

# CFA SOCIETY OF NEW ZEALAND INCORPORATED

## Constitution

Confirmed 10 December 2024

### 1 FORMATION

#### 1.1 Name

The name of the incorporated society is the “CFA Society of New Zealand Incorporated” (herein referred to as the “Society”).

#### 1.2 Location

The principal office of the Society shall be such place as the Board may determine from time to time.

#### 1.3 Membership in, and Bylaws of, CFA Institute

The Society is a member of CFA Institute. To the extent that there is any conflict between this Constitution and the Bylaws of CFA Institute, the Bylaws of CFA Institute shall prevail and govern.

#### 1.4 The Purpose of the Society

The Society is a not-for-profit organisation and aims to:

- (a) promote CFA Institute within New Zealand;
- (b) raise the level of professional knowledge of members by providing and facilitating continuing education activities;
- (c) promote ethical industry standards within the investment industry; and
- (d) formulate policy and represent the views of members in matters of importance affecting the investment profession.

### 2 DEFINITIONS

#### 2.1 For the purposes of this Constitution, the following are defined terms that may be used herein, as appropriate, in the singular or plural form:

- (a) **“Act”** means the Incorporated Societies Act 2022 and includes any amendments as may be passed from time to time.
- (b) **“Affiliate Member”** is an individual who has met the membership requirements set forth in clause 3.3 and whose membership has not been revoked or suspended.
- (c) **“Annual Financial Statement”** means the annual financial statements for the Society.
- (d) **“Annual General Meeting”** and **“AGM”** has the meaning given to it in clause 4.

- (e) **“Board”** is the board of the Society and has the meaning of Committee under the Act.
- (f) **“Certificate in Investment Performance Measurement”** and **“CIPM®”** are marks of CFA Institute that members authorised by CFA Institute may use as a professional designation.
- (g) **“CFA Institute”** is CFA Institute, a Virginia based not-for-profit professional organisation.
- (h) **“CFA Program”** is the Chartered Financial Analyst (CFA®) study and examination program developed and administered by CFA Institute.
- (i) **“CFA Society of New Zealand Associate Member”** is an individual who has met the membership requirements set forth in clause 3.4 of CFA Institute's Bylaws and whose membership has not been revoked or suspended.
- (j) **“Chartered Financial Analyst”** and **“CFA®”** are marks of CFA Institute that members authorised by CFA Institute may use as a professional designation.
- (k) **“CIPM Program”** is the Certificate in Investment Performance Measurement (CIPM®) study and examination program developed and administered by CFA Institute. **“Code and Standards”** is the Code of Ethics and Standards of Professional Conduct, as amended periodically by CFA Institute.
- (l) **“Code and Standards”** is the *Code of Ethics and Standards of Professional Conduct*, as amended periodically by CFA Institute.
- (m) **“Constitution”** means this constitution of the Society, as revised from time to time in accordance with clause 12.
- (n) **“Contact Person”** means the contact person for the Society for the purposes of the Act.
- (o) **“Director”** means members of the Board and has the meaning of Officer under the Act
- (p) **“In Good Standing”** refers to a member who has paid all applicable CFA Institute dues in full and is not currently the subject of a Formal Proceeding or Disciplinary Sanction, as provided in CFA Institute Rules of Procedure for Professional Conduct and CFA Institute Bylaws.
- (q) **“Member’s Agreement”** is a document prepared by CFA Institute setting forth obligations and responsibilities that must be signed by every Regular Member and Affiliate Member.
- (r) **“Professional Conduct Statement”** is a form prepared by CFA Institute inquiring into a member’s conduct that must be signed and submitted on an annual basis by each member except those members excused under CFA Institute Bylaws on or before a date designated by CFA Institute.
- (s) **“Purposes”** means the purposes of the Society as set out in clause 1.4.
- (t) **“Regular Member”** is an individual who has met the membership requirements set forth in clause 3.2 and whose membership has not been revoked or suspended.

- (u) **“Special Resolution”** means a resolution of the Society that is passed by seventy five per cent of the voting contingent, being the board or members at an AGM.
- (v) **“Society”** means CFA Society of New Zealand Incorporated.
- (w) **“Society Staff”** refers to individuals who are employed by the Society.

### **3 MEMBERSHIP**

#### **3.1 Classes of Members**

The classes of members in the Society are Regular Members, Affiliate Members, and CFA Society of New Zealand Associate Members.

#### **3.2 Regular Member**

- (a) To become a Regular Member of the Society, an individual shall:
  - (i) be a Regular Member of CFA Institute; and
  - (ii) fulfil those requirements as may be imposed from time to time by the Board, where such requirements are consistent with those established by CFA Institute; and
  - (iii) pay the required membership dues.

#### **3.3 Affiliate Member**

- (a) To become an Affiliate Member of the Society, an individual shall:
  - (i) be accepted as an Affiliate Member of CFA Institute;
  - (ii) fulfil such other requirements as the Board may impose consistent with requirements established by CFA Institute and
  - (iii) pay the required membership dues.

#### **3.4 CFA Society of New Zealand Associate Member**

- (a) To become a CFA Society of New Zealand Associate Member, an individual must:
  - (i) demonstrate to the satisfaction of the Board at least two years of relevant professional experience in financial services or related areas, or hold an academic position at a New Zealand tertiary institution, or have successfully passed level one of the CFA or CIPM Program; and
  - (ii) live in New Zealand or have reason to be connected with New Zealand, such as an expat; and
  - (iii) pay the required membership dues.

#### **3.5 Member Responsibilities**

*Regular and Affiliate Members*

- (a) Each Regular Member and Affiliate Member of the Society shall:
- (i) adhere to all applicable rules and regulations of the Society and CFA Institute, including but not limited to their constitution, this Constitution, the Code and Standards and any other rules relating to professional conduct and membership, any which may be amended and adopted by the applicable and relevant professional bodies from time to time;
  - (ii) be subject to the disciplinary jurisdiction and sanctions of the Society and CFA Institute, including suspension from membership;
  - (iii) submit information relating to professional conduct and activities as the Society or CFA Institute may request;
  - (iv) produce documents, testify, and otherwise cooperate in disciplinary proceedings of CFA Institute and adhere to such other applicable requirements as set forth from time to time by CFA Institute and the Society; and
  - (v) maintain membership In Good Standing with CFA Institute.

*CFA Society of New Zealand Associate Members*

- (a) Each CFA Society of New Zealand Associate Member shall:
- (i) complete an ethics training specified by the Society or have passed level one (1) of the CFA Program or CIPM Program; and
  - (ii) complete an ethics focused Continuing Professional Development (CPD) course as required by the Society and provide details of this upon membership renewal; and
  - (iii) attest and sign the Code of Conduct Statement for this membership; and
  - (iv) adhere to all applicable rules and regulations of the Society including but not limited to this Constitution, the Code and Standards, and other rules relating to professional conduct and membership, all of which may be amended and adopted by the applicable and relevant professional bodies from time to time; and
  - (v) submit information relating to professional conduct and activities as the Society requests; and
  - (vi) be subject to the disciplinary jurisdiction and sanctions of the Society, including suspension from membership.
- (b) As the CFA Society of New Zealand Associate membership does not constitute or confer CFA Charterholder status, CFA Society of New Zealand Associate Members must not, under any circumstances, in any manner, utilise, claim, or imply they are holders of the Chartered Financial Analyst (CFA®) designation.

**3.6 Application for, and Consent of, Membership**

- (a) Any individual applying for any category of membership shall file with the Society an

application for membership, which shall include their consent to becoming a member of the Society, along with additional information or documents as required by CFA Institute or the Board. For the avoidance of doubt, an application in writing constitutes consent to membership for the purpose of section 76 of the Act.

- (b) Any individual applying for CFA Society of New Zealand Associate membership shall follow such additional procedures as the Board shall establish from time to time.
- (c) The Board shall have the right to review all applications for membership in the Society.
- (d) In the event of disagreement concerning administration or interpretation of CFA Institute's requirements of Regular Members and Affiliate Members, the Society shall have the right to appeal to CFA Institute Board of Governors, and CFA Institute Board of Governors, or a designated committee thereof, shall have the authority to make final determinations on the application of membership provisions.

### **3.7 Voting Rights**

Only Regular Members In Good Standing have voting rights in the Society and each Regular Member In Good Standing shall be entitled to one (1) vote on each matter submitted to the Regular Members.

### **3.8 Dues**

- (a) Any member who fails to pay annual Society membership dues in full shall be automatically suspended from membership in the Society.
- (b) Subject to this Constitution, when payment is made in full, such member shall be automatically reinstated.
- (c) The Board may in its complete discretion, on the application of any member in Good Standing, decide to waive membership dues for any period in light of the member's personal circumstances, such as maternity or paternity leave, or ill health.

### **3.9 Resignation**

- (a) Any member may at any time cease to be a member of the Society by submitting a notice of resignation to the Chair or Secretary.
- (b) Such resignation shall be effective on receipt, or the date specified, and acceptance thereof shall not be necessary to make it effective unless it so states.
- (c) The Society shall notify CFA Institute of the resignation of any Regular Member or Affiliate Member from the Society.

### **3.10 Suspension or Revocation of Membership**

- (a) Membership in the Society may be suspended or revoked at any time for any violation of clause 3.5 by Special Resolution of the Board.
- (b) In the case of Regular Members and Affiliate Members, membership in the Society shall be suspended or revoked if their membership in CFA Institute is suspended or revoked.
- (c) A member whose membership is revoked or suspended shall not be entitled to any

rights or privileges of membership.

### **3.11 Membership List and Member Records**

- (a) For each member, the Society shall keep records of their name, last known contact details, the date of which that member became a member of the Society, record of consent to membership, business addresses, business affiliations, and membership classifications of all Society members and such other records and information relating thereto as the Board shall determine.
- (b) The Society shall provide to CFA Institute such information as CFA Institute may request and that relates to CFA Institute's activities or to membership in CFA Institute.
- (c) The Society shall update its register of members as soon as practicable after becoming aware of changes to existing information recorded on its register.

### **3.12 Retired Member Status**

A member may become a Retired Member of the Society if he or she:

- (a) has or have been a Regular Member or Affiliate Member of CFA Institute for five years;
- (b) are or is no longer substantially engaged in the professional practice of financial analysis, investment management, securities analysis, or other similar profession for compensation;
- (c) completes an application provided by the Society; and
- (d) fulfils such other requirements as the Board may impose.

### **3.13 Honorary Member Status**

- (a) A member may be awarded the status of an Honorary Member of the Society if he or she:
  - (i) has been a Regular Member, Affiliate Member, or CFA Society of New Zealand Associate Member of CFA Society for five years;
  - (ii) are or is aged 70 years or older at the beginning of the renewal year; and
  - (iii) fulfils such other requirements as the Board may impose
- (b) The Honorary Membership will incur \$0 dues for Society membership.

### **3.14 Payments to Members**

- (a) No member of the Society or any person associated with a member shall participate in, or materially influence, any decision made by the Society in respect of the payment to or on behalf of that member or associated person of any income, benefit, or advantage whatsoever.
- (b) Any such salary, wages, or other payments for services paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being the open market value).

- (c) The provisions and effect of this clause 3.14 shall not be removed from this document and shall be included and implied into any document replacing this constitution.

## **4 ANNUAL GENERAL MEETING**

### **4.1 Annual General Meeting**

The Society shall, at least once in each calendar year, and within the period of six months after the expiration of each financial year of the Society, hold an Annual General Meeting of its members.

### **4.2 Calling and Business**

- (a) The Annual General Meeting of the Society shall, subject to the Act, be held either:
  - (i) by a number of members who constitute a quorum, being assembled together at the place, date and time appointed by the Board for the meeting; or
  - (ii) by means of audio, or audio and visual, communication by which all members participating and constituting a quorum, can simultaneously hear or see each other throughout the meeting.
- (b) In addition to any other business which may be transacted at an Annual General Meeting, the business of an Annual General Meeting shall be:
  - (i) to approve the Society's Annual Report
  - (ii) to receive from the Board reports on the activities of the Society during the preceding financial year;
  - (iii) to approve the Annual Financial Statements;
  - (iv) to allow any conflicts of interest to be disclosed at the meeting; and
  - (v) to elect a Chairperson and other members of the Board only if a position is vacant and a successor is to be elected, or their term has expired or the expiry of their term is imminent.

### **4.3 Notice**

- (a) Written notice of meetings shall:
  - (i) state the date, time, and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called;
  - (ii) be accompanied by the annual report, Annual Financial Statements and any conflicts of interest that are to be disclosed in the meeting; and
  - (iii) be delivered, mailed, expressed, or sent by electronic mail, or other reliable printed or printable communication to each Regular Member In Good Standing to the address, as it appears on the Society membership records, not less than fourteen (14) or more than sixty (60) days before the meeting date unless a

different notice period is required by law.

- (b) Notice of any meeting may be waived in writing by the member entitled to receive such notice before or after the date of the meeting.
- (c) A Regular Member who attends a meeting in person or by proxy:
  - (i) waives objection to lack of notice or defective notice of the meeting unless the Regular Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
  - (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless the Regular Member objects to considering the matter when it is presented.

#### **4.4 Quorum**

- (a) At any meeting of the members, ten (10) Regular Members In Good Standing represented in person, or through the use of any means of communication by which attendees may simultaneously hear each other, or by proxy, at such meeting shall constitute a quorum for the transaction of business.
- (b) If less than a quorum is present in person or by proxy, the Chair may adjourn the meeting to a fixed time and place determined by the Chair or Secretary.

#### **4.5 Voting**

- (a) Each Regular Member In Good Standing shall be entitled to one (1) vote.
- (b) A majority of the votes cast in person or by proxy, in hard form or, when permitted by law, electronic form, at a meeting at which a quorum is present shall be required for adoption of any matter voted upon, except as otherwise required by this Constitution, or applicable law.

#### **4.6 Resolution in lieu of General Meeting**

The Society shall be entitled to pass a written resolution in lieu of a General Meeting where such written resolutions meet the requirements of section 89 of the Act.

### **5 BOARD**

#### **5.1 Powers of the Board**

The Society shall be governed by the Board which:

- (a) Shall control and manage the affairs of the Society;
- (b) Has the power and responsibility to perform all such acts and do all such things as appear to the Board to be necessary or desirable for the proper management and affairs of the Society, subject to this Constitution and the Act.

#### **5.2 Composition and Qualification**



- (a) The number of Directors shall be a minimum of four (4) and a maximum of eight (8) as determined by the Board from time to time.
- (b) The Chair, Vice Chair, Treasurer, and Secretary shall serve as officers for the duration of their term as a member of the Board.
- (c) Any other member of the Society elected to the Board in accordance with clause 5.3 shall also be required to serve as an officer.
- (d) Anyone is eligible for election and service as an officer, subject to the requirement that at least four (4) officers are CFA charterholders.

### 5.3 **Terms and Elections**

- (a) Directors shall be elected by vote by the Regular Members In Good Standing at the AGM.
- (b) Directors shall be elected for a term of three (3) years commencing 1 December following the date of the AGM and until their successors are chosen and qualified.
- (c) The Chair, Vice Chair, Treasurer, and Secretary shall each serve as a Director for a term concurrent with his or her respective term as an officer of the Society.
- (d) Directors may not serve for more than three consecutive terms (9 years).

### 5.4 **Vacancies**

A Director's vacancy for any reason may be filled by the Board appointing a successor for the unexpired term of the Director whose place is vacant.

### 5.5 **Meetings**

- (a) Meetings of the Board shall be called by:
  - (i) the Board;
  - (ii) the Chair; or
  - (iii) the Secretary, on the written request of a majority of the Board.
- (b) The date, time, and place of Board meetings shall be designated by the Board, Chair, or Secretary.

### 5.6 **Notice**

- (a) Regular meetings of the Board shall be held with or without notice at such dates, times, and places as the Board may determine by vote.
- (b) Written notice shall, when required, be sent by the Secretary and shall:
  - (i) state the date, time, and place of the meeting; and
  - (ii) be delivered, mailed, or expressed to each Director at least fourteen (14) days before the meeting date or be given by telephone, electronic mail, or other

reliable means at least twenty-four (24) hours before the meeting date.

- (c) The business to be transacted or the purpose of any Board meeting is not required to be specified in the notice or a waiver of notice of any Board meeting.
- (d) Notice of any meeting may be waived in writing signed by the individual entitled to notice before or after the date of the meeting.
- (e) A Director who attends a meeting in person or through the use of any means of communication by which all Directors may simultaneously hear each other during the meeting shall be deemed to have had timely and proper notice of the meeting.

## **5.7 Quorum**

Except as otherwise provided in this Constitution, at any meeting of the Board, a majority of the Directors then serving who are present in person or through the use of any means of communication by which all Directors may simultaneously hear each other during the meeting, shall constitute a quorum.

## **5.8 Voting**

- (a) Each Director, including *ex officio* Directors, shall be entitled to one (1) vote, which shall not be voted by proxy.
- (b) The act of a majority of the Directors voting at a meeting, at which a quorum is present, shall be the act of the Board, except as otherwise provided in this Constitution or by law.

## **5.9 Tenure**

A Director shall cease to hold office if their term of office expires or if they:

- (a) Die or resign, or cease to meet any of the qualifications referred to in this Constitution;
- (b) Become bankrupt or make any arrangement or composition with their creditors;
- (c) Become of unsound mind or are subject to orders made under the Protection of Personal property and Rights Act 1988 or any amendment thereof;
- (d) Fail to attend three consecutive meetings of the Board without the prior written permission of the Board;
- (e) Are removed by ordinary resolution of members.

# **6 OFFICERS**

## **6.1 Number, Designation, and Qualifications**

- (a) The officers of the Society shall be the Chairperson, Vice Chairperson, Treasurer, Secretary, and such other officers as the Board may determine.
- (b) Only Regular Members In Good Standing or Society Staff may serve as officers of the

Society.

- (c) A person may hold more than one office simultaneously provided that the Chairperson and Secretary may not be the same person.

## 6.2 Chairperson

- (a) The Chairperson is responsible for leading the board and focusing it on strategic matters and ensuring there are clear outcomes for management. Subject to the direction of the Board, the Chairperson shall:
  - (i) preside as Chairperson at all meetings of the members and Board;
  - (ii) unless otherwise appointed as a member thereof, be an *ex officio*, non-voting member of each Society committee; and
  - (iii) have such other duties and powers as prescribed in this Constitution, by the Board, and by law.

## 6.3 Vice Chairperson

- (a) The Vice Chairperson shall:
  - (i) in the absence of the Chairperson, perform the duties of the Chairperson;
  - (ii) automatically become the Chairperson of the Society in the event of the Chairperson's incapacity, resignation, removal, or death; and
  - (iii) have such other duties and powers as prescribed in this Constitution, by the Board, and by law.

## 6.4 Secretary

- (a) The Secretary shall:
  - (i) act as secretary at all Board and member meetings, including maintaining minutes of such meetings;
  - (ii) notify the members and Directors of all meetings in accordance with this Constitution;
  - (iii) comply with all requests for information from CFA Institute;
  - (iv) unless otherwise required by the Board, be the Contact Person for the Society and shall be responsible for dealings with the Registrar of Incorporated Societies with respect to matters pertaining to the Society; and
  - (v) have such other duties and powers as prescribed in this Constitution, by the Board, and by law.

## 6.5 Treasurer

- (a) The Treasurer shall:

- (i) maintain general oversight of the Society's financial records, statements and transactions and manage all disbursements authorised by the Board;
- (ii) submit an annual financial statement and budget to the Board and such other statements as the Chair may require; and
- (iii) have such other duties and powers as set out in this Constitution, or resolved by the Board.

## **6.6 Election and Term**

### **(a) Elected officers:**

- (i) The officers shall be elected by the Regular Members In Good Standing at each AGM where their term has expired or is due to expire.
- (ii) Each elected officer shall serve for a term of three (3) years, commencing on 1 December following his or her election and continue until the choosing and qualification of his or her successor.

### **(b) Appointed officers**

- (i) Officer positions other than those listed in clause 6.1 may be appointed by the Board at any time and shall hold office for such term as the Board may determine.

## **6.7 Vacancies**

A vacancy of any office, except as otherwise provided in this Constitution, may be filled by the Board for the unexpired term of the officer whose place is vacant and until a successor is elected or appointed.

## **6.8 Qualification of Officers**

Every Officer must be a natural person who:

- (a) has consented in writing to be an officer of the Society; and
- (b) certifies that they are not disqualified from being elected or appointed or otherwise holding office as an Officer of the Society.

## **6.9 Conflicts of Interest**

An Officer or Director who is interested in respect of any matter being considered by the Society, must disclose details of the nature and extent of the interest (including any monetary value of the interest if it can be quantified)—

- (a) to the Board, Committee and or sub-committee, and
- (b) in the interests register kept by the Society.

# **7 COMMITTEES**

## **7.1 Creation and Requirements**

- (a) The Board may establish one (1) or more committees to perform such duties as prescribed by the Board, or this Constitution, provided that such duties are not prohibited by applicable law.
- (b) Except as otherwise provided in this Constitution, each committee shall act under the supervision and control of the Board and the Board shall have the authority to remove any chairperson or member of a committee.
- (c) Except as permitted by law and specified in this Constitution or a resolution of the Board, no committee shall perform any function of power, policy-making, or management.
- (d) Each committee and subcommittee shall adhere to the same procedural requirements as applicable to the Board for notice of meeting, quorum, and voting.

## **7.2 Committee Chair and Members**

- (a) Except as otherwise provided in this Constitution:
  - (i) the chairperson of each committee shall be a Regular Member In Good Standing;
  - (ii) the chairperson of each committee shall be appointed by the Chairperson of the Board;
  - (iii) the chair of each committee, with prior approval of the Board, shall appoint the other members of the committee; and
  - (iv) each member of a committee shall be a Regular Member In Good Standing except to the extent that the Board shall determine otherwise.

## **7.3 Subcommittees**

- (a) Except as otherwise set forth in this Constitution, a committee may create one (1) or more subcommittees and shall determine the respective chairpersons of such subcommittees, members, and terms of members.
- (b) All actions taken by subcommittees shall be subject to review and approval by the appointing committee, or as otherwise set forth in this Constitution.

## **7.4 Reports of Committees**

Each of the committees shall submit a written report to the Board at least once each fiscal year covering the committee activities since the previous report.

# **8 FINANCES**

## **8.1 Fiscal Year**

The fiscal year of the Society shall begin on 1 September of each year, unless otherwise determined by the Board.

## **8.2 Dues**

- (a) The Board shall establish, and may change, dues for members of the Society.
- (b) For Regular Members and Affiliate Members, Society dues shall be in addition to, and not in lieu of, CFA Institute dues.
- (c) Such dues may be set at levels and for classification of members as determined by the Board.

Pursuant to an agreement between the Society and CFA Institute, CFA Institute will bill and collect membership dues for the Society.

## **8.3 Management of Financial Affairs**

- (a) The Board has control of the Society's funds and property and may borrow money on the Society's behalf.
- (b) The Board has the power to decide how funds are to be handled and invested by the Society to enable it to achieve its Purposes.
- (c) The Board has the responsibility to ensure that the Society's financial records and statements including full details of all receipts and expenditure connected with the activities of the Society are kept and maintained either internally or outsourced to an accountant, and that the Society otherwise maintains all accounting records it is required to maintain at law.

## **8.4 Accounting requirements**

The Board must ensure that the accounting records of the Society:

- (a) correctly record the transactions of the Society;
- (b) allow for the society to produce Annual Financial Statements that comply with the requirements under the Act;
- (c) be in a form that allows the Society to be readily and properly audited if required by law or the rules of the constitution at any stage; and
- (d) keep accounting records for the Society for a minimum of 7 years.

# **9 METHOD OF CONTRACTING**

## **9.1 Deeds**

If an arrangement between the Society and at least one other party is to be documented by way of a deed, such a deed shall be in writing and be signed by:

- (a) 2 or more officers of the Society; or
- (b) an officer whose signature or signatures must be witnessed; or

- (c) 1 or more attorneys appointed by the society under section 124 of the Act.

## **9.2 Other written contracts**

If an arrangement between the Society and at least one other party is to be documented by an agreement, such an agreement must be in writing. The signatory that binds the Society to such an agreement or contract shall be any person acting on behalf of or under the express or implied authority of the Society.

# **10 PROFESSIONAL CONDUCT**

## **10.1 Adoption**

- (a) The Society adopts CFA Institute Code and Standards, which are incorporated by reference.
- (b) All Regular, Affiliate and Associate Members must comply with the provisions thereof.

## **10.2 Enforcement**

- (a) The Society and its Board:
  - (i) delegate to CFA Institute all authority and responsibility for enforcement of the Code and Standards with respect to all Regular Members and Affiliate Members of the Society; and
  - (ii) shall report to CFA Institute any violations of the Code and Standards that come to the Society's attention.

## **10.3 Charges**

- (a) Any person may, in writing, address the Society or an officer or Director thereof concerning a charge or charges of breach of the Code and Standards by a member.
- (b) The Board shall promptly forward all such complaints to CFA Institute Professional Conduct Program.
- (c) The complainant may request that the complaint remain sealed and confidential until it is received by CFA Institute.

# **11 AMENDMENT OF THE CONSTITUTION**

## **11.1 Proposal for Amendment**

- (a) Subject to the provisions of the Act (including section 31) this Constitution may be amended, rescinded or added to by way of resolution of the members in accordance with this clause provided that no addition to or amendment or rescission of this Constitution shall be effective if it affects the charitable object, purpose, pecuniary benefits or winding up clauses.
- (b) Any proposed amendment of this Constitution shall be sponsored by at least four (4) Directors and shall be submitted to the Secretary at least seven (7) days before the next meeting of the Board.

- (c) The Secretary shall forward the proposed amendment to all Directors at least three (3) days before the meeting.

#### **11.2 Adoption of Amendment**

- (a) Any amendment to this Constitution shall be adopted when approved by a majority of the Regular Members In Good Standing voting in accordance with the requirements of this Constitution, or, if the amendment is done outside the Meeting of Members (AGM), voting can be conducted online.
- (b) Except to the extent prohibited by law, CFA Institute clauses are incorporated by reference, and amendments to those clauses are also incorporated by reference without the necessity of further action.

#### **11.3 Amendments requiring the approval of the Inland Revenue Department**

Notwithstanding the provisions of 11.1 and 11.2, no addition to, or alteration of, this Constitution is permitted in relation to the Society's non-profit aims as specified in clause 1.4, personal benefit clause as specified in clause 3.14, or the winding up clause as specified in clause 13.1 without the approval of the New Zealand Inland Revenue Department.

### **12 INDEMNIFICATION**

#### **12.1 Indemnity**

- (a) Every Director, officer, or Regular Member of the Society and their respective successors heirs, executors, and administrators, respectively, shall from time to time, and at all times, be indemnified and held harmless out of Society funds, if the funds so permit, from and against:
  - (i) all costs, charges, and expenses that such Director, officer, or Regular Member sustains or incurs in or about any action, suit, or proceeding that is brought, commenced, or prosecuted against him or her for or in respect of any act, deed, matter, or thing whatsoever made, done, or permitted by him or her in or about the execution of his or her duties pursuant to this Constitution ; and
  - (ii) from and against all other costs, charges, and expenses that he or she sustains or incurs in or about or in relation to the affairs of the Society except such costs, charges, or expenses as are occasioned by his or her own willful neglect or default.

### **13 DISSOLUTION**

#### **13.1 Procedure**

- (a) The Society may be removed from the register by passing a Special Resolution of the Society, three-quarter vote (75%) of the votes in favour from the Regular Members.



- (b) In the event the Society is liquidated or removed from the Register of Incorporated Societies:
  - (i) no member shall be entitled to any distribution or division of its property or its proceeds; and
  - (ii) all funds and property of the Society shall be transferred to or applied for the benefit of one or more not-for-profit corporations or organisations, as then defined by the tax laws to which the Society must adhere, as selected by the Board, and by any court that may exercise jurisdiction over such liquidation or dissolution, if any.
- (c) The Society may be liquidated or removed from the Register of Incorporated Societies in accordance with the provisions of Part 5 of the Act.

## **14 DISPUTE RESOLUTION**

### **14.1 How a Complaint is made**

- (a) A member or officer may make a complaint by giving to the Board a notice in writing that:
  - (i) states that the member or officer is starting a procedure for resolving a dispute in accordance with these clauses; and
  - (ii) sets out the allegation to which the dispute relates and whom the allegation is against; and
  - (iii) sets out any other information reasonably required by the Board.
- (b) The Society may make a complaint involving an allegation against a member or an officer by giving to the member or officer a notice in writing that:
  - (i) states that the Society is starting a procedure for resolving a dispute in accordance with these clauses; and
  - (ii) sets out the allegation to which the dispute relates.
- (c) The information given under clause (a) or (b) above must be enough to ensure that a person against whom an allegation is made is fairly advised of the allegation concerning them, with sufficient details given to enable them to prepare a response.

### **14.2 Person Who Makes Complaint Has Right To Be Heard**

- (a) A member or officer who makes a complaint has a right to be heard before the complaint is resolved or any outcome is determined.
- (b) If the Society makes a complaint:
  - (i) the Society has a right to be heard before the complaint is resolved or any outcome is determined; and

- (ii) an officer may exercise that right on behalf of the Society.
- (c) Without limiting the manner in which the member, officer, or Society may be given the right to be heard, they must be taken to have been given the right if:
  - (i) they have a reasonable opportunity to be heard in writing or at an oral hearing (if one is held); and
  - (ii) an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing; and
  - (iii) an oral hearing (if any) is held before the decision maker; and
  - (iv) the member's, officer's, or Society's written statement or submissions (if any) are considered by the decision maker.

#### **14.3 Person Who Is The Subject Of The Complaint Has The Right To Be Heard**

- (a) This rule applies if a complaint involves an allegation that a member, an officer, or the Society (the respondent):
  - (i) has engaged in misconduct; or
  - (ii) has breached, or is likely to breach, a duty under these clauses or the Act; or
  - (iii) has damaged the rights or interests of a member or the rights or interests of members generally.
- (b) The respondent has a right to be heard before the complaint is resolved or any outcome is determined.
- (c) If the respondent is the Society, an officer may exercise the right on behalf of the Society.
- (d) Without limiting the manner in which a respondent may be given a right to be heard, a respondent must be taken to have been given the right if:
  - (i) the respondent is fairly advised of all allegations concerning the respondent, with sufficient details and time given to enable the respondent to prepare a response; and
  - (ii) the respondent has a reasonable opportunity to be heard in writing or at an oral hearing (if one is held); and
  - (iii) an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing; and
  - (iv) an oral hearing (if any) is held before the decision maker; and
  - (v) the respondent's written statement or submissions (if any) are considered by the decision maker.

#### **14.4 Investigating and Determining Dispute**

- (a) The Society must, as soon as is reasonably practicable after receiving or becoming aware of a complaint made in accordance with these clauses, ensure that the dispute is investigated and determined.
- (b) Disputes must be dealt with under these clauses in a fair, efficient, and effective manner.

#### **14.5 Society May Decide Not To Proceed Further With Complaint**

- (a) Despite clause 14.2, the Society may decide not to proceed further with a complaint if:
  - (i) the complaint is trivial; or
  - (ii) the complaint does not appear to disclose or involve any allegation of the following kind:
    - (i) that a member or an officer has engaged in material misconduct:
    - (ii) that a member, an officer, or the Society has materially breached, or is likely to materially breach, a duty under these clauses or the Act:
    - (iii) that a member's rights or interests or members' rights or interests generally have been materially damaged:
  - (iii) the complaint appears to be without foundation or there is no apparent evidence to support it; or
  - (iv) the person who makes the complaint has an insignificant interest in the matter; or
  - (v) the conduct, incident, event, or issue giving rise to the complaint has already been investigated and dealt with under these clauses; or
  - (vi) there has been an undue delay in making the complaint.

#### **14.6 Society May Refer Complaint**

- (a) The Society may refer a complaint to:
  - (i) a subcommittee or an external person to investigate and report; or
  - (ii) a subcommittee, an arbitral tribunal, or an external person to investigate and make a decision.
- (b) The Society may, with the consent of all parties to a complaint, refer the complaint to any type of consensual dispute resolution (for example, mediation, facilitation, or a tikanga-based practice).

#### **14.7 Decision Makers**

- (a) A person may not act as a decision maker in relation to a complaint if 2 or more members of the Board or a complaints subcommittee consider that there are reasonable grounds to believe that the person may not be:
  - (i) impartial; or
  - (ii) able to consider the matter without a predetermined view.