>32.1 The Society shall appoint an auditor (“Auditor”) who must be a qualified auditor under section 461E of the Financial Markets Conduct Act 2013, and shall have its financial statements audited as may be required by that Act or any other applicable legislation.</p> <p>32.2 The Board at the first meeting shall appoint the first Auditor. Thereafter the Auditor shall be appointed at each Annual General Meeting, and each Auditor (including the first Auditor) shall be eligible for reappointment in the next or any subsequent year and shall in any case remain in office until notice has been conveyed of the appointment of a successor. The Board may fill any casual vacancy in the office of auditor by appointing an appropriately qualified auditor to hold office until the conclusion of the next Annual General Meeting (but, while the vacancy remains the surviving or continuing auditor may continue to act as auditor).</p> <p>32.3 The Board shall appoint an actuary for the Society in accordance with section 76 of the Insurance (Prudential Supervision) Act 2010.</p> <p>32.4 A copy of the Society's most recent audited financial statements shall be made available, on request and free of charge, to every member of the Society.</p>	<p>27 AUDITOR AND ACTUARY</p> <p>27.1 The Society must appoint an auditor (Auditor) who is qualified under applicable laws to audit its financial statements.</p> <p>27.2 The Auditor is automatically reappointed each year at the AGM unless:</p> <ul style="list-style-type: none"> (a) the Society removes or replaces them by Ordinary Resolution; or (b) a Government agency requires the Auditor to be removed; or (c) the Auditor is unwilling or ineligible to continue; or (d) the Auditor resigns, retires or otherwise stops acting as Auditor. <p>27.3 If the Auditor’s position becomes vacant between AGMs, the Board may appoint a replacement.</p> <p>27.4 The Board will set the Auditor’s remuneration.</p> <p>27.5 The Board must appoint an Appointed Actuary as required by the IPS Act and any other applicable law, and will set the Appointed Actuary’s remuneration.</p> <p>27.6 The most recent audited financial statements of the Society must be made available to Members on the Society’s website or in another way the Board decides will make them easily accessible.</p>

I	SUBSCRIPTIONS AND BENEFITS	
33	FIXING OF SUBSCRIPTIONS	
	<p>33.1 The Board may:</p> <ul style="list-style-type: none"> (a) require payment by the members of a general and/or specific subscriptions of such amounts as it may determine from time to time for the funds of the Society generally and/or for any specific fund or funds; (b) from time to time determine the time and manner of payment of such subscriptions and the apportionment of any general subscription between any specific funds. <p>33.2 The exercise of these powers by the Board shall be subject to review by the Society in General Meeting provided that the requirements and determinations shall stand unless and until so reviewed.</p>	<p>28 BENEFITS AND PREMIUMS</p> <p>28.1 The Board has overall authority to determine and amend all matters relating to Member benefits offered by the Society, including the nature and scope of benefits, Member-funded costs such as premiums or fees, eligibility requirements, and any exclusions.</p> <p>28.2 Claims, benefits, entitlements, exclusions, conditions, premiums and fees applying to a particular Member (or any insured named as having an interest in or a benefit under a Qualifying Policy) are governed by, and subject to, the terms of the applicable Qualifying Policy.</p> <p>28.3 No benefit is payable to or on behalf of any Member (or any insured named as having an interest in or a benefit under a Qualifying Policy) if required premiums or fees are overdue.</p>
34	FIXING OF BENEFITS	
	<p>The Board shall, from time to time, fix the type and the amount of benefits payable by the Society to its members. The Board shall have power from time to time to amend, vary or suspend such benefits.</p>	<p>Incorporated into section 28</p>
35	APPLICATION FOR BENEFIT	
	<p>35.1 Applications for payment of any benefit shall be made in such form, if any, as is prescribed by the Board, accompanied by such certified accounts or receipts as may be required by the Board from a hospital or surgeon or other person who has provided the service.</p> <p>35.2 Every claim for payment of a benefit shall be lodged with the Society within such time of the claimants receiving such hospital, surgical or other attention as the Board may determine.</p> <p>35.3 The Board is authorised to obtain any information with regard to any service for which a benefit is claimed or paid including information as to diagnosis, history, and treatment, and a member called upon so to do will give any authority or consent which may be required to enable such information to be obtained.</p>	<p>Incorporated into section 28</p>

36	LIMITATION OF BENEFITS	
	<p>36.1 No benefit shall be payable for the expenses occasioned by or in respect of the treatments, infirmities or conditions contained in tables to be adopted from time to time by the Board.</p> <p>36.2 A member shall not be entitled to receive a benefit from the Society in respect of a claim for which they are reimbursed from any other source in circumstances which would return to the member a greater amount than 100 per cent of the actual expenses paid.</p> <p>36.3 No benefit shall be paid to or on behalf of any member whose subscription is in arrears.</p>	Incorporated into section 28
37	DISCRETIONARY PAYMENTS	
	<p>37.1 In exceptional circumstances the Board may, in its absolute discretion, make an ex-gratia grant in aid to a member towards the cost of any accommodation, treatment, or other service (of a type for which a benefit is normally payable) notwithstanding that:</p> <p>(a) any condition applicable to payment of a benefit is not fulfilled; or</p> <p>(b) payment in excess of the benefit provided in the tables would be made.</p>	Removed
J	APPLICATION AND INVESTMENT OF FUNDS	
38	APPLICATION AND INVESTMENT OF FUNDS	
	<p>38.1 Funds of the Society or any part of them may be invested from time to time at the direction of the Board for any lawful purpose that is permitted in accordance with the objects of the Society including (but without limitation) in the following ways:</p> <p>(a) in the purchase or lease in its own name of any land or buildings and it may hold, sell, exchange, mortgage, lease or build upon the same (with power to alter and pull down buildings and again rebuild);</p> <p>(b) in any bank within the meaning of the Reserve Bank of New Zealand Act 1989.</p>	Removed and captured in Section 3

	<ul style="list-style-type: none"> (c) in any debentures, bonds or treasury bills issued by or on behalf of the Government under the authority of any Act; (d) on loan to any member of the Society on the security of such real or personal property as the Board may think fit; (e) in the shares or on the security of any other Society registered under the Act, or under the Building Societies Act 1965, or of any company registered under the Companies Act 1993, or incorporated by Act or by charter (either in New Zealand or overseas), provided that no such investment shall be made in the shares of any society or company other than one with limited liability; (f) in the bonds, debentures or other securities of any local authority; (g) on first mortgage of freehold or leasehold lands in New Zealand; (h) in any "financial product", as that term is defined in section 7 of the Financial Markets Conduct Act 2013, in New Zealand or elsewhere; (i) in the purchase (whether alone or jointly) of the shares or assets of any business or undertaking; (j) in the establishment (whether alone or jointly) of any business or undertaking; or (k) otherwise in accordance with the Society's investment policy objectives as determined by the Board from time to time. 	
K	BORROWING POWERS	
39	BORROWING POWERS	
	<p>The Board may exercise all the powers of the Society (except where by law these are required to be exercised by the Society in General Meeting) to borrow money, and to mortgage or charge the property and assets of the Society or any part of them, and to issue any securities which the Society is lawfully entitled to issue, whether outright or as security for any debt, liability or obligation of the Society.</p>	Removed and captured in Section 3 and Section 21

J	PROFITS	
40	NO PROFITS PAYABLE TO MEMBERS	
	The income and property of the Society shall be applied solely towards the promotion of the objects of the Society as set out in these Rules and shall not be paid or transferred directly or indirectly as profit to the members of the Society.	<p>29 NO PROFITS PAYABLE TO MEMBERS</p> <p>29.1 The Society's income and property must be used only to promote the purpose of the Society as set out in these Rules. No part of the income or property may be paid or transferred directly or indirectly as profit to the Members of the Society.</p>
41	APPLICATION OF PROFITS	
	<p>41.1 Upon payment or providing for expenses of management and administration and after payment of interest and instalments of principal on loans or deposits and after allowing for depreciation at such rates as the Board shall determine, the net profits of the Society shall be applied in each year as follows:</p> <ul style="list-style-type: none"> (a) in establishing such reserve funds as the Board may deem necessary for meeting any contingencies affecting the objects of the Society; (b) generally in promoting the objects of the Society as set out in these Rules; (c) in rebate to members at such rate (if any) as the Board may declare of the amount of the annual subscriptions payable by members; and (d) otherwise for any lawful purpose. 	<p>30 APPLICATION OF PROFITS</p> <p>30.1 Subject to the IP Societies Act and any other applicable law, any net surplus of the Society at the end of a financial year may be applied in the following year as the Board decides, in what it considers to be in the best interests of the Society.</p>
K	DISSOLUTION OF SOCIETY	
42	MODE OF DISSOLUTION	
	The Society may be dissolved as provided for in section 15 of the Act.	<p>31 DISSOLUTION</p> <p>31.1 The Society may be dissolved in accordance with section 15 of the IP Societies Act.</p>

43	DISPOSAL OF FUNDS	
	<p>43.1 Any monies remaining after payment or provision by the Society for any debts or other financial obligations it may have shall be applied:</p> <ul style="list-style-type: none"> (a) in repayment to the members of their interest in share capital (if any) should such monies be sufficient to do so and if not, pro-rata distribution towards that end; (b) any monies still remaining shall be distributed to any persons (other than any member of the Society) or any society, company or other organisation as shall be determined by the Society prior to such dissolution provided that the rules or constitution of such society, company or organisation shall provide that its funds be applied within New Zealand and shall prohibit distribution of the assets to its members upon its dissolution; (c) if and so far as effect cannot be given to the foregoing provisions then to some charitable object confined in New Zealand. 	<p>32 DISPOSAL OF FUNDS</p> <p>32.1 When the Society is dissolved, and subject to applicable law, any remaining funds after paying all debts and liabilities must be applied by the Board as follows:</p> <ul style="list-style-type: none"> (a) by transfer to one or more charitable organisations or other not-for-profit entities operating in New Zealand with a similar purpose to the Society; or (b) if no such entity exists, the surplus must be directed to a charitable cause within New Zealand.
L	MISCELLANEOUS	
44	BRANCH AND AGENCY OFFICES	
	<p>The Board shall have power to direct the establishment or the closure or any branch and / or agency offices of the Society in any other city, town or place in New Zealand.</p>	<p>33 BRANCH AND AGENCY OFFICES</p> <p>33.1 The Board has the authority to establish or close any branch or agency office of the Society in any other city, town or place in New Zealand.</p>

45	SIGNING OF CONTRACTS AND DOCUMENTS	
	<p>45.1 Every contract or document to which the Common Seal of the Society must be affixed shall be signed by at least two Directors or by one Director and the Chief Executive Officer, and they shall attest the affixing of the Seal by their signatures and such signing by the Director(s) and / or the Chief Executive Officer shall be sufficient evidence of authority to use the Seal.</p> <p>45.2 The Society may enter into contracts, and sign documents, including those required to be signed under the Land Transfer Act 1952, by:</p> <ul style="list-style-type: none"> (a) two Directors, or one Director and the Chief Executive Officer signing the contract or document; or (b) by any other person(s) acting under the express or implied authority of the Society signing the contract or document. 	<p>34 SIGNING OF CONTRACTS AND DOCUMENTS</p> <p>34.1 Documents that require the Common Seal must be signed by affixing the Common Seal and having it attested by:</p> <ul style="list-style-type: none"> (a) two Directors; or (b) one Director and the CEO. <p>34.2 Other legally binding documents, including those required to be signed under the Land Transfer Act 2017, may be signed by:</p> <ul style="list-style-type: none"> (a) two Directors, or one Director and the CEO; or (b) by any other person(s) acting under the express or implied authority of the Society.
46	DISPUTES	
	<p>46.1 Chief Executive Officer: Any member who has a complaint or is in a dispute with the Society, an employee or contractor of the Society, a Director or another member about any aspect of these Rules of the Society's business (Complaint or Dispute) shall in the first instance refer the Complaint or Dispute to the Chief Executive Officer in writing, providing sufficient information about the nature of the Complaint or Dispute. The Chief Executive Officer shall endeavour to resolve the Complaint or Dispute to the member's satisfaction.</p> <p>46.2 Board: If the Complaint or Dispute is not resolved under rule 46.1, a member may refer the Complaint or Dispute to the Board for determination.</p> <p>46.3 Mediation: If the Complaint or Dispute is not resolved under rule 46.2, the Complaint or Dispute may be referred to mediation to be conducted by a mediator at a fee agreed by the member and the Board, in accordance with the LEADR New Zealand Incorporated standard mediation agreement. Failing agreement between the member and the Board, the mediator shall be selected, and the mediator's fee shall be determined, by the Chair for the time being of LEADR New Zealand Incorporated.</p>	<p>35 DISPUTES</p> <p>35.1 Complaints or disputes relating to a contract of insurance or any other financial service provided by the Society will be handled in accordance with the Member's Qualifying Policy and applicable law.</p> <p>35.2 Subject to applicable law, Member complaints or disputes about the Society that are not covered by the procedure in rule 35.1 may be referred to the Society for resolution in accordance with any complaints process published by the Society.</p> <p>35.3 Nothing in these Rules affects a Member's or any other person's rights under any approved dispute resolution scheme to which the Society belongs under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.</p>

46.4 Arbitration: If the Complaint or Dispute is submitted to arbitration under the Arbitration Act 1996 ("**Arbitration Act**");

- (a) for the purposes of the following articles in the First Schedule to the Arbitration Act:
 - (i) **Article 11(2):** the arbitrator will be a person agreed upon in writing by the member and the Board or, if the member and Board are unable to agree on an arbitrator within a week after the Complaint or Dispute is submitted to arbitration, an arbitrator nominated by the President for the time being of the New Zealand Law Society;
 - (ii) **Article 20(1):** the place of arbitration will be Christchurch, New Zealand;
 - (iii) **Article 21:** the date on which the arbitration proceedings commence will be the date on which the Complaint or Dispute is submitted to arbitration under this rule 46.4;
 - (iv) **Article 22(1):** the language used in the arbitration proceedings will be English;
 - (v) **Article 28(1):** the law applicable to the substance of the Complaint or Dispute will be New Zealand law;
- (b) the arbitration will not be an international arbitration for the purposes of the Arbitration Act;
- (c) the decision of the arbitrator will be final and binding on the member and the Society.

46.5 Insurance & Financial Services Ombudsman: This rule 46 is without prejudice to the members' and the Society's rights and obligations under the Financial Service Providers (Registration and Dispute Resolution) Act 2008 ("**FSPA**"), the Insurance & Financial Services Ombudsman Scheme, and any other dispute resolution scheme under the FSPA that the Society belongs to from time to time.

47	INTERPRETATION	
	<p>47.1 Words importing the singular number include the plural and words importing the plural include the singular.</p> <p>47.2 "Auditor" has the meaning given to that term in rule 32.1.</p> <p>47.3 "appointed Directors" has the meaning given to that term in rule 22.1(b).</p> <p>47.4 "Chief Executive Officer" has the meaning given to that term in rule 27.5.</p> <p>47.5 "Director" means a member of the Board elected or appointed under these Rules.</p> <p>47.6 "Effective Date" means 26 October 2017.</p> <p>47.7 "elected Directors" has the meaning given to that term in rule 22.1(a).</p> <p>47.8 "Historic Share" means a share that was issued to a member for \$2 (whether or not paid) under any version of the Rules registered on or before 20 November 2015.</p> <p>47.9 "Member Share" means a membership interest in the Society having the rights set out in rule 10.1.</p> <p>47.10 "Registered Office" has the meaning given to that term in rule 2.</p> <p>47.11 "The Act" means the Industrial and Provident Societies Act 1908 and its amendments.</p> <p>47.12 "The Society" means the Union Medical Benefits Society Limited.</p> <p>47.13 "The Board" means the Board of Directors as constituted in these Rules.</p> <p>47.14 A reference to "member", in the context of any benefits referred to in these Rules, includes any person entitled to a benefit under an insurance policy issued by the Society to a member.</p> <p>47.15 References in these Rules to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends or replaces it, and any bylaw, regulation, order, statutory instrument, determination or subordinate legislation made under it.</p> <p>47.16 In these Rules, a member of the Board is referred to as a "Director" to reflect their governance role and to differentiate a Director from a member of the Society. A reference to Director in these Rules is not a reference to a director as that term is defined under the Companies Act 1993.</p>	<p>36 INTERPRETATION</p> <p>36.1 In these Rules, unless the context otherwise requires, the following terms have the meanings provided:</p> <p>"AGM" has the meaning given in rule 9.1.</p> <p>"AGM Remit Notice" has the meaning given in rule 12.1.</p> <p>"Appointed Actuary" means the person appointed under rule 27.5 to hold the role of appointed actuary under the IPS Act or otherwise holding that role in accordance with the IPS Act.</p> <p>"Appointed Director" means a person appointed by the Board as a director under rule 16.4 for the period determined under rule 17.1 and on the terms as the Board decides.</p> <p>"Auditor" means the person holding office as the Society's auditor under rule 27.</p> <p>"Board" means the board of Directors of the Society.</p> <p>"Board Charter" means the document adopted by the Board that sets out the Board's role, responsibilities, authority, and operating procedures, including any delegations to Board committees or management.</p> <p>"CEO" has the meaning given in rule 21.5.</p> <p>"Companies Act" means the Companies Act 1993.</p> <p>"Conflicts of Interest Policy" means the policy adopted by the Board that sets out the procedures for declaring and managing actual or potential Director conflicts.</p> <p>"Contract of insurance" has the meaning given in the IPS Act.</p> <p>"Chairperson" means the person acting as chairperson of the Board, a General Meeting, or in the absence of the usual chairperson, as required by these Rules.</p> <p>"Deputy Chairperson" means the person holding the office of deputy chairperson of the Board.</p> <p>"Director" means a person holding office as an Elected Director,</p>

47.17 The Board may determine all questions and matters of doubt that may arise in respect of the interpretation and application of these Rules.

Appointed Director, or Interim Director of the Society.

"Elected Director" means a Member elected by the Members as a director in accordance with these Rules.

"Elected Term" has the meaning given in rule 17.1.

"Fit and Proper Policy" means the policy adopted by the Board to determine the appropriateness of Directors and other officers, as required by the IPS Act.

"General Meeting" means an AGM or an SGM.

"Independence" has the meaning given in the Reserve Bank of New Zealand Governance Guidelines for licensed insurers. A Director will not fail to be classified as independent simply because they are a Member of the Society.

"Interim Director" means a Member engaged by the Board as a director in accordance with rule 16.5.

"IPS Act" means the Insurance (Prudential Supervision) Act 2010.

"IP Societies Act" means the Industrial and Provident Societies Act 1908.

"Member" means a person admitted to membership under rule 5.1 and who has not ceased to be a Member under rule 6.1. In relation to benefits under Section I of these Rules, this includes any person entitled to a benefit under a Qualifying Policy.

"Member Share" means a membership interest in the Society with the rights set out in rule 7. "Ordinary Resolution" means a resolution approved by a simple majority of the Members entitled to vote and voting.

"Qualified" has the meaning given in rule 16.3.

"Qualifying Policy" means any contract of insurance or contract for Member benefits issued by the Society.

"Related Company" has the meaning set out section 2(3) of the Companies Act, treating "company" as including any body corporate.

"Director Remuneration and Expense Policy" means the policy adopted by the Board to determine the remuneration of Directors.

"Remuneration Pool" has the meaning given in rule 22.

"Secretary" means the person holding office as Secretary under rule 26.

"SGM" has the meaning given in rule 10.

"Society" means Union Medical Benefits Society Limited.

"Special Resolution" means a resolution approved by a two-thirds majority of Members entitled to vote and voting.

36.2 In these Rules, unless the context otherwise requires:

- (a) terms defined in these Rules apply throughout;
- (b) headings are for reference only and do not affect interpretation;
- (c) singular include the plural and vice versa;
- (d) references to legislation mean New Zealand laws, including amendments, replacements and related regulations.;
- (e) requirements for writing or signing may be met by electronic communication as permitted by law or approved by the Board;
- (f) writing and written includes printing, typing and electronic formats;
- (g) "includes" or "including" (or any similar expression) is to be read as being followed by the words "without limitation";
- (h) notices of meeting may refer to another publicly accessible source for required information; and
- (i) notices to Members may be sent by email or other electronic means using details in the Members' register and will also be posted on the Society's website or made available in another accessible way determined by the Board.

36.3 The Board may decide all questions or uncertainties about interpreting or applying these Rules.

		<p>37 TRANSITION</p> <p>37.1 These Rules take effect when registered under the IP Societies Act.</p> <p>37.2 When these Rules take effect, unless the context otherwise requires:</p> <ul style="list-style-type: none">(a) all Members under the previous rules remain Members, as if they had become Members under these Rules;(b) Directors holding office immediately prior to these Rules taking effect will continue as Directors under the same category (Elected Director or Appointed Director), as if they had been elected or appointed under these Rules at the time they were elected or appointed under the previous rules;(c) any time served as a Director under the previous rules will count towards the Director's term under these Rules;(d) anyone holding the positions of Chairperson, Deputy Chairperson, CEO, Secretary, Auditor, Appointed Actuary or other person elected or appointed to a position under the previous rules will continue in that position under these Rules, as if they had been elected or appointed under these Rules at the time that they were elected or appointed under the previous rules; and(e) all other actions taken under the previous Rules, including contracts, arrangements, decisions, appointments, and any proceedings, remain valid and effective and may continue under these Rules.
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