

Rules of the AJS& Matchless Owners Register Incorporated

1. Alteration to the Name and Objectives of the Register (Clause 1 & 2 of the Constitution)

Details of the name, objects for which the register is established may not be altered by the members without permission from the Register of Incorporated Societies.

This is governed by the Incorp. Societies Act 1908 (I.S. Act) in current state as at 1 April 2014. You can not change the name or why the register was established without prior consent of the Registrar of Incorporated Societies. I.S. Act Section 6: 1 & 2, Section 10, 11: 1, 2, and 11A: 1, 2, 3.

2. Alteration to Operation of the Register (Clauses 3, 4, 6, 8, and 10 of the Constitution)

Any changes to the way membership is established or ceases, modes of voting, appointment of officers, control of funds, the distribution of any funds should the register be dissolved can only be altered by way of a vote by at least three-fifths of the members present at any AGM or at a special meeting of four members of the Committee or any ten members of the Register, these meetings must be advertised 14 days before they occur.

This is governed by the Incorp. Societies Act 1908 in current state as at 1 April 2014, these would need to be advertised 14 days prior to a meeting in the wording to be voted on.

If this is at an AGM then there MUST be more than 3/5th of the members present

I.S. Act Section: 21: 1, 2, 3, 3A, 4, 5

3. Members Limited Liabilities (Clause 6 Constitution)

The Committee has the power to borrow money, authorised by a resolution passed at a General meeting by three quarters of members' present and proxy votes.

The I.S. Act states Membership of the register shall not itself impose on the members any liability in respect of any contract, debt or other obligation incurred by the Register.

This means that should a loan or debt (newsletter printing) be entered into no one person; either committee or member, is responsible for the debt. It must be paid from register funds.

Any loans or accounts must be accepted by the AGM each year as authorisation for payment. Proposing and accepting the annual accounts at the AGM is accepted as correct practice, the proposer and Secunder must be noted in the minutes.

I.S. Act Section 13, 14

4. Members Rights to Property of the Register (Clause 6 Constitution)

The responsibility for the property, effects and assets of the Register shall be vested in the Committee. No member of the Register or any person associated with a member shall participate in or materially influence any decision made by the Register in respect of the payment to or on behalf of that member or associated person of any income, benefit, or advantage whatsoever. Any such income paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being open market value). The provision and effect of this clause shall not be removed from this document, and shall be included and implied in any document replacing this document.

The I.S. Act states that Membership of the register shall not confer to any member any right, title, or interest, either legal or equitable in the property of the register. Section: 14, 20: 1, 2, 3, 4

This means no items paid for from register funds or funds of the register including Rally funds can be given or gifted to any member of the register. No member can materially benefit from the funds without ALL members receiving the same benefit.

The exception is I.S. Act Section 5: Pecuniary Gain, subsection F: that the members of the register can compete with each other for Trophies or prizes **other than money prizes**.

5. The Register cannot trade for monetary gain

An incorporated Register is a non-profit organisation. The Incorporated Societies Act 1908 specifies that a Register must not undertake activities for financial gain (referred to in the Act as 'pecuniary gain'). A Register may, however, make money (for example, through entry fees or other fundraising) and retain that money and use it to further its objects.

I.S Act Section: 14, 20: 1, 2, 3, 4

The Register was granted Tax Exemption on the following grounds:

“having obtained exemption from income tax under section CW 46, Income Tax Act, as being “established mainly to promote a marque of motorcycle,” that “no part of the funds of the Register is used or is available to be used for the private pecuniary profit of any one member, or associate of any member” and “sales of regalia must only be to the members” and “only paid-up members can attend the annual rally.” “the opinion of this court is that sufficient funds being the equivalent of \$500 per member at any one time be adequate” and “sums in excess of this amount should be taxed and the granted tax exemption removed.”

The AGM at Rotorua ratified that “The Regalia must be sold only to the membership at a cost plus reasonable spend to ensure that the register does not make a profit which would be subject to taxation as income” and “only members can attend the rally and that the rally entry fees are to be used only for the rally and any gain or loss incurred will be transferred to the main accounts at the end of the rally.”

The AGM also ratified that \$10,000 at any one time is sufficient funds for the register to meet its objectives and that the committee would ensure the Register is placed at risk of losing its Tax exemption status.

If the Register is found to be engaging in operations involving financial gain, both the Register itself and the members are liable to be prosecuted and fined. In addition, all members involved can be personally liable for any debts and obligations incurred by the Register under the Income Tax Act 2007 the register would be in breach of the Exemption and would have to pay tax on the income. Before appeal this amounted to over \$14, 0000 in tax and fines.

6. Registered Office of the AJS & MOR Inc.

The registered office will be the address as supplied by the incumbent President, this must be filed by the Secretary along with their details on the website of the Incorporated Societies.

Under the I.S. Act for every day that the Register does not have a registered office the members are liable to a daily fine until the time that a registered office is provided. Section 18, 1.

7. Register of members (Clause 5 of the Constitution)

Every Register, must keep a register of its members including names, addresses and the date they became a member, this must be certified by the President and be available on request from the Registrar of Incorporated Societies.

Under I.S. Act Section 22: 1, 2, and 3.

8. Annual Financial Statement (Clause 7 Duties of Officers of the Constitution)

At each AGM in March the Treasurer must supply a statement containing the following information:

**Income and expenditure Period 1 Jan – 31 Dec preceding
Assets and Liabilities as at 31 Dec preceding
A financial position of the Register including all debts and assets**

This must be advertised prior to the AGM in the newsletter and Proposed/ Seconded and accepted at the AGM.

This must be filed with the Incorp Societies before March the following year, along with the minutes noting the acceptance of the accounts and signed by the President at time at the meeting.

Financial Markets Conduct Act 2013, Section: 451, and The Financial Reporting Act 2013 Section: 55 and the I.S. Act section 23: 1,2,3,4

9. Voting (Clause 8 of the Constitution)

AGM & Special Meeting: For all none changes to the Constitution: will be by show of hands and / or by proxy vote where deemed necessary by the committee prior to the meeting.

On application by not less than three members a ballot will be taken, the President / Chairperson to have the casting vote.

Both must be advertised fourteen days in advance and open to ALL members to attend.

AGM & Special Meeting: For changes to the Constitution: on a vote of at least three-fifths of the members present

Both must be advertised fourteen days in advance with the wording of the change to be made and open to ALL members to attend.

By Ballot: On application by not less than three members a ballot the President / Chairperson to have the casting vote. This ballot application can be made from the floor of an AGM, Special meeting or Committee Meeting.

By Proxy: If the Treasurer intends to increase the subs proxy votes will be included in the newsletter prior to the AGM to enable ALL members to vote.

I.S Act Sections 23, 23A 23B

10. Subscriptions (Clause 7 Treasurer of the Constitution)

The Treasurer must include a notice of motion of the amount of subs to be set at the next AGM, and the financial reports relating to the period 1 Jan – 31 Dec preceding the March AGM in the February newsletter. If the subs are to be increased the must be a proxy vote included to allow all members to vote.

I.S Act Sections 23

11. Clerical Work of the Register (Clause 7 Secretary of the Constitution)

Keeping of minutes of the AGM, Special Meeting and Committee Meetings and all clerical work required for the efficient running of the Register, including letters, emails, circulars, rally entry forms and all other correspondence are both received and answered.

These must be on hand and available to the membership at an AGM if requested. No correspondence of the membership to the committee or between the committee is confidential, every member of the register is part of the body corporate and can apply for and receive copies of all communications unedited. "An incorporated Register is a body corporate established under the Incorporated Societies Act 1908 on application to the Registrar of Incorporated Societies. It exists for furthering the non-profit objects established in its registered rules."

I.S. Act Section 10, and Section 34: 1, 2, 3, 4 the Official Information Act 1982, section 5,

Also, the Registrar of Incorp Societies or any person authorised by him may for the purpose of ascertaining whether the Register or officer of the Register is complying with the Act may ask for this information which must be provided within 21 days of the request. This is to be provided by the Secretary." I.S Act 34A

12. Winding up or Dissolution (Clause 6 of the Constitution)

If upon the winding up or dissolution of the Register there remains after the satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid to or be distributed among the members of the Register but shall be given or transferred to some other organisation or body having objects similar to the objects of the Register, or to some other charitable organisation or purpose, within New Zealand.

Wind up or Liquidation must be at an AGM and with valid votes cast by a majority. Valid is by paid-up members only.

No money is to be given to any member at the time of the windup of the register, any liquidation will be handled by an appointed liquidator.

I.S. Act Section 24: 1, 2, 3, Section 25, 26, and 27: 1, Section 28

13. AGM Requirements

ALL Incorporated Societies must hold an Annual AGM

Prior to the Meeting:

Secretary: Notice of meeting including time and place, previous minutes, agenda to be in the February newsletter or newsletter more than 14 days prior to the AGM.

Treasurer: Financial reports including Statement of Income and Expenditure, Assets and Liabilities and a statement of the financial position of the register, plus a Motion for setting of the Subs for the coming year.

At the Meeting:

President runs the meeting in the following format;

- welcome by President
- Minutes silence for members who have passed in the last 12 months
- Apologies
- Confirmation of minutes from previous AGM
- Matters arising from the minutes

Executive reports

- Secretary - correspondence
- Presidents - annual report
- Treasurer's report and presentation of financial statement – motion for subs for the next year voted on, and appointment of the Auditor for the next Financial reports
- election of office bearers
 - Election is only for the Executive Officers and the Editor and Promotions and Regalia Officer.
 - Historical Officer, Web Master, Rally Organiser are not elected but can change by nomination and acceptance of the AGM.
 - Area reps are voluntary roles
- General business
 - This should be in the agenda or if it has come up in the meeting earlier and adjourned to general business, otherwise is postponed to the next committee meeting or AGM.
- close of meeting

14. Newsletter

The newsletter ties the register together and is printed 6 times a year, in every even month, and be in letterboxes of the members no later than the 15th of the month.

The budget for the newsletter is based on the number of current paid members

No: Members x membership fee x 6.

This allows the Register to use excess funds and stay under the threshold as set by the Inland Revenue. Subs are used for the newsletter which ensures all members receive an equal share of the monies paid to the register each year. The Editor will not spend in excess of the Subs in any one year for the production of the newsletter.

The Editor will be paid in advance for stamps etc. required to perform their role and return receipts etc. to the Treasurer in a timely manner.

The Editor stands at an arms length from the Executive Committee and is responsible solely for the Editing and production of the newsletter.

The Executive cannot issue directives on the production or content of the newsletter or influence the style unless a formal complaint is received by the Executive Committee which must outline the area of contention and should be handled at an AGM level in conjunction with Section 4 of the constitution.

15. Promotions and Regalia Officer

Should be actively promoting the image and visibility of the club by arranging participation at appropriate public events by club members and maintaining a stock of regalia items, the range of which shall be determined by members at the AGM. Regalia must always be on sale at the AGM and advertised in the Newsletter.

The committee can authorised the purchase of new regalia not in excess of any funds over and above the following calculation:

The Newsletter Funds: No: Members x membership fee x 6. Plus the same for 1 year

The Rally Funds: Any Rally Entry fees held by the Register prior to a rally

These purchases must be authorised in writing by all members of the Executive Committee and held by the Secretary on file.

PERCUNIARY GAIN

This is a difficult one but if you offer a prize for something it cannot be monetary or purchased item from register funds.

The exception to this is the prizes at a Rally which can be bought from rally funds if budgeted in the costings and the Rally does not run at a loss.

The Acts are very clear: both IRD and Incorporated Societies.

NO Member can receive a benefit of any value that any other member does not receive. This benefit is a pecuniary gain and may in some cases be taxable income to that member.

You CANNOT:

1. Sponsor a Register member – but you can sponsor a group the member is in in which case they need to apply under that group for funds
2. Offer a 'prize' of anything other than the trophies at any time from Register funds
3. Subsidise a Register Member for participation in any Register event – but you can sponsor Area reps funds to run events for their members.
This requires the Area rep to apply in writing and be granted by the Executive the funds and for the Area rep to report on the way the funds were used in the Newsletter and the Executive Committee. There should only be one application for funds per year from any one Area Rep.
4. Give Cash or discounts to any Register Member

You CAN

1. Sponsor like-minded groups in events to the value of \$500 per year with approval from the Executive and to \$1000 per year with approval from the AGM
2. Allocate funds to Area Reps as above 3.
3. Fund Regalia purchases so long as they do not deplete funds for the newsletter as set out in rule 14.
4. Offer prizes when they have been donated to the register: (ie) tickets to events the register has sponsored - but these must be made available to ALL members to compete for by advertising in the newsletter to enable each and every member the same opportunity.

MEETING FORMAT (Suggested format only from Ministry of Innovation and Business)

WELCOME

I declare theth Annual General Meeting of NZ AJS & Matchless Register Incorporated open. It is a pleasure to welcome (name any important visitors, patron, sponsors, etc.) and all members. Thank you for showing your interest by coming here tonight/today

The Annual Reports and Annual Accounts have previously been printed in the last newsletter for your approval.

MINUTES SILENCE

I ask that you all stand in remembrance of past members in silence for 1 minute

APOLOGIES

I now call for any apologies.

I move that these apologies be accepted. Secunder.

Those in favour please say Aye. Against? Carried.

MINUTES

The minutes of the last Annual General Meeting have been circulated.

Are there any amendments?

Would someone move that this is a true and correct record of what took place at the last AGM?

Secunder.

Those who were present and are in favour please say Aye.

Against? Carried.

The Chairperson now signs the minutes as correct.

MATTERS ARISING

Is there any business arising from the minutes?

Briefly discuss any topics raised.

ANNUAL REPORT

I will now present the Annual Report.

I move that the (year) Annual Report of the NZ AJS & Matchless Register Incorporated be received.

Secunder.

The President reads the report.

The report is now open for discussion.

There being no (further) discussion would someone move that this report and our subs be adopted.

Secunder.

Those in favour please say Aye. Against? Carried.

FINANCIAL REPORT

I now call on the Treasurer to present the Financial Report.

Treasurer: I move that this report be received.

Secunder.

The Treasurer moves the motion to set the Subscriptions for the coming year

Secunder.

Chairperson: The report is now open for discussion.

The Treasurer comments on or reads the report, and answers questions.

There being no (further) discussion would someone move that this report and the subs be adopted.

Secunder.

Those in favour please say Aye. Against? Carried.

SECRETARY REPORT

I now call on the Secretary to bring us up to date with the correspondence for the past year and any matters outstanding.

ELECTION OF OFFICERS

The next item on the agenda is the election of officers.

Office Of Chairperson

I shall now vacate the chair and hand over to the Secretary. (If the President is not standing for re election she/he may stay in the chair).

Secretary: has been nominated for the position of President. Or has offered to stay in the position Secunder.

(If there is only one nomination, no vote is required.)

I am very pleased to declare that is elected / re-elected as Chairperson.

(Chairperson resumes chair.)

Office Of Secretary

..... has been nominated for the position of Secretary. Or has offered to stay in the position Secunder.

(If there is only one nomination, no vote is required.)

I am very pleased to declare that is elected / re-elected as Secretary.

Office Of Treasurer

(Follow the procedure described for Secretary above.)

COMMITTEE MEMBERS

I move that those members willing to stand for the Editor, Promotions & Regalia be elected as one body.

The following people have indicated that they are willing to stand again. (List them).

Are there any further nominations? (List them).

Secunder.

Those in favour please say Aye. Against? Carried. are duly elected.

GENERAL BUSINESS

The next item on the agenda is general business. General business needs to have been advertised or discussed with a member of the committee prior to the meeting or have been adjourned from matters arising.

CLOSE MEETING

There being no (further) general business, I declare this Annual General Meeting closed. (time)

VOTING/DECISION RULES

Read your constitution – this states how decisions are to be made and it will also includes other important rules such as whether the Chairperson has an additional casting vote if the voting is tied.

CHANGING OFFICERS

Your constitution prescribes how the officers will be nominated for election. Usually this happens before the AGM. If your rules allow for nomination and election on the same day, it is a good idea to approach anyone you think would be suitable for an officer position before you hold your AGM. That way you won't put anyone on the spot with nominations at the meeting – nominated people should be given time to consider if they have the desire, skill, & time to commit to the position. If the nominated person will be absent from the AGM they should give a written consent to the Secretary that they agree to the nomination.

Make sure you check your constitution as they require the Executive committee members to rotate after a 3 constitutive year period of time.

Role of the Committee (Incorporated Societies recommendations to adhere to the Act)

1: Subject to the Constitution and rules of the Register, the role of the Committee is to:

- a. Administer, manage, and control the Register;
- b. Carry out the purposes of the Register, and Use Money or Other Assets to do that;
- c. Manage the Register's financial affairs, including approving the annual financial statements for presentation to the Members at the Annual General Meetings;
- d. Set accounting policies in line with generally accepted accounting practice
- e. Delegate responsibility and co-opt members where necessary
- f. Ensure that all Members follow the Rules;
- g. **Decide how a person becomes a Member, and how a person stops being a Member;**
- h. Decide the times and dates for Meetings, and set the agenda for Meetings;
- i. Decide the procedures for dealing with complaints;
- j. Set Membership fees, including subscriptions and levies;
- k. Make regulations.

1:2 The Committee has all of the powers of the Register, unless the Committee's power is limited by these Rules, or by a majority decision of the Register.

1.3 All decisions of the Committee shall be by a majority vote. In the event of an equal vote, the Chair/President shall have a casting vote, that is, a second vote.

1.4 Decisions of the Committee bind the Register, unless the Committee's power is limited by these Rules or by a majority decision of the Register.

2.0 Roles of Committee Members

2.1 The Chair/President is responsible for:

- a. Ensuring that the Rules are followed;
- b. Convening Meetings and establishing whether or not a quorum (half of the Committee) is present;
- c. Chairing Meetings, deciding who may speak and when;
- d. Overseeing the operation of the Register;
- e. Providing a report on the operations of the Register at each Annual General Meeting.

2.2 The Secretary is responsible for:

- a. Recording the minutes of Meetings;
- b. Keeping the Register of Members;
- c. Holding the Register's records, documents, and books except those required for the Treasurer's function;
- a. Receiving and replying to correspondence as required by the Committee;
- b. Forwarding the annual financial statements for the Register to the Registrar of Incorporated Societies upon their approval by the Members at an Annual General Meeting.
- c. Advising the Registrar of Incorporated Societies of any rule changes;

2.3 The Treasurer is responsible for:

- a. Keeping proper accounting records of the Register's financial transactions to allow the Register's financial position to be readily ascertained;
- b. Preparing annual financial statements for presentation at each Annual General Meeting. These statements should be prepared in accordance with the Societies' accounting policies (see 8.1.d).
- c. Providing a financial report at each Annual General Meeting;
- d. Providing financial information to the Committee as the Committee determines.

4.0 Executive Committee Meetings/ Committee Meetings

4.1 Executive Committee meetings may be held via video or telephone conference, or other formats as the Executive Committee may decide;

- 4.2 No Committee Meeting may be held unless more than half of the Committee Members attend;
- 4.3 The President shall chair Committee Meetings, or if the President is absent, the Committee shall elect a Committee Member to chair that meeting;
- 4.4 Decisions of the Committee shall be by majority vote;
- 4.5 The President or person acting as President has a casting vote, that is, a second vote;
- 4.6 Only Committee Members present at a Committee Meeting may vote at that Committee Meeting.
- 4.7 Subject to the Constitution and Rules, the Committee may regulate its own practices;
- 4.8 The President or his nominee shall adjourn the meeting if necessary.
- 4.9 Adjourned Meetings: If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened upon requisition of members, shall be dissolved; in any other case it shall stand adjourned to a day, time and place determined by the President of the Register, and if at such adjourned meeting a quorum is not present the meeting shall be dissolved without further adjournments. The President may with the consent of any Register Meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.