

**NEW ZEALAND FLOORING TRAINING  
ORGANISATION INCORPORATED  
TRADING AS FLOORNZ**

---

**CONSTITUTION**

---



## **CONTENTS**

1.	NAME .....	3
2.	DEFINITIONS AND INTERPRETATION.....	3
3.	OBJECTIVES.....	4
4.	MEMBERSHIP .....	6
5.	MEMBERSHIP FEES .....	8
6.	GOVERNANCE .....	8
7.	BOARD PROCEEDINGS.....	11
8.	OFFICERS AND STAFF.....	12
9.	ANNUAL GENERAL MEETING.....	13
10.	SPECIAL GENERAL MEETINGS.....	14
11.	PROCEEDINGS OF GENERAL MEETINGS .....	14
12.	FUNDS AND PROPERTY .....	15
13.	ACCOUNTS AND AUDIT.....	15
14.	RECORDS .....	15
15.	INDEMNITY .....	16
16.	ALTERATION OF RULES.....	16
17.	INTERPRETATION OF RULES.....	16
18.	PRIVILEGED COMMUNICATIONS .....	16
19.	REGISTERED OFFICE .....	17
20.	CONTACT PERSON .....	17
21.	WINDING UP .....	17
22.	SCHEDULE 1 - DISPUTE RESOLUTION .....	17

## **1. NAME**

**1.1.** The society's name is "The New Zealand Flooring Training Organisation Incorporated" trading as FloorNZ (in these Rules referred to as "FloorNZ").

**1.2.** FloorNZ is registered as a charitable entity under the Charities Act 2005.

## **2. DEFINITIONS AND INTERPRETATION**

### **2.1. Definitions**

In these rules, unless the context otherwise requires:

"Act" means the Incorporated Societies Act 2022;

"Annual General Meeting" means a meeting referred to in Rule 9;

"Board" means the Board constituted by these Rules;

"Business Day" means a day which is not a Saturday or a Sunday or a public holiday in Wellington;

"CEO" means the Chief Executive Officer appointed in accordance with Rule 8.1;

"Chairperson" means the Board's Chairperson appointed in accordance with these Rules;

"Financial Year" means the period from 1 January in each year to 31 December in each year;

"Financial Statements" means proper financial statements giving a true and fair account of:

- a. FloorNZ's income and expenditure during a Financial Year;
- b. FloorNZ's assets and liabilities at the end of a Financial Year; and
- c. all mortgages, charges, and other securities of FloorNZ at the end of a Financial Year;

"Flooring Industry" includes every part of the chain of supply in New Zealand's flooring industry;

"General Meetings" means Annual General Meetings and Special General Meetings;

"Industry Sectors" includes:

- a. Suppliers (including by way of manufacturing, importing, distributing or providing a service to retailers);
- b. Retailers (including commercial); and

- c. Specialists (including the provision of specialist installation, floor preparation, product application or surface finishing services);

“Member” means a person who is admitted to membership of FloorNZ in accordance with these Rules;

“Membership Fees” means the annual fee (plus GST if any) due from Members, fixed in accordance with Rule 5;

“Objectives” means FloorNZ’s objectives as set out in Rule 3;

“Registrar” means the Registrar of Incorporated Societies;

“Regulations” mean the regulations made and amended by the Board from time to time as set out in Rule 7.11;

“Rules” mean the rules in this Constitution and includes any alteration or amendment; and

“Special General Meetings” means a meeting referred to in Rule 10.

## **2.2. Interpretation**

In these Rules:

- 2.2.1 “written” and “in writing” include any means of reproducing words, figures and symbols in a tangible and visible form;
- 2.2.2 the singular includes the plural and *vice versa*;
- 2.2.3 pronouns denoting a gender shall include the obverse pronoun;
- 2.2.4 headings are inserted for a convenience only and shall be ignored in construing any matter;
- 2.2.5 all references to legislation are references to New Zealand legislation and include all subordinate legislation, any re-enactment of, or amendment to, that legislation and all legislation passed in substitution for that legislation; and
- 2.2.6 references to a “party” “person” or “entity” include an individual, firm, company, corporation or unincorporated body of persons, any public, territorial or regional authority, any government, any agency of any government or of any such authority, and includes their respective successors, assigns, executors and administrators.

## **3. OBJECTIVES**

### **3.1. Objectives**

FloorNZ is maintained exclusively for charitable purposes within New Zealand (including any purposes ancillary to those charitable purposes), namely to:

- 3.1.1 liaise with training organisations both in New Zealand and overseas to develop training, specific to the Flooring Industry’s needs

- 3.1.2 support and promote the development of standards for the recognition and improvement of skills within the Flooring Industry
- 3.1.3 to deliver training for the industry
- 3.1.4 undertake non-apprenticeship training needs analyses for, and on behalf of, Members from time to time
- 3.1.5 provide support, information and advice or any other assistance to Members on matters relating to education and training development
- 3.1.6 establish appropriate accreditation systems for the Flooring Industry as required
- 3.1.7 arrange and promote educational seminars and, by any other such means deemed advisable by the Board, propagate new methods and improve practice and procedure within the industry
- 3.1.8 otherwise encourage, improve and maintain standards in the field of flooring
- 3.1.9 act as an advocate on behalf of the Flooring Industry to represent Members' views on any matters affecting industry training and/or skills to Central Government, Local Government and Government Agencies; and
- 3.1.10 otherwise facilitate the advancement of education in the Flooring Industry in New Zealand.

### **3.2 No pecuniary gain**

- 3.2.1 FloorNZ's income and property is to be applied solely towards its Objectives, and the payment directly or indirectly by any means of any profit to any person or organisation is absolutely prohibited except for the payment of remuneration in good faith in return for services actually performed for FloorNZ or the payment of interest on any money borrowed by it.
- 3.2.2 No Member shall be entitled to receive any dividend out of any subscriptions, fees, donations or other income or funds of FloorNZ.
- 3.2.3 No Member, board member or any person associated with a Member, shall participate in or materially influence any decision made by FloorNZ in respect of the payment to, or on behalf of, any 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 any arm's length transaction (being the open market value).
- 3.2.4 The provisions and effect of this clause shall not be removed from this document and shall be included and implied into any document replacing this document.

## **4. MEMBERSHIP**

### **4.1. Membership**

Organisations and individuals carrying out either:

- 4.1.1. business within the Flooring Industry; or
- 4.1.2. activities consistent with FloorNZ's Objectives,

may apply for membership of FloorNZ.

### **4.2. Application**

All applications for membership shall be made to the CEO in writing in the form prescribed by the Board from time to time, which shall constitute the applicant's consent to be a member as required by the Act and shall be retained in FloorNZ's records.

### **4.3 Acceptance or refusal**

- 4.3.1 Applications for membership shall be submitted to the CEO and Chairperson who shall jointly have discretion to accept applications, and if accepted, the CEO and Chairperson shall jointly determine the applicant's Industry Sector.
- 4.3.2 In the event either the CEO or the Chairperson recommend that an application be refused or the CEO and Chairperson cannot jointly determine an applicant's Industry Sector, the application shall be referred to the Board which shall have absolute discretion to accept or refuse applications for membership and if accepted, to determine the applicant's Industry Sector.
- 4.3.3 Neither the CEO, Chairperson nor the Board shall be bound to give any reason for acceptance or refusal of an application for membership, or for any determination as to an applicant's Industry Sector.

### **4.4 Obligations of Members**

- 4.4.1 All Members must comply with these Rules and any Regulations.
- 4.4.2 All Members shall promote the Objectives of FloorNZ and shall do nothing to bring FloorNZ into disrepute.
- 4.4.3 All Members shall promptly advise FloorNZ in writing of any change in that Member's name and contact details.
- 4.4.4 Any Member that is a body corporate shall advise FloorNZ in writing of the name and contact details of the person who is the body corporate's authorised representative, who shall be deemed to be the body corporate's proxy for the purposes of voting at General Meetings.

### **4.5 Ceasing to be a Member**

A Member shall cease to be a Member:

- 4.5.1 on written resignation from a Member to the Board; or
- 4.5.2 on death, or if a body corporate, on liquidation or deregistration, or if a partnership on dissolution of the partnership,

but any former Member may apply for re-admission in the manner prescribed for new applicants and may be re-admitted only by resolution of the Board, save that where a former Member's membership was terminated following a dispute resolution process in accordance with the procedures outlined in Schedule 1, the applicant may be re-admitted only by a resolution passed at a General Meeting on the recommendation of the Board.

#### **4.6 Cancellation**

Any Member may have its membership cancelled by the Board if that Member:

- 4.6.1 fails to pay the Membership Fees applicable to its Industry Sector to FloorNZ within the period specified for payment by the Board;
- 4.6.2 suspends, for 20 Business Days or longer, or ceases its business activities in the Flooring Industry;
- 4.6.3 goes into liquidation;
- 4.6.4 is subject to an order made or resolution passed for its winding up or for the appointment of an administrator to manage its affairs, business and property of any party, or if a receiver is appointed of any party's assets or undertaking;
- 4.6.5 if circumstances arise which entitle a court or a creditor to appoint a receiver or manager;
- 4.6.6 makes any assignment to, or enters into an arrangement for the benefit of, its creditors (other than for the purposes of a solvent restructuring); or
- 4.6.7 is adjudicated bankrupt or commits any act of bankruptcy.
- 4.6.8 in the Board's opinion, has breached any of its obligations under Rule 4.4 following a dispute resolution process in accordance with the procedures outlined in Schedule 1.

#### **4.7 Effect of cancellation**

Unless the Board determines otherwise, the cessation or cancellation of any membership of FloorNZ pursuant to Rules 4.5 or 4.6.1 shall not:

- 4.7.1 entitle the Member concerned to a refund of any Membership Fees paid to FloorNZ; or
- 4.7.2 relieve the Member concerned from liability to pay any Membership Fees which have fallen payable at the time of such cancellation of membership.

## **5. MEMBERSHIP FEES**

### **5.1. Membership Fees**

The Membership Fees for each of the Industry Sectors for each Financial Year shall be set by the Board prior to, and notified during, each Annual General Meeting. Where during any Financial Year the Board determines that the amount of the Membership Fees for that Financial Year will not be sufficient to provide for the ongoing operation of FloorNZ, the Board may revise the amount of the Membership Fees and notify Members accordingly.

### **5.2. Payment**

Unless the Board determines otherwise, the relevant Membership Fees, or revised Membership Fees, payable by any Member shall be paid in full by such Member, on or before the due date specified for payment by the Board, unless such Member has given written notice to FloorNZ of its intention to terminate its membership and has delivered that notice at least 20 Business Days before the expiry of the previous Financial Year.

### **5.3. Non-payment**

The Board shall have an absolute right to either cancel the membership of a Member in accordance with Rule 4.6.1, or to suspend all the rights and privileges of membership enjoyed by an Member who fails to pay any Membership Fee within the period or manner specified for payment by the Board.

## **6. GOVERNANCE**

### **6.1. Board**

FloorNZ's governance shall be conducted by a Board which will, subject to any limitations in the Act or these Rules, have all powers necessary for managing, and for directing and supervising the management of, FloorNZ's operation and affairs. The Board will consist of not less than 6 and not more than 9 board members, of whom:

- 6.1.1. a minimum of 2 and a maximum of 3 Board members will represent each different Industry Sector; and
- 6.1.2. a maximum of 1 Member per group of Members who related to each other by virtue either of common ownership, or of a franchise, employment or other commercial arrangement.

### **6.2. Qualifications of Board members**

Every Board member must:

- 6.2.1. be a natural person who is either a Member in their capacity as natural person, or a director, shareholder or employee appointed by a Member which is a body corporate;

- 6.2.2. not be disqualified by section 47(3) of the Act or section 36B of the Charities Act 2005 from being appointed or holding office as an officer of FloorNZ;
- 6.2.3. consent in writing to be an officer of FloorNZ and certify that they are not disqualified from being elected, appointed or otherwise holding office as an Officer of FloorNZ.

### **6.3. Duties of Board members**

Every Board member must:

- 6.3.1. exercise their powers for a proper purpose and solely for the promotion of FloorNZ's Objectives;
- 6.3.2. act in good faith and in what they believe to be the best interests of FloorNZ,
- 6.3.3. in performing their duties, exercise the care and diligence that a reasonable person with the same responsibilities would exercise in the same circumstances taking into account:
  - 6.3.3.1. the nature of FloorNZ;
  - 6.3.3.2. the nature of the decision;
  - 6.3.3.3. the position of the Board member and the nature of the responsibilities undertaken by them;
- 6.3.4. not act, or agree to FloorNZ acting, in a manner that contravenes the Act or these Rules; and
- 6.3.5. not act, or agree to FloorNZ acting, in a manner likely to create a substantial risk of serious loss to FloorNZ or to FloorNZ's creditors, or to incur an obligation on FloorNZ unless they believe FloorNZ will be able to perform the obligation when it is required to do so.

### **6.4. Term of Board members**

- 6.4.1. The term of each Board member shall be 3 years beginning from the end of the Annual General Meeting at which they are elected and expiring at the end of the Annual General Meeting in the year corresponding with the last year of each Board member's term of office. Board members may seek re-election on completion of any term.
- 6.4.2. Notwithstanding Rule 6.4.1, the Board will have regard to the need to maintain a sensible rotation of Board members for the purposes of good governance and may determine that a Board member's term shall be other than 3 years in order to maintain such rotation.

### **6.5. Remuneration of Board members**

Board members may be paid remuneration by way of an honorarium if approved by the majority of Members present at an Annual General Meeting. All Board members are entitled to be paid travel, accommodation, food, and other reasonable expenses occurred by them upon invoice in attending and

returning from Meetings, Board meetings, and other FloorNZ-related business.

## **6.6. Nominations**

- 6.6.1. Board members will be elected and/or confirmed at Annual General Meetings
- 6.6.2. The CEO will send a notice to all Members calling for nominations for available positions on the Board at least 30 Business Days before each Annual General Meeting.
- 6.6.3. Nominations for election to the Board may be made by either the Board or Members and must be received by the CEO at least 20 Business Days before an Annual General Meeting and shall include the candidate's consent in writing to be an officer and certification that they are qualified to hold office as required by Rule 6.2.
- 6.6.4. If there are insufficient valid nominations received, further nominations may be received from the floor at the Annual General Meeting. If there are excess valid nominations, the Chairperson will hold a vote at the Annual General Meeting.

## **6.7. Voting for Board members**

- 6.7.1. Members may exercise the right to vote on nominations for Board members by being present or by proxy.
- 6.7.2. Voting shall be held in such a manner, including by electronic means and/or advance voting, as the Chairperson determines.
- 6.7.3. In the event of any vote being tied, the tie shall be resolved by the incoming Board (excluding those in respect of whom the votes are tied).
- 6.7.4. Two Members (who are not nominees) appointed by the Chairperson shall act as scrutineers for the counting of the votes and destruction of any voting papers.
- 6.7.5. The failure for any reason of any Member to receive a notice of the Annual General Meeting shall not invalidate the election.

## **6.8. Ceasing to hold office**

The office of a Board member will be vacated if a Board member:

- 6.8.1 dies;
- 6.8.2 has been absent from [3] Board meetings without leave of absence from the Board;
- 6.8.3 ceases to be a Member in accordance with Rule 4.5;
- 6.8.4 their membership cancelled following the process in Rule 4.6.1;
- 6.8.5 becomes of unsound mind or becomes the subject of a personal order or property order made under the Protection of Personal and Property Rights Act 1988;

- 6.8.6 resigns by giving written notice to the Chairperson;
- 6.8.7 is convicted of an offence and sentenced to imprisonment; or
- 6.8.8 in the opinion of all other members of the Board, should be removed from office.

## **6.9 Vacancies**

The Board shall have the power to appoint Board members, and may seek nominations from Members where the Board considers desirable, to fill a vacancy for the remaining duration of the vacated Board member's term. All such appointments will be made from within the same Industry Sector as the vacated Board member and in compliance with Rule 6.2.

## **7. BOARD PROCEEDINGS**

### **7.1. Meetings**

The Board will meet regularly, but at least four (4) times in the course of a Financial Year either face-to-face or electronically. Meetings shall be convened by the CEO at the Chairperson's request.

### **7.2. Special Board Meetings**

Special Board Meetings may be called by any two (2) Board members giving 3 Business Days' notice to the other Board members.

### **7.3. Chairperson**

At the first Board Meeting following the Annual General Meeting the Board will elect, from its Members, a Chairperson to exercise the Chairperson's powers and duties when the Chairperson is absent and any such other functions as the Board may delegate.

### **7.4. Quorum**

More than 50% of Board members, either face-to-face or electronically, will constitute a quorum for the purposes of a Board meeting.

### **7.5. Voting on Board matters**

Each Board member shall have one vote. Resolutions shall be carried by a majority, except where otherwise required by these Rules. If there is an equal number of votes in favour of, and against, a resolution the Chairperson may have an additional casting vote.

### **7.6. Conflicts of Interest**

- 7.6.1. Where a Board member is interested (as defined in the Act) in a matter being considered by the Board, the Board member Director must, as soon as practicable after they become aware that they are interested in the matter, disclose details of the nature and extent of the interest to the Board and in the interest Register.

- 7.6.2. A Board member who is interested in a matter must not vote or take any part in the Board's discussion, decision or recording of that matter unless all Board members who are not interested in the matter consent.
- 7.6.3. However, a Board member who is prevented from voting on a matter may still be counted for the purpose of determining whether there is a quorum at any meeting at which the matter is considered.
- 7.6.4. Where half or more of the Board members are prevented from voting on a matter because they are interested in that matter, a Special General Meeting must be called to consider and determine the matter, unless all non-interested Board members agree otherwise.

### **7.7. Validity of Board's actions**

All acts properly done by any Board meeting or by any person acting as a Board member, notwithstanding that it may afterwards be discovered that there was some defect in the appointment or continuance in office of any such Board member or persona acting as such, or that they or any of them were disqualified from the office of Board member, shall be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Board member.

### **7.8. Records and Procedure**

The Board will cause proper minutes of all proceedings to be taken and recorded. Except as otherwise provided in these Rules, the Board may regulate its own procedure.

### **7.9. Resolutions in writing**

A written resolution, copies of which have been forwarded to all board members and which have been signed or agreed by email by at least three quarters of the board members, shall have the same effect as if passed at a board meeting.

### **7.10. Committees**

The Board may form sub-committees for such purposes as may be necessary or desirable. Persons appointed to such committees need not be Board members or Members. The Board shall regulate the proceedings of all such committees at its complete discretion.

### **7.11. Regulations**

The Board may from time to time make, amend or rescind Regulations not inconsistent with these Rules to govern the conduct of FloorNZ and its Members.

## **8. OFFICERS AND STAFF**

- 8.1.** The Board will appoint a CEO to undertake the effective day to day management of FloorNZ. The CEO may also act as a contact person, if

appointed by the Board, for the purposes of receiving communications from the Registrar.

**8.2.** The CEO shall:

- 8.2.1 supervise all matters pertaining to FloorNZ's activities and work;
- 8.2.2 carry out the Board's instructions;
- 8.2.3 keep full accounts of all monies received or paid out;
- 8.2.4 report quarterly (or as otherwise directed) to the Board about FloorNZ's financial status.
- 8.2.5 appoint such other full time or part time salaried or wage-earning staff, as may be necessary for FloorNZ's effective operation.
- 8.2.6 be responsible for all preparations as are necessary for the conduct of each Annual General Meeting.

**9. ANNUAL GENERAL MEETING**

- 9.1.** The Annual General Meeting shall be held no later than 5 months after the end of each Financial Year, or 15 months after the previous Annual General Meeting, whichever is the earlier.
- 9.2.** Notification of the date and method of meeting of the Annual General Meeting will be sent to Members 30 Business Days in advance of the actual meeting date
- 9.3.** The CEO will send a notice to all Members calling for proposed resolutions, and any nominations pursuant to Rule 6.6.2, at least 30 Business Days before the Annual General Meeting.
- 9.4.** The Board or Members may propose resolutions by delivering the proposed resolution to the CEO at least 15 Business Days before the Annual General Meeting.
- 9.5.** The business conducted at the Annual General Meeting will be:
  - 9.5.1 to receive and consider a report from the Chairperson about FloorNZ's performance during the previous Financial Year and the Board's decision on Membership Fees for each of the membership classes for the current Financial Year;
  - 9.5.2 to receive and consider FloorNZ's Financial Statements for the previous Financial Year;
  - 9.5.3 to appoint an Auditor where required by the Act or the Charities Act 2005, and where FloorNZ is considered to be of a medium size (as defined in the Charities Act 2005), to vote on whether Financial Statements are to be reviewed or audited;
  - 9.5.4 to vote on the election of Board members, if required, following the process at Rule 6.7; and

- 9.5.5 to transact or consider any other business which, in the Chairperson's opinion, may be expedient.

## **10. SPECIAL GENERAL MEETINGS**

- 10.1.** All General Meetings of FloorNZ other than the Annual General Meeting shall be Special General Meetings.
- 10.2.** A Special General Meeting may be called for by Board resolution or by written request to the Board by a minimum of half of the Members specifying the item(s) of business to be discussed at the meeting.

## **11. PROCEEDINGS OF GENERAL MEETINGS**

### **11.1. Notice of General Meetings**

Unless otherwise provided by these Rules, all General Meetings shall be convened by at least 20 Business Days' prior written notice to all Members specifying the place, day and hour of the meeting and the general nature of business to be transacted and, if a resolution which requires approval by more than a simple majority is to be proposed at the meeting, then the notice shall also specify the nature and content of the proposed special resolution.

All notices will be properly served if:

11.3.1 in the case of notice by email, when sent to the last recorded email address held by FloorNZ for the Member; or

11.3.2 on personal delivery to the Member or the Member's registered office,

but no General Meeting or its business will be invalidated simply because one or more Members do not receive notice of the General Meeting.

### **11.4 Quorum**

There must be at least 10 Members present either in person or using any real-time electronic communication that gives the Member a reasonable opportunity to participate, to constitute a quorum for any General Meeting.

### **11.5 Voting**

11.5.1 A Member may exercise the right to vote at a General Meeting by being present or by proxy. No proxy is effective in relation to a General Meeting unless a copy of the notice of appointment is produced before the start of the meeting.

11.5.2 At all General Meetings each Member, whether present or by proxy, shall be entitled to one vote. In the case of an equality of votes the Chairperson shall also have a casting vote.

11.5.3 Subject to Rule 6.7, voting on all nominations for election to the Board and proposed resolutions shall be taken in such manner, including by electronic means and/or advance voting, as the

Chairperson directs.

11.5.4 A ballot may be demanded by one-third of the Members present on any question before the meeting and such ballot shall be conducted as the Chairperson directs.

11.5.5 Unless otherwise required by these Rules, all matters voted on shall be decided by a simple majority.

## **11.6 Minutes and Resolutions**

FloorNZ will ensure minutes are kept of all General Meetings. Where FloorNZ passes a written resolution in lieu of a General Meeting, which may be approved by electronic methods and in counterparts, that written resolution will have effect as if it had been passed at a general Meeting if it is approved by a majority of not less than three quarters of Members entitled to vote.

## **12. FUNDS AND PROPERTY**

**12.1.** All money received shall be immediately paid into FloorNZ's bank accounts and used solely for the promotion of FloorNZ's Objectives.

**12.2.** The CEO will arrange for the bank account mandate to be updated in accordance with the Board's directions.

**12.3.** The Board must establish and maintain a satisfactory system of control of FloorNZ's finances and of preparation of accounting records which will enable FloorNZ to comply with the Act and the Charities Act 2005.

**12.4.** All FloorNZ's officers shall be entitled to reimbursement of expenses properly incurred to carry out their duties.

## **13. ACCOUNTS AND AUDIT**

Where required by the Act, or the Charities Act 2005, an Auditor who is a Chartered Accountant but not a Board member shall be appointed at the Annual General Meeting to either review or audit the Financial Statements, as applicable. If a casual vacancy in the office of Auditor occurs this may be filled by an appointment made by the Board.

## **14. RECORDS**

14.1 FloorNZ shall keep an up-to-date register of Members and their contact details in accordance with the Act. Every Member shall promptly advise FloorNZ of any change of the Member's contact details.

14.2 FloorNZ shall keep an up-to-date register of the interests disclosed by Board members.

14.3 A Member may at any time make a written request to FloorNZ for information held by it and FloorNZ must respond to any such request in accordance with the Act.

## **15. INDEMNITY**

- 15.1.** FloorNZ may, in accordance with the Act, indemnify a Board member, officer, a Member, or an employee of FloorNZ for:
- 15.1.1 liability to any person other than FloorNZ for any act or omission in their capacity as an officer, a member, or an employee (not being a liability specified in Rule 15.2); and
  - 15.1.2 subject to Rule 15.3, costs incurred by the officer, member, or employee in defending or settling any claim or proceeding relating to that liability
- 15.2 The liabilities for which FloorNZ may not indemnify a Board member, officer, a Member, or an employee are:
- 15.2.1 criminal liability; and
  - 15.2.2 a liability that arises out of a failure to act in good faith and in what the Board member, officer, Member, or employee believes to be the best interests of FloorNZ when acting in their capacity as a Board member, officer, a Member, or an employee of the Society.
- 15.3 FloorNZ may indemnify a Director, officer, a Member, or an employee for any costs incurred by them in defending or settling a proceeding that relates to liability of a kind referred to in Rule 15.1.1 if:
- 15.3.1 judgment is given in their favour or if they are acquitted; or
  - 15.3.2 the proceeding is discontinued.

## **16. ALTERATION OF RULES**

- 16.1.** These Rules may be altered, or rescinded and new Rules may be made by a resolution at a General Meeting passed by a majority of three quarters of those Members present and voting.
- 16.2.** No addition to, alteration of, or rescission of the Constitution shall be approved if it affects the restriction on personal benefit, the provisions relating to winding up, or if it prejudices the charitable status of FloorNZ.

## **17. INTERPRETATION OF RULES**

Where doubt arises as to the interpretation of any of these Rules the Board's decision, which shall be recorded in the Board's minutes, will be final. Provided however that no interpretation of these Rules will be valid where that interpretation authorises FloorNZ to do anything which contravenes or is inconsistent with the Act, any regulations made under the Act, or any other legislation.

## **18. PRIVILEGED COMMUNICATIONS**

All documents and other material of FloorNZ declared to be confidential by the Board shall not be disclosed outside the Board without its express authority. No

Member may use information declared confidential by Board for personal use or gain, or any purpose other than promoting FloorNZ's Objectives.

## 19. REGISTERED OFFICE

- 19.1. FloorNZ's registered office shall be decided by the Board.
- 19.2. Changes to FloorNZ's registered office shall be notified to the Registrar as required by the Act and at least 5 Business Days before the change of address for the registered office is due to take effect.


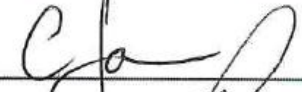
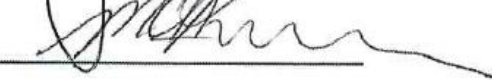
## 20. CONTACT PERSON

- 20.1. FloorNZ shall have at least 1 but no more than 3 contact person(s) who must be at least 18 years of age and ordinarily resident in New Zealand for the purposes of receiving communications from the Registrar.
- 20.2. The contact person(s) will be appointed by the Board and the name and contact details of each will be provided to the Registrar.
- 20.3. Any change in the contact person(s) or their contact details shall be advised to the Registrar within 20 Business Days of FloorNZ becoming aware of the change.

## 21. WINDING UP

- 21.1. A resolution to wind up FloorNZ must be passed by a majority of not less than three quarters of those Members present and voting at a General Meeting specially convened for the purpose of considering the proposed resolution.
- 21.2. On winding up or dissolution of FloorNZ any surplus funds or assets shall not be paid or distributed to any members or individuals but shall be applied to a purpose in line with FloorNZ's Objectives or given or transferred to another charitable organisation having a similar charitable purpose or purposes, as that term is defined in section 5(1) of the Charities Act 2005, to FloorNZ's Objectives.

## 22. SCHEDULE 1 – DISPUTE RESOLUTION

<b>Approved on behalf of the Board</b>	<b>Date: 22<sup>nd</sup> May 2025</b>
<b>Director: Robert Brouwer</b>	
<b>Director: Colin Jones</b>	
<b>Director: Mark Faulkner</b>	

## **SCHEDULE 1 – DISPUTE RESOLUTION**

### **Meanings of dispute and complaint**

1. A dispute is a disagreement or conflict involving FloorNZ and/or its Members in relation to specific allegations set out below.
2. The disagreement or conflict may be between any of the following persons:
  - a. 2 or more Members
  - b. 1 or more Members and FloorNZ
  - c. 1 or more Members and 1 or more Officers
  - d. 2 or more Officers
  - e. 1 or more Officers and FloorNZ
  - f. 1 or more Members or Officers and FloorNZ.
3. The disagreement or conflict relates to any of the following allegations:
  - a. a Member or an Officer has engaged in misconduct
  - b. a Member or an Officer has breached, or is likely to breach, a duty under FloorNZ's Constitution or regulations or the Act
  - c. FloorNZ has breached, or is likely to breach, a duty under FloorNZ's Constitution or regulations or the Act
  - d. a Member's rights or interests as a Member have been damaged or Member's rights or interests generally have been damaged.
4. A Member or an Officer may make a complaint by giving to the Board (or a complaints subcommittee) a notice in writing that:
  - a. states that the Member or Officer is starting a procedure for resolving a dispute in accordance with FloorNZ's Constitution; and
  - b. sets out the allegation(s) to which the dispute relates and whom the allegation or allegations is or are against; and
  - c. sets out any other information or allegations reasonably required by FloorNZ.
5. FloorNZ 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:
  - a. states that FloorNZ is starting a procedure for resolving a dispute in accordance with FloorNZ's Constitution; and
  - b. sets out the allegation to which the dispute relates.
6. The information setting out the allegations must be sufficiently detailed to ensure that a person against whom an allegation or allegations is made is fairly advised of the allegation or allegations concerning them, with sufficient details given to enable that person to prepare a response.
7. A complaint may be made in any other reasonable manner permitted by FloorNZ's Constitution.
8. All Members (including the Board) are obliged to cooperate to resolve disputes efficiently, fairly, and with minimum disruption to FloorNZ's activities.

9. The complainant raising a dispute, and the Board, must consider and discuss whether a dispute may best be resolved through informal discussions, mediation, or arbitration. Where mediation or arbitration is agreed on, the parties will sign a suitable mediation or arbitration agreement.

#### **How complaint is made**

10. A Member or an Officer may make a complaint by giving to the Board (or a complaints subcommittee) a notice in writing that:
  - a. states that the Member or Officer is starting a procedure for resolving a dispute in accordance with FloorNZ's Constitution; and
  - b. sets out the allegation or allegations to which the dispute relates and whom the allegation is against; and
  - c. sets out any other information reasonably required by FloorNZ.
11. FloorNZ may make a complaint involving an allegation or allegations against a Member or an Officer by giving to the Member or Officer a notice in writing that:
  - a. states that FloorNZ is starting a procedure for resolving a dispute in accordance with FloorNZ's Constitution; and
  - b. sets out the allegation to which the dispute relates.
12. The information given under subclause 11(a) and 11(b) must be sufficient to ensure that a person against whom an allegation is made is fairly advised of the allegation or allegations concerning them, with sufficient details given to enable that person to prepare a response.

#### **Person who makes complaint has right to be heard**

13. A Member or an Officer who makes a complaint has a right to be heard before the complaint is resolved or any outcome is determined.
14. If FloorNZ makes a complaint:
  - a. FloorNZ has a right to be heard before the complaint is resolved or any outcome is determined; and
  - b. an Officer may exercise that right on behalf of FloorNZ.
15. Without limiting the manner in which the Member, Officer, or FloorNZ may be given the right to be heard, they must be taken to have been given the right if:
  - a. they have a reasonable opportunity to be heard in writing or at an oral hearing (if one is held); and
  - b. an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing; and
  - c. an oral hearing (if any) is held before the decision maker; and

- d. the Member's, Officer's, or FloorNZ's written or verbal statement or submissions (if any) are considered by the decision maker.

### **Person who is subject of complaint has right to be heard**

16. This clause applies if a complaint involves an allegation that a Member, an Officer, or FloorNZ (the 'respondent'):
  - a. has engaged in misconduct; or
  - b. has breached, or is likely to breach, a duty under FloorNZ's Constitution or regulations or this Act; or
  - c. has damaged the rights or interests of a Member or the rights or interests of Members generally.
17. The respondent has a right to be heard before the complaint is resolved or any outcome is determined.
18. If the respondent is FloorNZ, an Officer may exercise the right on behalf of FloorNZ.
19. 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:
  - a. 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;
  - b. the respondent has a reasonable opportunity to be heard in writing or at an oral hearing (if one is held);
  - c. an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing;
  - d. an oral hearing (if any) is held before the decision maker; and
  - e. the respondent's written statement or submissions (if any) are considered by the decision maker.

### **Investigating the complaint**

20. FloorNZ must, as soon as is reasonably practicable after receiving or becoming aware of a complaint made in accordance with its Constitution, ensure that the dispute is investigated and determined.
21. Disputes must be dealt with under the Constitution in a fair, efficient, and effective manner and in accordance with the provisions of the Act.

### **FloorNZ may decide not to proceed further with complaint**

22. Despite clause 20 rule above, FloorNZ may decide not to proceed further with a complaint if:
  - a. the complaint is considered to be trivial; or

- b. 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 FloorNZ has materially breached, or is likely to materially breach, a duty under FloorNZ's Constitution or regulations or the Act;
  - iii. that a Member's rights or interests or Members' rights or interests generally have been materially damaged;
  - iv. the complaint appears to be without foundation or there is no apparent evidence to support it;
  - v. the person who makes the complaint has an insignificant interest in the matter;
  - vi. the conduct, incident, event, or issue giving rise to the complaint has already been investigated and dealt with under the Constitution; or
  - vii. there has been an undue delay in making the complaint.

### **FloorNZ may refer complaint**

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

### **Decision makers**

- 25. 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:
  - a. impartial; or
  - b. able to consider the matter without a predetermined view.

### **Determining the complaint**

- 26. In determining the complaint, the decision maker must have regard to FloorNZ's Objectives.
- 27. As soon as possible following a decision being made on a complaint, the decision maker shall notify all parties to the complaint, and the Board, of their decision.