



Constitution of the New Zealand Marketing Association Incorporated as at
30 March 2006

1 PRELIMINARY

1.1 Status of Rules: These rules are in substitution for and to the exclusion of any and all previous rules of the Marketing Association.

2 INTERPRETATION

2.1 Definition: In these Rules and any regulations, unless the context otherwise requires:

"**the Act**" means the Incorporated Societies Act 1908;

"**the Association**" means the Marketing Association

"**Board**" means the Board of Management of the Marketing Association

"**Chairperson**" means the chairperson of the Board as elected from time to time pursuant to Rule 11.1(a);

"**Chief Executive**" means the chief executive officer of the Marketing Association as appointed by the Board from time to time in accordance with Rule 12;

"**Codes of Practice**" means the Marketing Association's Codes of Practice in New Zealand to be adhered to by the Members as may be adopted or amended by the Board from time to time;

"**DMA**" means the New Zealand Direct Marketing Association Incorporated;

"**MA**" means Marketing Association

"**Special Interest Group**" (SIG) may be a Council, Network, Forum or any ad hoc special interest group approved by the Board.

"**Member**" means a Member of the Marketing Association

"**National Office**" means the national office of the Marketing Association

"**Representative**" means any person duly authorised in terms of Rule 8.7(a) to represent and exercise all those rights available to a corporate member.

2.2 No Definition: Any expression not used in these rules but defined in the Act will bear the same meaning in these rules as in the Act.

2.3 Singular and Plural: In these rules if not inconsistent with the context:
(a) words importing the singular number shall include the plural and vice versa;
(b) words importing one gender import all genders; and
(c) words importing persons shall include corporations and firms, and "firm" includes partnership.

2.4 Headings: Headings shall not affect the interpretation of these Rules.

2.5 Reference to Statutes: Unless the context otherwise requires, references to a statute include amendments to that statute, a statute passed in substitution for that statute, and regulations passed under that statute or any of its amendments or under a statute passed in substitution for that statute.

3 NAME

3.1 The name of the Association is New Zealand Marketing Association Incorporated.

3.2 The Association may also operate under a brand name descriptive of its Members and activities.

4 REGISTERED OFFICE

4.1 The registered office of the Marketing Association shall be situated at Level 1, 61 Wellington Street, Auckland, or such other place as the Board may from time to time determine.

5 VISION AND STATEMENT OF PURPOSE

5.1 The Marketing Association is established to be New Zealand's premier marketing organisation, stimulating business success through best-practice marketing.

5.2 The Association's purpose is to provide stimulus which encourages, develops and inspires the highest standards of measurable Marketing in New Zealand.

6 OBJECTS

6.1 Objects: The objects for which the Marketing Association is established are:

(a) Education: To promote an environment in which users of marketing and their suppliers will develop the necessary marketing skills, and to help identify and seize opportunities which will enable their business to flourish.

(b) Best Practice: To assist Members to understand the marketing needs and concerns of consumers and business customers, and to confirm that Members respect and act on those needs and concerns.

(c) Self-Regulation: To promote a self-regulatory environment with government, legislators and other stakeholders, and uphold the Codes of Practice adopted by the Marketing Association, and the Codes of Practice of the Advertising Standards Authority.

(d) Operations: To establish the Marketing Association as the leading resource for assistance in understanding and applying new technologies in the practice of marketing, and ensure the Marketing Association itself is an advanced user of such new technologies.

(e) Other: To do all other acts and things which are reasonably necessary or desirable to provide value to the Members.

7 POWERS

7.1 Powers: For the purposes of carrying out the aforesaid objects the Board will have the following powers:

- (a) To purchase, sell, lease, take on lease, hire or otherwise acquire any real or personal property and any rights or privileges which the Board may think necessary or convenient.
- (b) To raise money by subscription, levies or otherwise and to grant any rights and privileges to subscribers and to such Members as may from time to time be deemed necessary.
- (c) To borrow or raise or secure the payment of money in such a manner as the Board may think fit and to mortgage, pledge and/or charge in any manner all or any of its property, rights, interests and assets.
- (d) To enter into any contracts, agreements or arrangements with any person, firm, syndicate, corporation or company which the Board may deem conducive to all or any of its objects.
- (e) To invest, lend or deal with the moneys of the Marketing Association not immediately required for carrying out its objects upon such securities and in such manner as may from time to time be determined by the Board.
- (f) To make, amend or rescind standards of practice by-laws, standing orders or regulations not inconsistent with these Rules pertaining to the carrying out of all or any of the objects of the Marketing Association, the discipline and control of its Members, the management of its affairs and the observance of its rules and regulations.
- (g) To publish, sell and distribute any form of printed material in order to promote the Marketing Association, its objects and services provided by it.
- (h) To use the funds of the Marketing Association as the Board considers necessary or proper in payment of the costs or expenses and furthermore carrying out the objects of the Marketing Association or any of them including the employment of solicitors, agents, officers and employees as shall appear necessary or expedient.
- (i) To subscribe to, become a member of, or co-operate with any other association whether incorporated or not whose objects are altogether or in part similar to those of the Marketing Association and to procure from and communicate to such association such information as may be likely to forward the objects of the Marketing Association.
- (j) To do all such things as are incidental or conducive to the attainment of the above objects or any of them and promote any other activity not [repugnant] contrary to the objects.

8 MEMBERSHIP

8.1 Division into Regions: The Marketing Association will be divided into such regions as the Board may resolve from time to time. From time to time the Board may set rules for the operation of the regions. At the date of adoption of these Rules there shall be the following regions:

- (a) **Northern** - comprising Members in those areas incorporating postal zones 0100 – 3299 or equivalent
- (b) **Central** - comprising Members in those areas incorporating postal zones 3300 – 7399 or equivalent
- (c) **Southern** - comprising Members in those areas incorporating postal zones 7400 – 9999 or equivalent

8.2 Establishment of Special Interest Groups

The Board shall have the power to set up special interest groups to cater for the specialist needs of the differing business types and segments within the Marketing Association.

8.3 Eligibility: Subject to rule 8.4, any organisation or person interested in marketing, and who supports the objects of the Marketing Association and adheres to the Codes of Practice as laid down from time to time, is eligible for membership.

8.4 Application: Application for membership shall be in writing on the official application form, and must be accompanied by the appropriate subscription.

8.5 Approval: All applications will be advised to Members, after which Members have 30 days in which to lodge objections in writing with the Chief Executive. Such objections must fully state reasons for the objection. The Board will consider such objections (if any), and will have an absolute discretion whether or not to approve or refuse an application for membership of the Marketing Association. The Board shall not be bound to give any reason for such approval or refusal.

8.6 Membership Rights and Obligations: Membership shall carry full rights of election to the Board, election as an officer, participation in Marketing Association matters, and (subject to the classifications of membership outlined at Rule 8.7) full rights of voting. It shall also carry rights of access to all specialised information PROVIDED THAT no Member or person associated with a Member shall derive any income, benefit or advantage from the Marketing Association where they can materially influence the payment of that income, benefit or advantage except where that income, benefit or advantage is derived from:

- (a) Professional services to the Marketing Association rendered in the course of business, charged at no greater rate than the current market rate;
- (b) Salary or wages earned by a Member as a paid employee of the Marketing Association;
- (c) The reimbursement by the Marketing Association to the Member of actual travel or other expenses incurred by that Member whilst carrying out the business of the Marketing Association; or
- (d) Interest on money lent at no greater rate than the current market rate.

8.7 Membership Categories: Membership of the Marketing Association will be divided into the following categories (with voting rights as detailed), and the category for membership will be determined by the Chief Executive of the Marketing Association:

- (a) **Corporate Members:** Companies or organisations involved in marketing in their business activities. Each corporate member shall be entitled to one vote. Each corporate Member shall appoint one person from its organisation as its

principal contact with the Marketing Association, and to exercise voting and all other rights vested in such Member. Such Member shall give notice in writing to the Chief Executive of any change in its Representative.

(b) Individual Members: Persons involved in marketing in their business or vocational activities. Membership benefits shall apply to that person only and not to any company or organisation to which that person is employed or affiliated. Each individual member is entitled to one vote.

(c) Life Member: Any person who:

(i) has done meritorious work for the Association, and is nominated for Life Membership by the Board; and

(ii) is thereupon accepted for Life Membership by ordinary resolution of the Members at a subsequent General Meeting.

Each Life Member will be entitled to one vote.

8.8 Subscriptions: Each Member, except Life Members, will be liable to pay all fees, subscriptions and levies in the amounts as fixed by the Annual General Meeting from time to time. The Board will present recommendations for the yearly subscriptions for approval by the Members at the Annual General Meeting of the Marketing Association.

8.9 Variations in Subscriptions: The Board shall have the power to alter subscriptions by up to a maximum of 5% annually, taking into consideration overall price indexing, without the necessity to seek the approval of members.

8.10 Register of Members: The Chief Executive shall keep a register of Members at the registered office of the Marketing Association. Members shall immediately notify the Chief Executive in writing of any change in name or address. The Register must record the full name, address, occupation and category of membership of each member, the date of membership and all subsequent changes. In maintaining the Register, the Chief Executive will ensure that the information is treated in the strictest confidence and that the provisions of the Privacy Act 1993 are complied with at all times.

9 CESSATION OF MEMBERSHIP

9.1 Membership of the Marketing Association: Membership of the Marketing Association will continue until:

(a) a change occurs in the ownership or effective control of a Member whether by sale, amalgamation, liquidation, takeover or merger. In such an event, notice in writing must be forwarded to the National Office within twenty-one (21) days. The Chief Executive will have the discretion whether to grant a transferral of Membership or to terminate Membership and require a new Membership application to be filed along with the appropriate fee; or

(b) a Member is more than ninety days in arrears with their subscription and fails to pay such outstanding subscription within 10 days of the date of having received a notice in writing from the Marketing Association to pay the outstanding subscription. Notwithstanding such removal, such Member will remain liable for the outstanding subscription payable to the Marketing Association.

9.2 Power to reprimand, suspend or expel a Member : The Board may, by majority resolution, reprimand, suspend or expel a Member if the Member has been guilty of such misconduct as is calculated, in the opinion of the Board, to affect prejudicially the well-

being or reputation of the Marketing Association, the Objects or Rules of the Marketing Association, or those engaged in marketing, providing that:

(a) the Member shall have been notified in writing not less than twenty-one (21) days before the Board meeting of the intention to consider their alleged misconduct; and

(b) the Member shall be given the opportunity at such Board meeting to offer, either in person or in writing, any explanation they may think fit.

9.3 Resignation: Any Member may resign from the Marketing Association by giving twenty-one (21) days' notice in writing to the National Office and paying with such notice all unpaid subscriptions that may be due, and at the end of such period of notice they shall cease to be a Member.

9.4 Notice period: Members shall abide by the rules and regulations of the Marketing Association during any period of notice of resignation or expulsion.

9.5 Return of Documents: Any Member or Representative of a Member who has resigned or been removed pursuant to these Rules shall return to the Chief Executive any documents, papers, pamphlets or other materials the Member may have acquired as a right or privilege of Membership of the Marketing Association and also any property belonging to the Marketing Association.

10 NOMINATING COMMITTEE:

10.1 Nominating Committee : The Board shall appoint a Nominating Committee to identify suitable candidates for the Association's Board.

10.2 Role of the Nominating Committee : The Nominating Committee shall identify suitable candidates and also invite Members to nominate candidates, from which the Board member candidates shall be recommended to the Members.

10.3 Notification of Board Nominations : The Nominating Committee will provide the names of the Board member candidates to the Association's Secretary for inclusion in the formal papers distributed to members prior to the Annual General Meeting.

10.4 Election of Board : Members will elect the Chairman and Board members at an Annual General Meeting.

11 BOARD AND OFFICERS

11.1 Business conducted by the Board : The overall governance and strategic direction of the Marketing Association will be conducted by the Board. However the Board may delegate the day to day operational management of the Association to the Chief Executive. The Board shall comprise the following officers:

(a) The Chairperson of the Marketing Association to be appointed by a majority of votes cast by the Members at a General Meeting of the Association;

(b) such other Members (or appointed representatives of Members) of the Marketing Association, not exceeding six (6) who are appointed by a majority of votes cast by the Members at a General Meeting of the

Association;

(c) The Chief Executive, and

(d) The Executive Director

The Deputy Chairperson shall be elected by the Board from among their number.

11.2 Power to Co-opt: The Chairman, with the approval of the Board, shall have the power to co-opt up to two additional Members to the Board for the remainder of the duration of the Board's current term of office.

11.3 Appointment of Executive Director: The Board shall have the power at any time to appoint an Executive Director with duties as determined from time to time by the Board. The Executive Director shall be a member of the Board with the same voting rights as other members of the Board.

11.4 Eligibility for Election: Each candidate for election to the Board must be a Member, employed by a Member, or a Representative of a Member and must be nominated in writing by two (2) Members. Such nomination must be received in the National Office at least twenty one (21) days before the date of the Annual General Meeting and must be signed by the proposer, seconder and the candidate.

11.5 Term of Appointment to the National Board: The officers of the Board shall be elected for a two-year term and will continue in office until the Annual General Meeting of the Marketing Association two years after their election, at which time the officer may offer him or herself for reappointment.

11.6 Resignation: Any member of the Board may resign from office by notice in writing addressed to the Chairperson of the Board.

11.7 Casual vacancies: Any casual vacancy among the Board shall be filled by the appointment of a replacement for the balance of the term of the replaced officer. The Chairman, with the approval of the Board, shall be responsible for selecting such replacements.

11.8 Voting/Decision making: Voting at meetings of the Board shall be on the basis of one person one vote, with decisions being made by way of a simple majority. In the case of an equality of votes, the Chairperson of the Board shall have a casting vote in addition to their deliberative vote.

11.9 Resolution in writing: A resolution in writing signed by all members of the Board for the time being will be as effective and binding as if it had been passed at a duly convened meeting of the Board. Any such resolution may consist of several documents in like form each signed by one or more members of the Board. A facsimile or other electronic reproduction of any such document signed by members of the Board will be conclusive evidence of such resolution having been signed.

11.10 Quorum: The quorum for a meeting of the Board shall be five (5) members of the Board.

11.11 Minutes: Minutes shall be kept of the proceedings of the meetings of the Board. All such minutes shall be placed before the next Board meeting for confirmation.

11.12 Power to delegate: The Board may delegate any of its powers to sub-committees consisting of such Members as it thinks fit and may add to any sub-committee a Member

or an employee of the Marketing Association. In the exercise of the power so delegated any such sub-committee shall conform to any requirements of the Board.

11.13 Meetings of the Board : Meetings of the Board shall be held a minimum of once per calendar quarter. Any [two (2)] three (3) members of the Board may direct the calling of a meeting of the Board by a request in writing to the Chief Executive. At least seven (7) days' notice in writing shall be given to each Board member in respect of each meeting.

12 CHIEF EXECUTIVE

12.1 Appointment: The Chief Executive will be appointed by, and be responsible to, the Board, and will report directly to the Chairperson, on such terms and conditions as the Board shall determine.

12.2 Function: The Chief Executive will operate and manage the Marketing Association within the parameters approved by the Board, and such other instructions and directions provided by the Board from time to time.

13 REGIONAL AND SPECIAL INTEREST GROUP (SIG) COMMITTEES AND OFFICERS

13.1 Regional and SIG Committees: Each Region and SIG will be administered by a committee.

13.2 Elections : Members shall elect Regional and SIG committees at an Annual General Meeting of the Marketing Association.

13.3 Composition of Regional and SIG Committees: The Regional and SIG Committees shall be comprised of:

- (a) A chairperson
- (b) A minimum of four (4) and a maximum of eight (8) other Members; and
- (c) In the event that insufficient Members are nominated to form a Regional or SIG committee, additional nominations may be called for from the floor at the Annual General Meeting. Should there still be insufficient members to form the committee, the Regional or SIG Chairperson shall have the power to co-opt Members.

13.4 Proceedings of the Regional and SIG Committees: Proceedings of the Regional and SIG committees will be governed by the same requirements outlined in these Rules as governing meetings of the Board.

13.5 Term of Appointment to a Regional or SIG Committee: Once appointed, the officers of the Regional and SIG Committees will continue in office for a two-year term, at which time each may offer himself or herself for reappointment.

14 MEETINGS OF THE MARKETING ASSOCIATION

14.1 Annual General Meeting of the Marketing Association: The Annual General Meeting will be held every 12 months, no later than three (3) months after the end of the financial year, on a date and at a time and place to be designated by the Board, and for the following purposes:

- (a) To receive from the Board a report and audited financial statements for the preceding financial year of the Marketing Association;

(b) To elect a Chairperson and members of the Board as specified in Rule 10.1;

(c) To elect Regional and SIG Chairpersons and members of each Regional and SIG Committee as specified in Clauses 13.1 - 13.5.

(d) To consider and conduct such other business as may properly be brought forward.

14.2 Special Business: All business other than that set out in Rule 14.1 shall be deemed to be special business, notice of which must be given to Members of the Marketing Association in the notice calling the meeting.

14.3 Proposals: Members must submit to the Chief Executive all proposals or items they wish to have considered at the Annual General Meeting at least 21 days before the date fixed for the Annual General Meeting.

14.4 Notice of Meetings: The Chief Executive will send out to all Members, at least 14 days prior to the date fixed for the Annual General Meeting, a notice giving details of the date, time and place of the Annual General Meeting. The accidental omission to give notice of a meeting or the non-receipt of notice of a meeting by any Member entitled to receive notice shall not invalidate the proceedings at that meeting.

15 SPECIAL GENERAL MEETINGS

15.1 Special General Meeting: At any time the Board may call a Special General Meeting of the Marketing Association and shall do so on a requisition in writing by not less than ten (10) Members of the Marketing Association stating the purpose for which the Special General Meeting is required.

15.2 Notice: The Chief Executive will send out to all Members, at least 14 days prior to the date fixed for the Special General Meeting, a notice giving details of the date, time and place of the Special General Meeting and such notice shall specify the nature of the business to be transacted at the meeting and no other business than that specified shall be transacted. The accidental omission to give notice of a meeting or the non-receipt of notice of a meeting by any Member entitled to receive notice shall not invalidate the proceedings at that meeting.

16 PROCEEDINGS AT MEETINGS

16.1 Voting: Only Members who have paid all fees, subscriptions and levies payable will be entitled to vote at any meeting. Members will have the number of votes attached to the class of membership (as detailed at Rule 8.7) to be exercised either personally, or in the case of a corporate member, by its Representative.

16.2 Postal/Electronic Voting: Members shall be entitled to cast their vote at an Annual General Meeting or Special General Meeting by way of a postal or electronically transmitted vote. An electronically transmitted vote will be in a form approved by the Board from time to time, and may include (without limitation) voting by facsimile, email or voice recognition devices. Such votes must be received at the registered office of the Marketing Association at least 48 hours prior to the commencement of the meeting.

16.3 Proxies: Any Member entitled to vote but unable to attend any meeting shall be permitted to appoint a proxy to represent that Member at any time prior to the commencement of the meeting. Such appointment must be presented at the commencement of the meeting, and must be in writing and contain the name and address of the proxy, the name and address of the Member represented, and be signed by that Member.

16.4 Method of Voting: Motions put to the meeting shall be deemed to be carried if the majority of Members present in person or by proxy or Representative, or voting by postal or electronic means, vote in favour of the motion (PROVIDED THAT) voting may be by secret ballot where any five (5) Members demand a ballot. For the avoidance of doubt any Representative or proxy of a Member may join in the call for a ballot. For such a ballot, voting papers shall be supplied to the Members.

16.5 Evidence: Unless a ballot is demanded, a declaration by the Chairperson that a resolution has been carried unanimously or by a certain majority or lost, and an entry to that effect made in the Marketing Association's minute book, shall be the conclusive evidence of the fact without proof of the number or proportion of the vote recorded in favour of or against the resolution. In the case of an equality of votes, either on a show of hands or on a ballot, the Chairperson shall have a casting vote in addition to their deliberative vote.

16.6 Quorum: The quorum for an Annual General Meeting or Special General Meeting shall be twenty (20) Members entitled to vote. These members must be present in person or by proxy or Representative or have cast their vote in an approved manner prior to the meeting. No business shall be transacted at any meeting of the Marketing Association unless a quorum is present. If within half an hour of the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned until the same day and time in the following week, at which time those Members present will constitute a quorum.

16.7 Chairperson: The Chairperson, and failing him/her the Deputy Chairperson, shall be the Chairperson at Annual or Special General Meetings of the Marketing Association. In the absence of both, the Members present shall elect one of their number as Chairperson.

16.8 Minutes: Minutes of such meetings shall be recorded in a proper manner. Such minutes shall be available to the Members on request.

17 FINANCIAL YEAR

17.1 Financial year: Unless and until the Marketing Association resolves otherwise, its financial year shall end on 31 December in each year.

18 PROPERTY AND FUNDS

18.1 Property and Funds: The property and funds of the Marketing Association shall be applied solely towards the promotion of the objects of the DMA, and in such a manner and such amounts as the Board shall from time to time resolve. All moneys received by or on behalf of the Marketing Association, including Branch moneys, shall be paid into bank accounts with such Bank as the Board shall appoint from time to time. All accounts shall be submitted for the approval of the Board and shall be paid by cheque or direct credit drawn on the Marketing Association's account. All cheques shall be signed by any two of the signatories listed with the Bank. Such signatories are to be determined by the Board from time to time.

18.2 Financial statements: All income and expenditure of the Marketing Association shall be authorised by the Chief Executive who shall be responsible for providing the Annual General Meeting with audited financial statements.

18.2 Taxation returns: The Chief Executive shall be responsible for filing all Goods and Services Tax, and other required returns with the Inland Revenue Department and the keeping of all records required.

19 AUDITOR

19.1 Auditor: At each Annual General Meeting the Marketing Association shall appoint an auditor for the ensuing year who shall audit the DMA's accounts for such year.

20 ALTERATION TO RULES

20.1 Procedure for amendments: Subject to Rule 20.2, these Rules may be altered, added to or rescinded at any Annual General Meeting or Special General Meeting provided that:

(a) Notice of the proposed alterations or additions to, or rescission of the Rules are advised to the National Office of the Marketing Association by any Member not less than 21 days prior to the Annual or Special General Meeting. Such notice must be moved and seconded by Members of the Marketing Association.

(b) Notice of the proposed alterations or additions to or rescission of the Rules or any of them shall be despatched to each Member at least fourteen (14) days Prior to the date of the meeting at which such alterations, additions or rescission is to be considered.

(c) The meeting may amend any such proposals.

(d) No resolution at any such meeting shall affect any alteration in, or addition to, or rescission of, the Rules or any of them unless it is carried by a motion of at least two-thirds of the total votes cast for (and against) such resolution.

20.2 Limitation: No alteration, addition or rescission shall be made to Rules 8.6 and 25 without the prior approval of the Inland Revenue Department.

21 REGULATIONS

21.1 Power of General Meeting: The Marketing Association may enact through its Annual General Meeting or any Special General Meeting such regulations as shall be deemed necessary for the application of these Rules and the general administration of the Marketing Association.

21.2 Board Power to Legislate: In the event of any matters arising not covered by these Rules it shall be competent for the Board to legislate for the matter.

22 DISCRETION OF THE BOARD

22.1 Discretion of Board: Any matters not specifically covered in these Rules shall be considered and acted upon by the Board at its discretion.

23 DISCIPLINARY ACTIONS

23.1 By Chairperson: The Chairperson of the Board with the consent of the Board or of the Annual General Meeting may take disciplinary action against any person who is a Member of the Marketing Association for any action or matter whatsoever which is considered to be or is likely to be prejudicial to the objects or Rules of the DMA, or those engaged in Marketing.

23.2 Form of Disciplinary Action: No disciplinary action shall be taken against any Member without the Member concerned being given the opportunity of being heard on the subject of any alleged misconduct, at a meeting of the Board. Disciplinary action may

(without limitation of the rights of the Marketing association against a member at law) take the form of fines, suspension or expulsion from the DMA.

23.3 eMarketing Standards Authority Complaints Board: In the event that a consumer complaint cannot be satisfactorily resolved through the Marketing Association's complaint resolution procedure, and the consumer then refers the complaint to the eMarketing Standards Authority Complaints board, the Member concerned must abide by the ruling of the Board.

23.4 Advertising Standards Complaints Board: In the event that a complaint is lodged with the Advertising Standards Complaints Board (ASCB) relating to advertising by a Marketing Association Member, the Member concerned must abide by the ruling of the ASCB.

24 COMMON SEAL

24.1 Common Seal: The Marketing Association shall have a Common Seal which shall be kept in the custody of the Chief Executive and shall not be affixed to any document or instrument except pursuant to a resolution of the Board and in the presence of the Chief Executive and at least one member of the Board, and the Chief Executive and that Board member shall sign any deed or instrument to which the Seal is affixed.

25 VOLUNTARY WINDING UP: DISPOSITION OF PROPERTY

25.1 Winding up: The Marketing Association may be wound up voluntarily if the Marketing Association at an Annual General Meeting or Special General Meeting of its Members passes a resolution requiring the Marketing Association so to be wound up and appointing a liquidator, and the resolution is confirmed at a subsequent Annual General Meeting or Special General Meeting called together for that purpose and held not earlier than thirty (30) days after the date on which the resolution so to be confirmed was passed. Only a simple majority is required to pass and confirm a resolution to wind up.

25.2 Distribution of surplus assets: If upon winding up or dissolution of the Marketing Association there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid over to or distributed amongst the Members of the Marketing Association but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Marketing Association. Such distribution must be approved at the meeting called for the purpose of winding up the Marketing Association.

26 INDEMNITY

26.1 Indemnity: The Marketing Association will indemnify the members of the Board and Branch Committees, whether past, present or future for actions taken by any such members in good faith and within the rules of the Marketing Association in the course of furthering the objects and interests of the Marketing Association. This indemnity is given in consideration for the members of the Board and committees making themselves available to conduct the work of the Marketing Association.

26.2 Conduct of action: The Marketing Association reserves the right to take over the conduct of any claim or litigation if it considers this appropriate.