

COSMETIC, TOILETRY & FRAGRANCES ASSOCIATION OF NEW ZEALAND (INC.)

CONSTITUTION AND RULES

1. NAME

The Name shall be the Cosmetic, Toiletry & Fragrances Association of New Zealand (Inc.).

2. OFFICE

The office of the Association shall be at such place as any general meeting may from time to time decide.

3. OBJECTS

The objects of the Association are:

- (a) To promote, aid, foster, and develop the lawful interests of the Cosmetic, Toiletry and Fragrance Industry in New Zealand.
- (b) To create a feeling of unity amongst members of the Industry throughout New Zealand.
- (c) To provide by all lawful collaboration the opposing of any legislation, regulation, or other action which the Industry may consider to be inimical to it or to the lawful interests of its members.
- (d) Through lawful actions to do all such things as may appear necessary or desirable or incidental or conducive to the attainment of the above objects or any of them.

4. SECRETARIAT

The secretariat shall be as determined by the Board of Directors and confirmed at a general meeting of members.

5. MEMBERSHIP

- (a) Full Membership shall be open to all companies engaged in the manufacture, importing or marketing of cosmetic, toiletry or fragrance preparations.
- (b) Associate Membership shall be open to any company engaged in the supply of components, materials, machinery, or services to the cosmetic, toiletry and fragrance industry and which is not eligible for Full Membership.

Where a company is owned by an existing full financial member of the Association, such company shall be eligible for Associate Membership.

- (c) Associate members shall have no voting rights nor be eligible to hold office. They may, however, make application to the Board of Directors to be granted

such rights, such privileges being conferred on a basis and conditions to be determined by the Board of Directors.

- (d) All applications for membership of the Association shall be in writing to the Secretary and shall incorporate a notification that the applicant will abide by the rules, regulations, and decisions of the Association.
- (e) Such applications shall be considered by the Board of Directors, provided always that such applicant has the right of appeal to a general meeting of members.
- (f) Any member ceasing to hold the necessary qualifications as designated above shall cease to be a member of the Association and shall forfeit all rights of membership.

The membership of any member may be terminated by the Association if, in the opinion of at least a three-quarters majority of members present at a meeting of the Association, such member has acted contrary to this Constitution or to the interests of the Association. Before any such termination of membership shall be ratified, the member concerned shall be given an opportunity of explaining his/her alleged actions at a meeting of the Association considering the termination of membership.

Any member shall, upon termination of membership under this rule, meet all financial obligations outstanding to the Association as at the date of such termination.

Members may resign voluntarily.

- (g) No member shall resign from the Association without giving 3 months notice in writing to the Secretary nor until all subscriptions, levies, fines, or other dues payable by such member have been paid.
- (h) The definition of "Company" as stated in (a) shall be any business organization, registered company, partnership, or sole trader

6. OFFICERS

- (a) The overall management of the business and affairs of the Association shall be vested in the Board of Directors which shall consist of a Chair, the Immediate Past-Chair, and eight (8) other members. Only members of the Association shall be eligible to stand as members of the Board of Directors provided, that if a firm or company shall be a member of the Association, a representative of such firm or company may be elected to the Board of Directors.
- (b) The Chair shall hold office for two years and Executive members shall hold office for one year until the next Annual General Meeting at the end of which time they shall retire but shall be eligible for re-nomination and re-election.
- (c) Nominations for Chair and members of the Board of Directors shall be in writing in the hands of the Association Secretary not later than 14 days before the date of the Annual General Meeting.
- (d) Unless leave of absence has been applied for in writing and has been granted by the Association's Board of Directors, a member of the Board of Directors

absenting him/herself from more than three consecutive meetings in any one year shall be deemed to have forfeited his/her seat on the Board of Directors .

- (e) If a member of the Board of Directors is unable to attend a Board of Directors Meeting, he/she may appoint a substitute to attend in his stead.

7. PRESIDENT

- (a) The duties of the Chair shall be to preside at all Board of Directors and General Meetings of the Association and to report upon all transactions and negotiations affecting the work of the organisation.
- (b) He/she shall have a deliberative and, where necessary, a casting vote at all Executive or General Meetings.
- (c) Where the Chair is absent from any meeting, the member elected by the Board of Directors as Vice Chair shall act in his/her stead for the meeting, assuming all the duties and rights of the Chair.

8. BOARD OF DIRECTORS MEETINGS

- (a) Seven (7) clear day's notice shall be given to members of the Board of Directors of Board of Directors Meetings provided that it shall be within the power of the Chair, by written notice to the Association Secretary, to call meetings of special urgency without compliance with this provision.
- (b) At the request of the Board of Directors or any three other members of the Board of Directors the Association Secretary shall upon receiving such request call a meeting of the Board of Directors at the earliest possible date.
- (c) At all meetings of the Board of Directors three shall form a quorum.
- (d) Decisions at Board of Directors Meetings shall be by show of hands.

9. SECRETARY-TREASURER

The secretary/treasurer of the Association shall be determined by the Board of Directors and confirmed at a general meeting of members. The duties of the secretary shall be to arrange and to provide secretarial services for all General Meetings of the Association and all Board of Directors meetings, to record minutes, forward to members as promptly as possible copies of all remits, notices of motion and minutes of General Meetings. He/she shall receive all monies due to the Association from levies or from any other sources and pay the same into a bank account in the name of the Association. He/she shall keep a true and correct account of the income and expenditure of the Association; prepare annually (or at such other times as a General Meeting may require) a balance sheet for submission to the Auditor; recover all debtors due to the Association and generally carry out the instructions of the Chair Board of Directors and General Meetings and the expressed policy of the Association.

10. GENERAL MEETING

- (a) An Annual General Meeting of the Association shall be held at such time and place as the Board of Directors may determine.
- (b) A Special General Meeting shall be held by agreement of the Chair and Secretary when necessary. A Special General Meeting shall be called by the Secretary on receipt of a written requisition from any ten members.
- (c) General Meetings shall be called upon notification to members, which notification must be posted 21 clear days before the date of the meeting.
- (d) At General Meetings twelve (12) members shall form a quorum.

11. EXPENSES TO EXECUTIVE MEETINGS

Every officer and member of the Board of Directors attending a properly summoned Board of Directors Meeting shall be entitled to receive, if not resident in the town where the meeting is held, reimbursement of his/her transport and accommodation expenses and other reasonable expenses.

12. VOTING AT GENERAL MEETINGS

- (a) Voting may be by remote means, with ballots carried out electronically or by post, or by show of hands of those present at a general meeting. Where any firm is represented at a meeting by more than one person, each firm shall in such case be entitled to record only one vote.
- (b) Any member present may require a vote to be taken by ballot.
- (c) Where a ballot is taken only those members who are financial for the immediately preceding financial year of the Association shall be entitled to vote.
- (d) Voting by proxy, provided that these are in writing or telegraphed and in the hands of the Secretary before the commencement of the meeting, shall be allowed on the above basis.

13. FINANCIAL YEAR

The financial year of the Association shall close on 31 March in each year.

14. SUBSCRIPTIONS AND LEVIES

- (a) The annual subscription payable by members shall be such sum and on such a basis as determined in advance by each Annual General Meeting after considering the recommendation of the Board of Directors subject to the subscription for the first year being determined by the Board of Directors.
- (b) In the event of no Annual General Meeting being held in the normal course of activities, the existing members of the Board of Directors shall have power to declare the annual subscription of no greater amount than and on the same basis as those of the previous year.
- (c) In the event of expenditure being incurred or decided upon in any year in connection with carrying out the objects of the Association, an Annual General Meeting or Special General Meeting may authorise additional levies on members in proportion to the annual subscription payable by each member.

15. BANK ACCOUNT, CHEQUES AND RECEIPTS

When necessary by decision of the Board of Directors a banking account shall be opened at a bank approved by the Board of Directors to be operated jointly by any two of the signatories to be appointed by the Board of Directors. The secretary/treasurer and one of the two other signatories to be appointed from time to time by the Board of Directors shall also have the power to endorse all cheques and other negotiable instruments payable to the Association and to issue receipts.

16. SEAL

- (a) The common seal of the Association shall be under the control and custody of the Secretary.
- (b) The seal shall not be affixed to any document except in accordance with a resolution of members.
- (c) The seal shall be affixed in the presence of any two members of the Association.
- (d) A seal register shall be kept by the Secretary and be available at all meetings of the Association, together with copies of all documents duly sealed.

17. AUDITOR

The auditor shall be such person as may be appointed by members at the annual general meeting.

18. ALTERATION OF RULES

Any alterations, amendments, or additions to these rules shall be made at an Annual or Special General Meeting. Suggested alterations, amendments or additions shall be notified to the Secretary at least 21 days before the date of the meeting at which they will be given consideration and the Secretary shall as promptly as possible notify each member of the details of any such suggestions. No alteration shall be made to Clause 19 without prior approval of the Inland Revenue Department.

19. WINDING UP

- (a) Any resolution to wind up the Association must be carried out by a majority vote of members at a General Meeting specially called to consider the matter. If required, the Association shall be wound up in accordance with Section 24 of the Incorporated Societies Act 1908.
- (b) Any available funds after settlement of all liabilities shall be disposed of in such a manner as the General Meeting decides, provided that no member shall obtain any pecuniary gain on such a distribution.