

RULES of DISTILLED SPIRITS AOTEAROA (NZ) INCORPORATED

1. Name

- (1) The name of the Society is “Distilled Spirits Aotearoa (NZ) Incorporated”. The approved abbreviation is “DSA”.

2. Objects

- (1) The objects of the Society are:
 - (a) To protect the integrity, authenticity and brand value of distilled spirit products made in New Zealand
 - (b) To represent the joint interests of all New Zealand makers of distilled spirit products to government, media and consumers
 - (c) To promote New Zealand made distilled spirit products within New Zealand and throughout the world
 - (d) To promote the responsible consumption of distilled spirit products
 - (e) To establish industry standards and criteria where appropriate to promote consistency and quality across the NZ spirits industry
 - (f) To facilitate professional development, education and the exchange of information through cooperation, industry forums, seminars and workshops
 - (g) Do anything lawful which is necessary or helpful for the above objectives.

The Society must not engage in activities designed for pecuniary gain:

- (2) The Society shall not do any act of such a nature that if the doing thereof were one of the objects for which the Society was established the members of the Society would be deemed to be associated for pecuniary gain within the meaning of sections 4 and 5 of the Incorporated Societies Act 1908.

3. Methods

- (1) The Society may use any lawful methods to achieve its objects that the Committee considers appropriate.

4. Definitions

“Distilled spirit product” includes:

- (i) Spirits such as vodka, gin, whiskey, bourbon, rum, shochu, baijiu.
- (ii) Liqueurs such as fruit, honey, cream, chocolate, coffee liqueurs, lemoncello.
- (iii) Aperitifs such as vermouth, pastis, raki, absinthe, schnapps or ouzo but does not generally include fortified wine (including fortified non-grape wine) that, as a finished product, would generally be regarded as a type of wine (e.g. Port) or a wine liqueur. This group would be included under Wine representative associations.

“Duly notified” means sending of notification by e-mail, facsimile transmission, or post 28 calendar days before the specified event;

James
Chair, Distilled Spirits Aotearoa (NZ) Inc.
17 September 2018

“Member” means a registered member who is a current financial member or has been a financial member within the preceding 12 months, and whose membership has not been terminated under clause 5(11). (includes associate members and others)

5. The Seal

The Society shall have a common seal upon which its corporate name appears in legible characters. The committee must authorise every use of the seal, and every such use must be recorded in the minute book of the Society. The seal must be kept in the custody of the Secretary or other such Committee member as the Committee may from time to time decide.

6. Changes to the Rules of the Society

- (1) The Committee may make rules for regulating its own conduct. Such rules must be consistent with these Rules.
- (2) These Rules may be amended only by two thirds majority vote at a duly notified Annual General Meeting or Special General Meeting.
- (3) No addition to, alteration to, or deletion of, the non-profit aims, personal benefit clause, payments to members clause, or the winding up clause, shall be approved without the consent of the Inland Revenue Department.
- (4) The provisions and effect of this section must not be removed from this document, and must be included, and are implied, into any document replacing this document.

7. Membership

Eligibility and Application

- (1) Depending on approval from the Committee, full membership may be granted to any company that owns a distilled spirits product/brand that is manufactured in New Zealand, i.e. where the essential character of the product is created in New Zealand. For clarity, the product must be more than just bottled in New Zealand.
- (2) Associate membership (non-voting) may be granted to other supporters of the industry, including:
 - a. Supporters of the industry such as raw materials suppliers, complementary beverage manufacturers, researchers, distributors or journalists
 - b. Importers and sellers of non NZ-made spirits (unless also active in approved membership activities above)
 - c. Companies, individuals or hobbyists who do not sell their product commercially.
 - d. End-product users such as bars, wineries and cocktail makers.
- (3) Acceptance of any application under subsection (1) or (2) is generally at the Committee’s discretion
- (4) Membership of the Society constitutes an agreement to abide by the rules of the Society and the decisions of the Committee.
- (5) The initial membership fees will be set by the Committee at its first meeting.
- (6) The membership fees can only be changed at an Annual General Meeting, or at a Special General Meeting called for that purpose and duly notified.

- (7) A revised membership fee will take effect from the first day of April of the year following the meeting at which it was set.

Duration, Resignation, and Termination

- (8) Membership is from the first day of April until the last day of March.
- (9) The Committee, has discretion regarding the year in which a person becomes a member to waive that person's membership fee for that year and apply the membership fee to the following year.
- (10) A member may resign at any time. A member who resigns is not entitled to a refund of that year's membership fee or any part thereof.
- (11) A member may have their membership terminated by the Committee for non payment of membership fees
- (12) Other than under subclause (11) a member may have their membership terminated only by a minuted two thirds majority vote of the Committee, and on the grounds that the member has breached the rules of the Society, has acted or is acting in such a way as to compromise the interests or objectives of the Society, is likely to bring the Society into disrepute, or poses a threat to the Society or its operation. Such termination is effective immediately upon such vote. A member who has their membership terminated will be notified in writing and is not entitled to a refund of that year's membership fee or any part thereof.

8. The Committee and Officers

Powers

- (5) The affairs of the Society are managed by a Committee which, in addition to any powers by this Constitution, may exercise all such powers and do all such things as are within the objects of the Society. In particular, without limiting the general powers hereby conferred upon it, shall have the following duties and powers.
 - (i) To make rules for regulating its own conduct. Such rules must be consistent with these Rules;
 - (ii) To receive, control and expend funds of the Society;
 - (iii) From time to time to make, repeal and amend all such by-laws and regulations (not being contrary to or inconsistent with these Rules) as may be necessary for the smooth running of the Society.
 - (iv) In the corporate name of the Society to make and enter into any deed contract or agreement and to execute all documents required by the Society;
 - (v) Determine policy decisions
 - (vi) The committee shall be the sole authority for the interpretation of these rules and in the by-laws and regulations of the Society and in its decisions shall be final and binding.
 - (vii) The power to open and maintain a bank account. Signatories to the bank account are the Treasurer, Secretary and Chairperson. If these positions are not held by three separate individuals, a Committee member shall be

appointed to be the third signatory. Signing of cheques or authorisation of electronic payments must be by any two signatories.

Constitution of Committee

- (6) The Committee consists of the officers, and sufficient other members to total a maximum of seven committee members.
- (7) The officers of the Society are:
 - (a) Secretary;
 - (b) Treasurer;
 - (c) Chairperson
- (8) The positions of Secretary and Treasurer may be combined, and any one person may be elected to more than one office, except that no one person may concurrently hold the offices of Secretary, Treasurer, and Chairperson.
- (9) The officers are elected at the Annual General Meeting or a Special General Meeting by simple majority vote. The initial election of officers, prior to the first Annual General Meeting, may utilize telecommunications technology for voting, such as an electronic survey tool.
- (10) In the absence of the Chairperson the Committee shall appoint another committee member to chair each meeting.
- (11) All positions are held until the next Annual General Meeting.
- (12) Incumbents are eligible for re-election or re-appointment.
- (13) The Committee has the power to co-opt or make temporary appointments for positions becoming vacant between Annual General Meetings.
- (14) No member shall be eligible to be an officer of the Society unless the member is a current financial member.

Duties of Chairperson

- (15) The Chairperson shall:
 - attend and chair all committee meetings, Annual General Meetings, and Special General Meetings
 - be the spokesperson for the Society
 - conduct such correspondence of the Society that is aligned with the Chairperson's role, rather than the Secretary's role

Duties of Treasurer

- (16) The treasurer shall:
 - receive all subscriptions payable and shall operate a bank account in the Society's name at a bank approved by the committee;
 - submit all accounts payable of \$1000 or more, either individually or in total for any one month, or exceeding any approved budget, to the committee for approval before payment
 - prepare and present a financial report for the preceding month, or months since the last financial report if committee meetings are not held monthly, at each meeting.
 - prepare an annual budget.

- submit to the Annual General Meeting a statement of the financial position of the Society and a record of the receipts and expenditure for the last financial year with a statement showing the assets and liabilities of the Society as at the last day of the preceding financial year.
- File approved annual financial statements with the Registrar of Incorporated Societies.

Duties of Secretary

(17) The secretary shall:

- attend all annual general, special, and committee meetings of the Society, keep minutes of all such meetings and make available a record of the Society for the inspection of any member at any reasonable time
- keep a roll of members
- conduct all correspondence of the Society other than that conducted by the Chairperson
- perform all such other duties appertaining to that office as may be required by the committee.

9. Annual General Meetings, or Special General Meetings

Annual General Meetings, or Special General Meetings called for the election of officers or Committee members

- (1) An Annual General Meeting must be held within 14 months of the previous Annual General Meeting.
- (2) The Annual General Meeting, or a Special General Meeting called for the election of officers or Committee members, must be notified at least 1 calendar month before the date set.
- (3) Subject to subclause (4), notices of motion at Annual General Meetings must be notified in an agenda accompanying the notice of meeting.
- (4) Notices of motion for general business at Annual General Meetings may be put by any attendee at the meeting, or by proxy on the same terms as subclause (6), and must be seconded.
- (5) Voting is by simple majority of those present and valid proxy votes.
- (6) Proxy votes must be forwarded in writing to, and be received by, the Secretary at least 5 days before the date set. Proxy votes for the committee and officers must specify the name or names of the candidate or candidates voted for.
- (7) A quorum is 4 members of the Committee, or if due to resignation or termination of membership there exist 3 or less Committee members, the existing committee members and 5 other members.

Other Special General Meetings

- (8) Meetings must be duly notified, and notification must include the purpose of the meeting.
- (9) Voting is by simple majority of those present and valid proxy votes.
- (10) A quorum is 4 members of the Committee, or if due to resignation or termination of membership there exist 3 or less Committee members, the existing committee members and 5 other members.

Voting

- (11) Subject to subclause (12), the voting at the Annual General Meeting or any Special General Meeting shall be by show of hands or by equivalent means if members attend the meeting by telecommunications technology. In the event of a tie, the Chairman does not have a casting vote.
- (12) The meeting can decide to use another form of voting.

10. Committee Meetings

- (1) The committee shall meet from time to time and as matters requiring attention require. Such a meeting may be called by any of the officers of the committee by notifying the secretary who shall then appoint a time and place for the meeting. The Secretary shall notify all committee members of the time and place so appointed and the detail of any matters to be placed on the agenda for that meeting.
- (2) Meetings may be held by personal attendance or by conference using available communications technology.
- (3) Meetings are open to full members only and invitees.
- (4) The Committee can close a committee meeting or part thereof if it is considered appropriate.
- (5) Only Committee members have voting rights.
- (6) A quorum is 4 members of the Committee.
- (7) Decisions must be made by consensus if possible. If a consensus cannot be attained a vote must be taken. Voting is by simple majority unless otherwise required by this Constitution, or if the Committee by a two thirds majority determines the motion warrants a greater majority.
- (8) The Committee may approve travel costs for attendance at a meeting in person.

11. Funding and Accounting

- (1) In addition to membership fees the Committee may raise funds by any lawful and ethical means it considers appropriate.
- (2) The Committee will decide on the expenditure of funding. Expenditure must be linked to the Society's objects and annual budget.
- (3) The Committee has power to purchase, lease, or otherwise acquire premises, fixtures, fittings, furniture, and equipment appropriate for the operation of the Society.
- (4) The Society must not borrow money, or incur credit liability other than normal commercial invoice payment terms.

12. Payments to members

- (1) No member or person associated with a member of the Society may derive any income, benefit, or advantage from the Society where that person can materially influence the payment of the income, benefit, or advantage, except where that

income, benefit, or advantage is derived from professional services to the Society rendered in the course of business and charged at no greater rate than the current market rate.

- (2) All members who may be interested or concerned, directly or indirectly with a matter, must disclose to the committee the nature and extent of that interest.

13. Notices

- (1) Registered address of members: The Secretary shall enter in the register of members the address and email address of each member. The address to be entered shall be that furnished by the member on application for membership or the last address which the member has in writing required the Secretary to enter.
- (2) Service of Notices on Members: Any notice or other thing requiring to be served to a member shall be deemed to have been served 72 hours after being sent, addressed to such member at the member's registered address or email address.
- (3) Service on Secretary: Any given notice, voting paper or other thing required to be sent to the Secretary shall be given to the Secretary personally or addressed to the Secretary at the registered office of the Society, or official email address. If required to be sent to the Secretary by a certain time it must be handed to the Secretary or received at such office or email address before that time.

14. Registered office

- (1) The Registered Office of the Society shall be at the place from time to time decided by the Society at an Annual General Meeting or Special General meeting.

15. Winding Up

- (1) The Society may only be wound up by a two thirds majority vote at a duly notified Annual General Meeting or Special General Meeting. This majority must include a two thirds majority of the Committee. The Meeting must decide upon the distribution of any funds, subject to subclause (2).
- (2) If, upon the winding up of the Society, should there be any surplus funds or assets after payment of all costs, debts and liabilities of the Society, including the expense of the winding up, such surplus funds shall not be paid to or distributed among the members of the Society, but shall be paid over to or transferred to such other Incorporated Society or Societies in New Zealand having objectives similar to the objectives of this Society as the members shall decide at the General Meeting at which the resolution winding up or confirming the winding up of the Society is passed.