

New Zealand Thoroughbred Racing Incorporated

# CONSTITUTION

12 December 2025

**NEW ZEALAND  
THOROUGHBRED RACING**



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*PUREI HŌIHO NĀTI O AOTEAROA*

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## **PART A: NZTR**

### **1. Details of NZTR**

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#### **1.1 Name**

The name of the incorporated society is New Zealand Thoroughbred Racing Incorporated (**NZTR**).

#### **1.2 Commencement**

This Constitution takes effect as the constitution of NZTR from the date it is registered with the Registrar (Commencement Date).

#### **1.3 Office**

The registered office of NZTR will be determined by the Board from time to time. Any change of registered office must be notified to the Registrar at least 5 Working Days before it takes effect.

#### **1.4 Governance**

This Constitution sets out the rules governing NZTR and is binding on each Member of NZTR.

#### **1.5 Status**

NZTR is the racing code under the Racing Act responsible for governing thoroughbred racing in New Zealand.

### **2. Objects and functions**

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#### **2.1 The objects of NZTR include to:**

- (a) develop and promote thoroughbred racing in New Zealand;
- (b) promote and improve conditions that ensure the welfare of thoroughbred horses in New Zealand and support continuous improvement in welfare outcomes for thoroughbreds in New Zealand;
- (c) consider and respond to all matters submitted to NZTR in accordance with the Constitution and the Rules;
- (d) foster, support and encourage participation in thoroughbred racing in New Zealand; and

- (e) comply with NZTR's obligations under the Racing Industry Act 2020 (Racing Act), the Incorporated Societies Act 2020 (Act), this Constitution, and the New Zealand Rules of Racing (Rules).

## 2.2 **Functions of NZTR**

The functions of NZTR are to:

- (a) exercise the functions set out in the Racing Act, this Constitution, and the Rules; and
- (b) do all things that are incidental or conducive to, or otherwise necessary for carrying out those functions or achieving its objects.

## **PART B: MEMBERSHIP**

### **3. Membership**

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#### **3.1 Members**

The Members of NZTR at the Commencement Date are listed in Schedule 1.

The Members of NZTR are:

- (a) Club Members who have the right to vote at General Meetings.
- (b) Industry Members who have the right to vote at General Meetings.
- (c) Associate Members recognised by NZTR as supporting its objectives. Associate Members may attend and speak at General Meetings but do not have voting rights.

#### **3.2 Eligibility for Membership**

The following are eligible to apply for membership:

- (a) a club, association, or other body of persons established to promote, conduct, or control thoroughbred racing;
- (b) recognised industry organisations for thoroughbred racing under the Racing Act (other than racing clubs); and
- (c) racing clubs not entitled to use a totalisator, hunt clubs, organisations involved in the management of Club Members, and other organisations connected with the thoroughbred racing industry that the Board invites from time to time.

#### **3.3 Application for membership**

- (a) All applications for membership must be made in the form prescribed by the Board.
- (b) Eligibility to apply for membership does not confer any right to membership until the application is approved by the Board under this Constitution.
- (c) Every application for membership is subject to any conditions determined by the Board from time to time. Applicants must provide all information requested and meet any requirements reasonably specified by the Board.
- (d) By making an application for membership, every applicant consents to becoming a Member of NZTR.

#### 3.4 Processing of an application and registration

- (a) Applications for Membership of NZTR will be considered by the Board, and the Board may:
  - (i) grant or refuse the application at its discretion.; or
  - (ii) refer the application to any General Meeting for approval.
- (b) The Board must notify the applicant of its decision but is not required to provide reasons.
- (c) The Board must not approve an application if the constitution or rules of the applicant permit the division or distribution of its property or surplus funds among its members during its existence or dissolution.
- (d) The Board must not approve an application by any Hunt Club, unless the application is recommended by a resolution of the New Zealand Hunts' Association.
- (e) When an application is approved and the applicant becomes a Member, the Chief Executive must record the Member in the Register of Members.

#### 3.5 Cancellation and suspension of registration

- (a) *False or Fraudulent Registration:* The Board may cancel a Members registration if it is satisfied that registration was obtained through any false or misleading information, a material omission, or the submission of any false or fraudulent document.
- (b) *Inactive Club Members:* The Board may cancel or reclassify a Club Members registration (to an Associate Member) if that Club Member has not held a race meeting for three (3) consecutive years.
- (c) *Resignation by a Member:* A Member that wishes to resign must give written notice to the Chief Executive. Upon receiving the notice, the Board may cancel the Member's registration, and the relevant provisions of the Racing Act will apply.
- (d) *Non-compliance or Ineligible Rules:* The Board may suspend (on any terms or conditions it considers appropriate) or cancel a Member's registration if the Member:
  - (i) has failed to comply with this Constitution or the Rules; or
  - (ii) has a constitution or rules that allow its property or surplus funds to be divided or distributed among its members during its existence or on dissolution.

- (e) The Chief Executive must:
  - (i) notify the Member of any a suspension or cancellation;
  - (ii) record any suspension in the Register of Members; and
  - (iii) remove any Member whose registration is cancelled from the Register of Members.

### 3.6 **Effect of becoming a Member**

- (a) *Membership Rights and Responsibilities:* When a Member is registered, they receive the rights, powers, functions, and duties that apply to their membership category under this Constitution, the Rules and the Racing Act.
- (b) *Commitment to NZTR:* Registration as a Member of NZTR operates as an agreement between NZTR and its Members. Each Member agrees to:
  - (i) follow and uphold this Constitution, the Rules and the Racing Act;
  - (ii) comply with all lawful directions and decisions made by NZTR under this Constitution and the Rules; and
  - (iii) not claim or exercise any control or authority over thoroughbred racing other than as provided in this Constitution or the Rules.
- (c) *No Ownership Interest:* Membership does not give any Member an ownership or financial interest in this Constitution or the Rules.

### 3.7 **Membership - general obligations**

Each Member of NZTR must:

- (a) *Support NZTR's Purpose:* Promote the interests and the objectives of NZTR.
- (b) *Uphold Integrity and Reputation:* Not knowingly engage in any conduct that in the opinion of the Board, could reasonably be considered to bring NZTR or the industry into disrepute.
- (c) *Compliance:* Comply with this Constitution, the Rules and the Racing Act.
- (d) *Maintain Contact Information:* Promptly notify the Chief Executive of any changes to the Members contact details including physical address, postal address, phone number(s), and email. Provide the name and contact details of the Member's contact person required under the Act and promptly advise the Chief Executive of any changes to that person or their contact details.



### 3.8 Club Membership - specific obligations

Each Club Member will:

- (a) *Name*: Not change the name under which it is registered, except with the prior written consent of NZTR.
- (b) *Amalgamation*: Not merge or amalgamate with any other Club Member, except with the prior written consent of NZTR.
- (c) *Constitutional Changes*: Not amend or replace its constitution or rules without the prior written approval of NZTR.
- (d) *Compliance with NZTR Directions*: Comply with all directions, policies, codes, and regulations adopted by NZTR from time to time, including (without limitation) policies relating to funding.
- (e) *Information Requests*: Provide NZTR, upon request, with access to its annual financial statements and any other information reasonably required by NZTR to monitor the Club Member's performance and compliance.
- (f) *Governance Standards*: Maintain a constitution and governance framework that reflect the principles of good governance.

### 3.9 When membership ceases

Membership ends when a Member:

- (a) is placed in liquidation or where applicable, removed from the Register of Incorporated Societies by the Registrar; or
- (b) registration is cancelled in accordance with this Constitution.

### 3.10 Obligations on membership ceasing

When a Member's membership ceases, the Member must:

- (a) immediately cease to hold itself out as a Member of NZTR;
- (b) return to NZTR all property or assets provided by NZTR that the Board requests to be returned;
- (c) promptly pay any outstanding amounts due to NZTR; and
- (d) cease to exercise any rights of membership, but remain bound by any continuing obligations under this Constitution, the Rules, or the Racing Act.

## **4. Register of Members**

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### **4.1 Members' Register**

NZTR will maintain a current Register of Members.

### **4.2 Information to be included in Register**

For each current Member, the Register of Members must include:

- (a) the Members name;
- (b) the category of membership (Club Member, Industry Member or Associate Member);
- (c) the date on which the Member became a Member (or 'unknown' if the date is not recorded); and
- (d) the Members contact details, including physical address, postal address, phone number(s) and email.

NZTR must maintain a record of all former Members for at least 7 years after their membership ends, including the date the Member ceased to be a Member.

### **4.3 Inspection of Register**

The Register of Members will be available for inspection by Members upon reasonable request in writing to the Contact Person. A written request by a Member must specify the information requested in sufficient detail to enable the Board to identify it.

## **5. Meetings of NZTR**

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### **5.1 Annual General Meeting (AGM) – Timing and Notice**

- (a) NZTR must hold an AGM:
  - (i) within 6 months after the end of NZTR's financial year; and
  - (ii) within 15 months of the previous AGMat a time and place determined by the Board.
- (b) The Chief Executive must provide no less than 20 Working Days written notice to all Members of the date, time, and place of the AGM
- (c) The Chief Executive must, no less than 10 Working Days prior to the AGM, provide Members with:

- (i) NZTR's annual report, and financial statements;
- (ii) the details of the business to be transacted, in sufficient details for members to form a reasoned judgment on it; and
- (iii) any matter proposed by a Voting Member for consideration at the meeting.

## 5.2 Annual General Meeting - Business

- (a) At each AGM, the Board must present the information required under the Act including:
  - (i) an annual report on the operations and affairs of NZTR for the most recently completed financial year;
  - (ii) the annual financial statements for that year; and
  - (iii) notice of any disclosures made under section 63 of the Act (disclosure of interests) including a brief summary of the matters, to which those disclosures relate).
- (b) The business of the AGM will include:
  - (i) to adopt the minutes of the previous AGM and any recent SGM held after the last AGM;
  - (ii) to receive and consider the Board's report on its activities;
  - (iii) to receive and consider the Members' Council's report on its activities and the performance of the Board, including remuneration of the MC Appointees, any Director, the Chair of the Members' Council, and the Chair of the Board;
  - (iv) to receive, consider, and approve the audited consolidated statement of comprehensive revenue and expense, and consolidated statement of financial position incorporating the General Trust Fund (if any) and Apprentice Jockeys' Fund (if any);
  - (v) to receive and consider a notice of any disclosures of conflicts of interest since the previous AGM, including a brief summary of the matters, or types of matters to which the disclosures relate;
  - (vi) to consider and approve any application for registration as a Member of NZTR referred to the Meeting by the Board;
  - (vii) to receive and consider the Board's budget prepared under this Constitution;
  - (viii) to appoint an auditor, or to authorise the Board to make that

appointment and determine the auditor's remuneration;

- (ix) to consider and, if thought fit, pass any motions or resolutions; and
- (x) to consider other general business as the meeting resolves to consider.

### **5.3 Annual General Meeting – Motions for consideration**

- (a) The Board may include motions or other matters for consideration at an AGM.
- (b) Any Member may submit motions or other matters for consideration at an AGM by giving written notice to the Chief Executive no later than 30 Working Days before the meeting, or within a shorter period as the Board may allow at its discretion.
- (c) Any motion or matter submitted may be accompanied by supporting information.

### **5.4 Special General Meetings (SGM)**

- (a) Any General Meeting of NZTR that is not an AGM is an SGM.
- (b) The Board may, at any time, direct the Chief Executive to convene an SGM, to consider any matters the Board thinks fit to be brought before Members.
- (c) The Chief Executive must also convene an SGM if requested in writing by at least five (5) Voting Members representing at least 10% of the total voting rights assigned under this Constitution. The request must state the business to be considered in sufficient detail to enable Members to understand the purpose of the meeting.
- (d) An SGM may only consider the business and matters set out in the notice of the meeting.
- (e) Notice of an SGM must be given to all Members at least 20 Working Days prior to the meeting. Where the Board considers the period inappropriate in the circumstances, a shorter notice period of not less than five (5) Working Days may be given.
- (f) The notice must specify the date, time, and place of the meeting and describe the business to be transacted in sufficient detail to enable Members to form a reasoned view on the matters to be considered.

### **5.5 Attendance and representation at General Meetings**

- (a) Each Member entitled to representation at a General Meeting must be represented by its appointed Representative, unless the Board determines otherwise.

- (b) A Member is entitled to representation at a General Meeting provided it is currently registered as a Member under this Constitution.
- (c) A Member whose registration is suspended is entitled to attend a General Meeting but has no voting or speaking rights.
- (d) Each Member entitled to representation will appoint one (1) Representative to attend a General Meeting of NZTR on its behalf.

#### 5.6 **Representatives**

- (a) A Member may appoint a Representative to speak and, if entitled, vote on its behalf.
- (b) Only a person who is a member of the governing body, committee, or management of that Member may be appointed as its Representative.
- (c) The appointment of a Representative must be in writing, signed by a duly authorised officer of the Member and in the prescribed form (or in a form substantially to the same effect):

*The [member name] appoints [name of Representative] to be the Representative at the Meeting of NZTR to be held on [date of meeting].*

- (d) A document appointing a Representative must be delivered to the office of the Chief Executive by post, email, or in person no later than 10 Working Days prior to the relevant General Meeting. If notice of the meeting is given within a shorter period, the notice must specify the deadline by which the appointment document must be received.
- (e) A person is not eligible to be appointed or to continue as a Representative if they:
  - (i) are not a member of the committee, governing body, or management of the Member they represent;
  - (ii) are a director of NZTR;
  - (iii) have been, or are, disqualified, warned off or suspended under the Rules; and
  - (iv) are disqualified from being an officer under the Act.
- (f) Failure to comply with the eligibility requirements will render the appointment of a Representative invalid, unless the Chair of the meeting determines that in the circumstances it is reasonable to waive the irregularity.
- (g) If any duly appointed Representative is unable to attend any General Meeting, the Member may either :

- (i) promptly nominate a replacement Representative who will be deemed duly appointed for the purposes of that General Meeting; or
- (ii) appoint a proxy.

#### 5.7 Proxies

- (a) If a Member is unable to attend a meeting the Member may appoint a person as its proxy to speak and, if applicable, vote on that Member's behalf.
- (b) The proxy must be a person entitled to be a Representative of another Member.
- (c) The proxy appointment must be in writing signed by the Member's Representative and in substantially the following form:

*[Member's name] who is unable to attend the meeting due to [reason] appoints [proxy's name] as proxy to represent the Member at the General Meeting of NZTR to be held on [date of meeting].*

- (d) The completed proxy form must be received by the Chief Executive no later than two (2) Working Days before the notified date and time of the meeting, unless a shorter period is approved by the Chief Executive.
- (e) Failure to comply with this clause will render the proxy appointment invalid, unless the Chair of the meeting determines that any irregularity should be waived.
- (f) A proxy has the same rights as the Member to speak and vote on all matters at the meeting.

#### 5.8 Irregularities

- (a) The accidental omission to give notice of a General Meeting to a Member, or the non-receipt of notice by a Member, does not invalidate the meeting or any decisions made at it.
- (b) Any irregularity, error, or omission in notice, agenda, or conduct of a General Meeting does not invalidate the meeting or its proceedings if:
  - (i) the Chair considers it appropriate for the General Meeting to proceed; and
  - (ii) the meeting confirms that decision by a majority of vote.

#### 5.9 Quorum for General Meetings

- (a) No business may be carried out at a General Meeting unless a quorum is present.

- (b) A quorum for a General Meeting is 12 Voting Members, including at least 10 Club Members, who are present either in person or by electronic means.
- (c) If a quorum is not present within 30 minutes after the time appointed for the General Meeting:
  - (i) at an AGM, the meeting will stand adjourned to the same time and place on the same day in the following week. If a quorum is not present at the adjourned AGM within 30 minutes of the scheduled start time, the Voting Members present will constitute a quorum, and the meeting may proceed to transact business on the agenda; or
  - (ii) at an SGM, the SGM will lapse.

#### 5.10 **Methods of holding meetings**

A General Meeting may be held with the attendees:

- (a) being physically assembled at the place, date, and time appointed for the meeting;
- (b) participating by means of audio, audiovisual, electronic or other communication technologies as determined by the Board; or
- (c) by a combination of both methods in sub-clauses (a) and (b) as determined by the Board.

#### 5.11 **Attendees**

- (a) A General Meeting will comprise:
  - (i) the Directors;
  - (ii) the Chair of the General Meeting;
  - (iii) each Member's appointed Representative or duly appointed proxy; and
  - (iv) the Chief Executive.
- (b) In addition to the persons listed above, the following may attend a General Meeting by invitation:
  - (i) NZTR employees;
  - (ii) official observers;
  - (iii) representatives of TAB NZ;
  - (iv) the Auditor;

- (v) the secretary or equivalent officer of a Member, subject to any conditions set by the Board from time to time; and
- (vi) any other person the Board considers appropriate.
- (c) Any person invited by the Board may address the meeting only with the consent of the Chair.

#### **5.12 Chairing the meeting**

- (a) The Chair of the Board will preside at every General Meeting. If the Chair is unavailable, the Board will appoint one of its members to chair the meeting.
- (b) The Chair of a General Meeting may:
  - (i) with the consent of the meeting, adjourn the meeting from time to time and from place to place provided no business may be transacted at an adjourned meeting other than the business left unfinished at the meeting where the adjournment took place;
  - (ii) direct any individual not entitled to be present at the meeting, or who obstructs business, behaves in a disorderly or abusive manner, or fails to comply with the Chair's directions, to leave the meeting;
  - (iii) in the absence of a quorum or in the case of an emergency, adjourn or close the meeting; and
  - (iv) decide any procedural matter not otherwise provided for in this Constitution.

#### **5.13 Speaking rights and suspension**

- (a) The following may speak at a General Meeting:
  - (i) the Chair;
  - (ii) any Director;
  - (iii) a Members Representative or proxy; and
  - (iv) anyone invited by the Board or Chief Executive with the Chair's consent.
- (b) A Member (or their Representative or proxy) whose speaking or voting rights are suspended may not speak or vote.



#### 5.14 **Moving and seconding resolutions**

The following persons may move or second a resolution at a General Meeting:

- (a) the Chair of the meeting;
- (b) any Director authorised by the Board; or
- (c) a Voting Member's Representative or appointed proxy.

#### 5.15 **Voting**

- (a) Every question at a General Meeting will be decided by open voting, unless the Chair directs, or a majority of Voting Members present and entitled to vote request that it be decided by secret ballot.
- (b) Open voting may be conducted by:
  - (i) show of hands;
  - (ii) electronic means;
  - (iii) a combination of the above; or
  - (iv) any other method as determined by the Chair.
- (c) Unless otherwise required by this Constitution, every question will be decided by a simple majority of votes cast by Voting Members present.
- (d) Amendments to or a replacement of the Constitution may only be approved by resolution passed by three-fifths (3/5<sup>th</sup>) majority of the votes cast by Voting Members present at a General Meeting.
- (e) All votes exercised by a Representative or proxy are deemed to be the votes of the Member they represent, and not the personal votes of the Representative or proxy.
- (f) The voting entitlement of Voting Members is:
  - (i) each Club Member is entitled to one vote for every Race Date allocated to it in the Racing Year when the vote occurs, reduced by any Race Dates relinquished or forfeited (voluntarily or otherwise) before the vote;
  - (ii) each Industry Member is entitled to one vote; and
  - (iii) Associate Members have no voting rights.
- (g) Only the Representatives of Voting Members or their duly appointed proxies may vote on matters at a General Meeting.

- (h) A declaration by the Chair that the resolution has been carried (whether unanimously or by a stated majority), or lost is conclusive evidence of that result. The Chair is not required to provide proof of the number or proportion of votes cast.
- (i) When a resolution is put to the vote, the Chair may record the names of the Voting Members whose Representatives or proxies have voted for or against the resolution.
- (j) No act or resolution of NZTR will be invalidated due to:
  - (i) a Voting Member entitled to representation was not represented; or
  - (ii) there was a defect in the appointment of the Chair, any representative, or any proxy.

#### **5.16 Minutes to be kept**

The Chief Executive must keep minutes of all General Meetings and circulate the draft minutes to all Members within 30 Working Days of the General Meeting.

#### **5.17 Resolutions**

Every resolution of NZTR will take effect on the date specified in that resolution, or if no date is specified, on the date it is passed.

#### **5.18 Resolution in lieu of General Meeting**

In lieu of holding a General Meeting, a resolution in writing (including by email or other electronic means) that is approved by at least 75% of the Voting Members representing 75% of the total voting rights assigned under this Constitution will have the same effect as a resolution passed at a General Meeting, provided the requirements of sections 89 to 92 of the Act 2022 are met.

## **PART C: GOVERNANCE**

### **6. The Members' Council**

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#### **6.1 Establishment and Composition of the Members' Council**

There will be a Members' Council comprising nine (9) persons appointed as follows:

- (a) Regional Appointees: two (2) persons elected by Club Members in each Region, (six total) (Regional MC Appointees);
- (b) Sector Appointees: three (3) persons elected as follows:
  - (i) one (1) person appointed by NZTROF;
  - (ii) one (1) person appointed by NZTBA; and
  - (iii) one (1) person jointly appointed by NZTA and NZJA,  
(together, the Sector MC Appointees),
- (c) The Regional MC Appointees and Sector MC Appointees are collectively referred to as the MC Appointees.
- (d) A person is not eligible to be elected or appointed as an MC Appointee if they are:
  - (i) affected by bankruptcy action or an undischarged bankrupt;
  - (ii) a prohibited person under the Racing Act, as set out in the Third Schedule to the Rules;
  - (iii) warned off, disqualified, suspended, or listed in arrears under the Rules;
  - (iv) ineligible or disqualified from managing companies under section 382 of the Companies Act 1993 or otherwise is ineligible or disqualified under the Act; or
  - (v) a paid employee of NZTR.

#### **6.2 Nominations for the Members' Council**

- (a) The Chief Executive must, no later than three (3) months prior to each AGM, call for nominations from Club Members within each Region to fill any vacancies for Regional MC Appointees.
- (b) Each Club Member may nominate one (1) candidate for election or re-election (as applicable) as a Regional MC Appointee for its Region where a vacancy exists.

- (c) Each nomination must:
  - (i) be in writing, signed by the Secretary or equivalent officer and one other authorised officer of the Club Member;
  - (ii) include a copy of the relevant minutes approving the nomination;
  - (iii) include the nominee's signed consent; and
  - (iv) be received by the Returning Officer no later than two (2) months prior to the relevant AGM.
- (d) If the number of candidates nominated by Club Members in a Region equals the number of vacancies for Regional MC Appointees in that Region, those candidates are deemed elected or re-elected (as applicable) as the Regional MC Appointees for that Region.
- (e) The Chief Executive must, no later than 2 months prior to each AGM, call for:
  - (i) NZTROF;
  - (ii) NZTBA; or
  - (iii) NZTA and NZJA, jointly,

(depending on who appointed the Sector MC Appointee(s) retiring at that AGM) to nominate, prior to that AGM, one (1) person to be appointed or re-appointed (as applicable) to the Members' Council as its Sector MC Appointee and the person nominated will be declared appointed or re-appointed (as applicable) as the Sector MC Appointee for the relevant appointing body.

### 6.3 Election of Regional MC Appointees

- (a) If more candidates are nominated than there are vacancies, an election will be held by ballot, and the following will apply:
  - (i) the Chief Executive must circulate voting papers listing all candidates, together with voting instructions and any candidate CVs to all Club Members in the Region;
  - (ii) voting must be completed no later than one (1) month prior to the AGM;
  - (iii) each Club Member may vote for 1 candidate in its own Region;
  - (iv) a voting paper that does not comply with the instructions of the Chief Executive or the provisions of this clause will be declared invalid;

- (v) the voting entitlement of each Club Member is one (1) vote for every Race Date allocated to it in the Racing Year when the vote occurs, reduced by any Race Dates relinquished or forfeited (voluntarily or otherwise) before the vote; and
  - (vi) the Chief Executive will declare elected (or re-elected) the candidates with the most valid votes, up to the number of vacancies in that Region.
- (b) If two or more candidates receive equal votes in an election, the tie will be resolved as follows:
- (i) if one of the tied candidates is the current Regional MC Appointee for that Region, that candidate will be declared re-elected;
  - (ii) if none of the tied candidates is a current Regional MC Appointee for that Region, the Returning Officer will determine by lot which candidate is elected and certify the result accordingly.
- (c) If an election does not result in enough candidates being elected or re-elected as Regional MC Appointees to fill all available vacancies for that Region, the Chief Executive will arrange a further election to fill the remaining positions, in accordance with this clause.
- (d) If, before the ballot for an election (or further election) is commenced, the number of candidates for a Region is reduced to be equal to or fewer than the number of vacancies to be filled, the remaining candidate(s) will be declared elected or re-elected (as applicable) without a ballot.
- (e) The Chief Executive will promptly notify all Club Members of the result of each election, including any subsequent election held if required. All voting papers must be retained for 3 months following the declaration of the result, after which they must be securely destroyed.

#### **6.4 Term of Appointment of MC Appointees**

- (a) Each MC Appointee takes office from the conclusion of the AGM at which they are elected or appointed, or from the date of appointment if filling a casual vacancy.
- (b) Each MC Appointee serves a term of three (3) years and may serve up to three (3) consecutive terms, a maximum of nine (9) years in total.
- (c) To maintain an orderly rotation of retirements, the Members' Council may, if necessary, extend or shorten any term, provided no MC Appointee serves beyond the maximum period. A variation to a term under this clause does not affect the duration of any subsequent term that the MC Appointee may serve.
- (d) At each AGM two (2) Regional MC Appointees and one (1) Sector MC Appointee will retire by rotation but will be eligible for re-election or re-appointment.

- (e) An MC Appointee who has been appointed since the last AGM to fill a casual vacancy will retire at that meeting but may stand for election. Any period served in filling a casual vacancy will not be treated as a full term for rotation purposes.
- (f) The two (2) Regional MC Appointees required to retire each year will be those who have served the longest since their last election. If two or more have served for the same period and cannot agree who will retire, the order of retirement will be decided by lot.
- (g) The Sector MC Appointee required to retire each year will be the one who has served the longest since their most recent appointment. If two or more Sector Appointees have served for the same length of time and cannot agree who will retire, the order of retirement will be determined by lot.
- (h) To maintain continuity and an orderly rotation of retirements, the Members' Council may, if necessary, vary the term of any MC Appointee, to prevent an uneven number of retirements at any AGM. This flexibility applies where resignations, death, retirement, casual vacancies, or other timing changes would otherwise result in multiple MC Appointees retiring at once. When making any variation, the Members' Council must have regard to fairness and the original term of each MC Appointees appointment. Any variation must be reasonable and must not extend an MC Appointees maximum permitted term under this Constitution.

#### **6.5 Chair of Members' Council**

- (a) The Members' Council must elect a Chair from among its MC Appointees immediately after each AGM.
- (b) The Chair holds office until the first meeting following the next AGM, unless replaced earlier.
- (c) If more than one MC Appointee is nominated, an election will be held by ballot, in the event of a tie the result will be determined by lot.

#### **6.6 Remuneration of MC Appointees**

- 6.7 The Members' Council is entitled to receive remuneration as may be approved by NZTR in General Meeting from time to time and will be reimbursed for all reasonable expenses properly incurred in carrying out the business of the Members' Council.

#### **6.8 Vacancies**

- (a) An MC Appointee's position becomes vacant if they:
  - (i) die;
  - (ii) become ineligible to hold office;

- (iii) resign in writing;
  - (iv) are absent without leave from two (2) consecutive meetings;
  - (v) are removed from office by the remainder of the Members' Council.
- (b) A casual vacancy will be filled as follows:
- (i) for a Regional MC Appointee, by appointment by the Members' Council; and
  - (ii) for a Sector MC Appointee, by appointment by the relevant body (NZTROF, NZTBA, or jointly by NZTA and NZJA).
- (c) Any person appointed to fill a Regional MC Appointee casual vacancy serves until the next AGM, where a call for nominations will occur.
- (d) Any person appointed to fill a Sector Appointee casual vacancy will hold office from the date of appointment. The Sector MC Appointee's three-year term will be deemed to commence from the conclusion of the first AGM following their appointment.

#### **6.9 Leave of Absence**

- (a) An MC Appointee may, by written notice, request a leave of absence for up to three (3) months.
- (b) The Members' Council may, at its discretion, grant or decline a request for a leave of absence.
- (c) Where a leave of absence to any Regional MC Appointee is granted, the Members' Council may appoint a substitute for that Regional MC Appointee during such absence.
- (d) Where a leave of absence to any Sector MC Appointee is granted a Sector MC Appointee, NZTBA, or NZTROF, or NZTA and NZJA jointly may appoint a substitute for that Sector MC Appointee during such absence.

### **7. Functions and Powers of the Members' Council**

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#### **7.1 Best Interests of thoroughbred racing**

The Members' Council must exercise its functions and powers in good faith and in what it reasonably believes to be the best interests of NZTR, the thoroughbred racing industry, and the interests of the participants.

## 7.2 Functions

- (a) Adopt a Code of Conduct that is binding on all Member Council Appointees.
- (b) Ensure the Board of NZTR remains accountable for its decisions and performance by:
  - (i) conducting an annual review of the Board's performance and reporting the results to the AGM, including an assessment against NZTR's Statement of Intent and Business Plan for the relevant year;
  - (ii) requesting written reports from the Board on any matter the Members' Council considers appropriate;
  - (iii) raising proposals or concerns identified by the Member's Council for the Board's consideration and circulating the Board's response to all Members; and
  - (iv) undertaking any other activities reasonably necessary to hold the Board accountable for its decisions and performance, including communicating with Members, participants or the public where appropriate.
- (c) Provide written advice to the Board on any matters referred to the Members' Council by the Board. The Members Council must provide advice within a reasonable time after receiving the request, and the Board must consider any advice it receives.
- (d) Regularly assess the performance of the Members' Council and the MC Appointees in performing their functions and powers under this Constitution. The outcomes of any assessment must be set out in the Members' Council Report presented to the AGM.

## 7.3 Powers

- (a) The Members' Council has the power to appoint the Directors of NZTR under this Constitution.
- (b) To remove any Director from office if the Director is, in the Members' Council's sole opinion:
  - (i) breaching their duties under this Constitution; or
  - (ii) otherwise acting in a manner that is, or is likely to be, detrimental to the interests of thoroughbred racing,provided that a Director removed from office under this clause has no right or claim for compensation for removal or otherwise.
- (c) To remove any MC Appointee from office if, in the Members' Council's reasonable opinion:



- (i) the MC Appointee has breached their duties under this Constitution; or
- (ii) the MC Appointee is otherwise acting in a manner that is, or is likely to be, detrimental to the interests of thoroughbred racing.

provided that a MC Appointee removed from office under this clause has no right or claim for compensation for removal or otherwise.

## **8. Meetings of Members' Council**

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### **8.1 Procedure**

- (a) Meetings of the Members' Council will be held at times and places determined by the Members Council or its Chair.
- (b) The Chair presides at every meeting they attend. If the Chair is absent, the MC Appointees present will elect one of those attending to chair the meeting.
- (c) A quorum for a meeting is five (5) MC Appointees, including at least one (1) Regional MC Appointee from each Region.
- (d) Each MC Appointee has one vote. In the event of a tie, the Chair has the casting vote. A resolution passes if at least five (5) votes are cast in favour.
- (e) Subject to this Constitution, the Members' Council may regulate the conduct of its meetings as it sees fit.
- (f) Meetings may be conducted by audio, audiovisual, or electronic means, provided the quorum is met.

### **8.2 Alternate Procedure**

- (a) The Members' Council may transact business by written resolution signed by at least five (5) MC Appointees. This resolution will be recorded as a decision of the Members' Council.

### **8.3 Chief Executive and Minutes**

- (a) The Chief Executive (or their delegate) may attend and speak at meetings but has no voting rights.
- (b) The Chair must ensure that accurate minutes of all proceedings are kept.

## **9. The Board**

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### **9.1 Composition**

- (a) The Board will comprise of no fewer than five (5) and no more than seven (7) Directors, appointed by the Members' Council.
- (b) For the purposes of clause 6(1)(b)(i) of Schedule 1 of the Incorporated Societies Regulations 2023, the Board must comprise of Directors who are not Members of NZTR or representatives of any Member.

### **9.2 Appointment**

- (a) The Members' Council is responsible for the selection and appointment of NZTR Directors.
- (b) At least two (2) months prior to each AGM, or at any time there is a vacancy on the Board, the Chief Executive will call for applications for appointment to the position of Director of the Board.
- (c) At least one (1) month prior to each AGM the Chief Executive will provide a list of the applicants, along with all necessary background information, to the Members' Council, and the Members' Council will determine who will be appointed as Directors.

### **9.3 Eligibility to be a Director**

- (a) Every Director must be a natural person who, prior to appointment as a Director:
  - (i) has provided written consent to act as a Director; and
  - (ii) has certified that they are not disqualified from being appointed to or holding office as a Director NZTR.
- (b) NZTR must retain a copy of each Director's written consent and certificate for its records.
- (c) The Members' Council may appoint a person as a Director only if satisfied that the person is suitably qualified, either through knowledge and experience within the New Zealand thoroughbred racing industry or through specialist professional knowledge or skills, relevant to the governance and operations of NZTR.
- (d) At all times, a majority of Directors on the Board must have knowledge of the New Zealand thoroughbred racing industry.

- (e) The following persons are not eligible to be appointed, or to continue to hold office, as a Director:
  - (i) a person who is subject to a bankruptcy action or is an undischarged bankrupt;
  - (ii) a person who is a prohibited person under the Racing Act, as set out in the Rules;
  - (iii) a person who is warned off, disqualified, suspended, or entered on the arrears list under the Rules;
  - (iv) a person who is ineligible or disqualified from managing companies under section 382 of the Companies Act 1993, or disqualified under the Act;
  - (v) a person previously removed as a Director following a process under this Constitution or the Rules;
  - (vi) a holder of a licence issued by NZTR (including, a rider, trainer, or any other licence) at the time of appointment;
  - (vii) is an MC Appointee;
  - (viii) is a trustee of a gaming trust;
  - (ix) is a member of a Board, a committee, or an employee, of any of the following organisations:
    - a) TAB NZ;
    - b) a Member of NZTR;
    - c) New Zealand Greyhound Racing Association Inc; or
    - d) Harness Racing New Zealand Limited;
  - (x) is an employee of NZTR.
- (f) The Members Council may appoint to the Board a person whom clause 9.3(e) applies, provided that the circumstances that would otherwise have disqualified that person no longer apply at the time they take office as a Director.
- (g) A Director shall automatically cease to hold office and is deemed to have vacated their position if any of the disqualification circumstances listed above occur, effective immediately upon the relevant authority making the applicable order, finding or appointment.

#### 9.4 **Ceasing to Hold Office**

A person ceases to be a Director and the office of a Director becomes vacant, if the Director:

- (a) dies;
- (b) becomes ineligible to continue in office under the eligibility requirements for Directors in this Constitution;
- (c) resigns by giving written notice of resignation to the Board;
- (d) is absent without the Board's leave from more than two (2) consecutive Board meetings;
- (e) is removed from office by the Members' Council; or
- (f) their term expires in accordance with this Constitution.

#### 9.5 **Casual Vacancies**

- (a) Whenever any casual vacancy occurs on the Board the Members' Council will:
  - (i) if fewer than five (5) Directors remain on the Board, fill the vacancy by appointment; or
  - (ii) if five (5) or more Directors remain on the Board, consult with the Board and determine whether the vacancy should be filled, and if so, make the appointment.
- (b) Every person appointed to fill a casual vacancy will hold office from the date of appointment. The Director's three-year term will be deemed to commence from the conclusion of the first AGM following their appointment.

#### 9.6 **Leave of Absence**

- (a) A Director may request a leave of absence from the Board for a period of up to three (3) months by giving written notice to the Board.
- (b) The Board may, at its discretion, grant or decline any request for a leave of absence.
- (c) Where the Board grants a leave of absence, it may appoint a substitute Director for the duration of that absence.

#### 9.7 **Chair of the Board**

- (a) The Board must elect one of the Directors as Chair at its first meeting following each AGM.

- (b) The Chair holds office until the first Board meeting following the next AGM, unless replaced earlier by a resolution of the Board.
- (c) If only one (1) Director is nominated for the position of Chair, that Director is deemed elected by the Board.
- (d) If more than one (1) Director is nominated, the Chair must be elected by ballot, with each Director entitled to 1 vote.
- (e) If the ballot results in a tie, a second ballot must be held. If the votes remain equal after the second ballot, the Chair will be determined by lot.

#### **9.8 Term of Appointment of Directors**

- (a) A Director elected at an AGM takes office at the close of that meeting. A Director appointed to fill a casual vacancy takes office from the date of appointment.
- (b) Each Director serves a term of three (3) years and then retires but is eligible for reappointment. No Director may serve more than three (3) consecutive terms of three (3) years each.
- (c) At each AGM, two Directors must retire by rotation but are eligible for reappointment at that meeting, provided they have not served three (3) terms.
- (d) The Directors required to retire by rotation are those who have been in office the longest since their last appointment or reappointment. If two or more Directors have served for the same period, the order of retirement will be determined by agreement or failing that by lot. A Director who has previously served a term of less than three (3) years to maintain the rotation requirement, will not be required to do so again.
- (e) If a Director serves a term that is shorter or longer than three (3) years, whether because they were appointed to fill a vacancy or to maintain the rotation of retirements, this will not affect the length of any future term they may serve.
- (f) To maintain continuity and an orderly rotation of retirements, the Board may, if necessary, vary the term of any Director, to prevent an uneven number of retirements at any AGM. This flexibility applies where resignations, death, retirement, casual vacancies, or other timing changes would otherwise result in multiple Directors retiring at once. When making any variation, the Board must have regard to fairness and the original term of each Director's appointment. Any variation must be reasonable and must not extend a Directors maximum permitted term under this Constitution.
- (g) The Chief Executive must update the Register of Directors following every election, appointment, or cessation of office.

## **9.9 Remuneration of Directors**

The Directors and the Chair of the Board are entitled to remuneration as determined by NZTR in General Meeting (following a recommendation from the Members' Council). They are also to reimbursement for all reasonable expenses properly incurred in carrying out the business of NZTR.

## **10. Function and Powers of the Board**

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### **10.1 Functions**

- (a) The Board is responsible for governing NZTR, setting its strategic direction, and overseeing the management and operations of NZTR. The Board must ensure that NZTR complies with this Constitution, the Rules, the Racing Act and the Act.
- (b) The Board must ensure that NZTR's activities and decisions give effect to its objects, including developing and promoting thoroughbred racing, safeguarding the welfare of thoroughbreds, and encouraging participation in the industry.

### **10.2 Powers**

- (a) The Board has all powers necessary to govern NZTR and to carry out its functions, subject to any limitations or requirements set out in this Constitution, the Rules, the Racing Act, or the Act.
- (b) To control the New Zealand Stud Book and the New Zealand Register of Non-Stud Book Mares, and to make regulations and appointments to ensure their proper administration and integrity.

### **10.3 Chief Executive**

- (a) The Board may appoint a Chief Executive.
- (b) The Chief Executive will:
  - (i) have overall responsibility for the management and supervision of all NZTR employees;
  - (ii) be accountable to the Board and act under its general direction and control;
  - (iii) exercise the powers and perform the duties of the Chief Executive under this Constitution, the Rules, and within any delegated authority from the Board; and
  - (iv) perform all other duties properly relating to the office.

- (c) The Chief Executive may, with the authority of the Board, employ staff as are necessary to carry out the functions of NZTR, on terms and conditions approved by the Board.

## **11. Meetings of the Board**

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### **11.1 Board meetings**

- (a) The Board must meet at least six times a year. Meetings may be held at any time and place as determined by the Board, including audio, audiovisual or electronic means. The Chair may convene additional meetings as required.
- (b) A meeting of the Board must be held if requested by a majority of Directors.
- (c) The Chair and the Chief Executive must ensure that the proceedings of each meeting are accurately recorded in the Board minutes.
- (d) The Chair presides at every Board meeting attended. If the Chair is absent, the Directors attending must elect a Director present to chair that meeting.
- (e) Except where urgency or circumstances make this impracticable, the Chief Executive must give each Director no less than 10 Working Days written notice of any Board meeting.
- (f) The Board may determine its own procedures for the conduct of business at meetings.
- (g) The Board must adopt a Code of Conduct that sets out the expected standards of behaviour, integrity, and accountability for Directors. The code is binding on all Directors.
- (h) The Chief Executive is entitled to attend, and speak at all Board meetings but does not have voting rights.

### **11.2 Board Quorum**

- (a) A meeting of the Board requires a quorum of 4 Directors.
- (b) No business may be transacted at a Board meeting unless a quorum is present throughout the meeting.

### **11.3 Board Voting**

- (a) Each Director present at a meeting has 1 vote. In the event of an equality of votes, the Chair has the casting vote.
- (b) Every resolution passed by the Board will be binding upon all Directors.

- (c) Directors are entitled to have a previous decision reconsidered, modified, or rescinded, and may speak in support of that proposal at a subsequent Board meeting.

#### **11.4 Alternate Procedure**

- (a) The Board may, if it thinks fit, pass a resolution in writing without holding a meeting. A written resolution signed or approved by a simple majority of all Directors has the same effect as a resolution passed at a Board meeting.

#### **11.5 Meetings with Members' Council**

- (a) The Board will meet with the Members' Council at least three (3) times each year in addition to the AGM and at any other time requested in writing by the Members' Council. Each meeting will consider matters included on an agenda set by the Members' Council.
- (b) Each MC Appointee may consult with the Region which elected them or the Sector Organisation(s) that appointed them, before each meeting of the Board and Members' Council, and must raise any issues from that Region or Sector Organisation with the Members' Council and Board.
- (c) Following each meeting between the Members' Council and the Board, the Chief Executive must circulate to all Members a report on the meeting.

### **12. Board Committees**

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#### **12.1 Committees and delegation**

- (a) The Board may delegate to a committee, any one or more of its powers vested in the Board by this Constitution, the Rules, the Racing Act, or the Act, to the extent permitted by law.
- (b) The Board must adopt and review from time to time, the terms of reference for and delegated authority to any committee.
- (c) A committee:
  - (i) may include persons appointed by the Board who are not Directors, and such persons may act as chair of that committee;
  - (ii) may co-opt or second any person it deems necessary (provided the sub-committee resolves to do so and the committees chair approves) to assist the committee to carry out its duties on a short-term basis;
  - (iii) has no authority to bind NZTR unless expressly authorised in writing by the Board.



- (iv) must report regularly to the Board on its activities and decisions.
- (d) No person may be appointed to a committee if they would be ineligible to serve as a Director of NZTR.
- (e) A committee delegated a power by the Board:
  - (i) must comply with any directions or requirements set by the Board;
  - (ii) must not further delegate any of those powers unless the Board has expressly authorised it ; and
  - (iii) subject to any other provision of this Constitution, the committee may determine its own procedures and regulate its meetings and decisions.

### **13. Board Delegations**

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#### **13.1 Delegations**

- (a) The Board may delegate to a Director, the Chief Executive, or an employee of NZTR, any one or more of its powers vested in the Board by this Constitution, the Rules, the Racing Act, or the Act, to the extent permitted by law.
- (b) A person delegated a power by the Board:
  - (i) must comply with any directions or requirements set by the Board;
  - (ii) must not further delegate any of those powers unless the Board has expressly authorised it ; and
  - (iii) subject to any other provision of this Constitution, a person or group with Board delegation may determine its own procedures and regulate its meetings and decisions.

#### **13.2 Review of delegated decisions**

If the Board gives power to the Chief Executive or an NZTR employee under this Constitution or the Rules, and someone is dissatisfied with a decision made by the Chief Executive, their delegate, or that employee, they may ask the Board to review the decision.

## **14. Board Inquiries**

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### **14.1 Procedure**

- (a) Where the Board is to conduct an inquiry into any matter requiring determination, it may appoint a sub-committee and delegate to that sub-committee the Board's powers, duties and functions under this Constitution or under the Rules as they relate to that inquiry.
- (b) Any such sub-committee established must comprise not fewer than three (3) and not more than five (5) persons, who need not be Directors. The Board may appoint one member as Chair of the sub-committee, or if no Chair is appointed, the sub-committee must appoint one of its members to act as Chair.
- (c) If any member of the sub-committee is unable or unwilling to act in relation to the inquiry, that member must promptly notify the Chief Executive, and the Board may appoint a replacement member.
- (d) In delegating any power, duty, or function to a sub-committee under this clause, the Board may impose such conditions, restrictions or directions as it considers appropriate. Any act done by the sub-committee within the scope of the delegation is, for all purposes deemed to be an act of the Board and has force and effect accordingly.

## **15. Officers of NZTR**

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### **15.1 Officers**

- (a) The Officers of NZTR are:
  - (i) all Directors;
  - (ii) the Chief Executive;
  - (iii) any other person appointed by the Board as an Officer;
  - (iv) any individual deemed to be an Officer under section 5 of the Act.
- (b) Every Officer must consent in writing to be an Officer and certify that they are eligible to hold office in accordance with the Act.

### **15.2 Officers' Duties**

- (a) When exercising powers or performing duties an Officer must:
  - (i) act in good faith and in what they believe to be the best interests of NZTR;

- (ii) exercise powers for a proper purpose;
  - (iii) not act, or agree to NZTR acting, in a manner that contravenes this Constitution, the Rules, the Racing Act, and the Act;
  - (iv) exercise the care, diligence, and skill that a reasonable person with the same responsibilities would exercise in the same circumstances, having regard, to the nature of NZTR, the decision being made, and the Officer's role and responsibilities;
  - (v) not allow NZTR's activities to be carried on in a manner likely to create a substantial risk of serious loss to NZTR's creditors;
  - (vi) not agree to NZTR incurring an obligation unless the Officer believes, on reasonable grounds at the time, that NZTR will be able to meet that obligation when required.
- (b) When exercising powers or performing duties, an Officer may rely in good faith on reports, statements, financial data and other information, as well as professional or expert advice provided by:
- (i) an employee who the Officer believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
  - (ii) a professional adviser or expert on matters that the Officer believes on reasonable grounds to be within the person's professional or expert competence; or
  - (iii) another Officer or subcommittee of Officers, in relation to matters within that Officers or subcommittee's designated authority.

## **16. Interests**

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### **16.1 Conflicts of interests**

- (a) An Officer who is interested in any Matter being considered by NZTR, must disclose details of the nature and extent of the interest (including any monetary value of the interest if it can be quantified):
  - (i) to the Board; and
  - (ii) in an Interests Register kept by the Board.
- (b) Disclosure must be made as soon as practicable after the Officer becomes aware that they are interested in the Matter.
- (c) An Officer who is interested in a Matter:

- (i) must not vote or take part in a decision of the Board relating to the Matter unless all members who are not interested in the Matter consent; and
  - (ii) must not sign any document relating to the entry into a transaction or the initiation of the Matter unless all members of the Board who are not interested in the Matter consent; but
  - (iii) may take part in any discussion of the Board relating to the Matter and be present at the time of the decision of the Board, unless the Board decides otherwise.
- (d) An Officer who is disqualified from voting on a Matter due to an Interest may still be counted for the purpose of determining whether a quorum is present at the meeting when the Matter is considered.
  - (e) If 50% or more of the Officers are disqualified from voting on a Matter because they have an interest in it, an SGM must be called to consider and decide the Matter, unless all non-interested Officers agree otherwise.

## **17. Indemnity and Insurance**

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### **17.1 To the extent permitted by the Act:**

- (a) NZTR indemnifies its Officers, Members, and employees under section 96 of the Act.
- (b) The Board, at NZTR's expense, may arrange and maintain appropriate insurance cover for Officers, Members, and employees under section 97 of the Act.
- (c) NZTR indemnifies and may arrange and maintain appropriate insurance cover for its Officers under section 98 of the Act.

## **PART D: FINANCIAL MATTERS**

### **18. Finance**

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#### **18.1 Balance date**

NZTR's financial year will commence on 1 August of each year and end on 31 July in the following year (the latter date being NZTR's balance date).

#### **18.2 Finances**

The funds and assets of NZTR are to be managed, invested, and applied by the Board, in accordance with this Constitution, and used solely for the promotion of NZTR's objects and functions as set out above.

#### **18.3 Board Expenditure**

- (a) In addition to all other powers of expending monies conferred by this Constitution or the Rules, the Board may from time to time:
  - (i) incur such expenditure on behalf of NZTR as may be necessary to carry out NZTR's business and the business of any sub-committee of NZTR, subject to any directions given by NZTR;
  - (ii) maintain reserves containing amounts the Board considers appropriate and apply the funds held in reserve in accordance with any policy made by the Board;
  - (iii) contribute to the funds of any association or body of persons established for furthering the interests of thoroughbred racing;
  - (iv) generally, expend funds of NZTR for the benefit or promotion of the sport of thoroughbred racing; and
  - (v) distribute funds to any of its Members as it sees fit.
- (b) No funds of NZTR may be used for the placing of bets.

#### **18.4 Budget**

- (a) The Board will submit to the AGM a budget of revenue and expenses for the period between 1 August in the year of the AGM to 31 July in the next year.
- (b) The budget includes the details of the budgeted:
  - (i) stakes;
  - (ii) Club funding;

- (iii) infrastructure expenses;
- (iv) thoroughbred welfare;
- (v) operating costs of NZTR;
- (vi) revenue to be receive; and
- (vii) the excess (if any) of expenditure over income.

#### **18.5 Funds and Bank Account**

- (a) The funds of NZTR will consist of:
  - (i) all money lawfully received by NZTR for the purposes of NZTR;
  - (ii) all monies vested in NZTR by Court order; and
  - (iii) all accumulation of income derived from any such money.
- (b) The Board may open at any bank or banks accounts as are necessary for the exercise of its powers and functions under this Constitution.
- (c) The Board can invest NZTR funds, including through professional fund managers, on terms it considers appropriate under this Constitution
- (d) All money received for NZTR by the Board, or by any Director, employee, or contractor, must be paid as soon as practicable into a bank account of NZTR determined by the Board from time to time.
- (e) The withdrawal or payment of money from any bank accounts must be in accordance with delegations from the Board or as authorised by the Board from time to time.

#### **18.6 Accounts**

- (a) The Board must, as soon as practicable after 31 July in each financial year, prepare and have audited financial statements in an approved and standardised format. The statements must include a consolidated statement of comprehensive revenue and expense, and a consolidated statement of financial position, and must present a true and fair view of NZTR's financial position for the 12 month period ending on 31 July.
- (b) The financial statements will include details of income and expenditure for the period together with comparative information for the same period in the previous year, as well as other information required under this Constitution.
- (c) A copy of the audited financial statements will be submitted to the AGM of NZTR and forwarded to each Member.

#### 18.7 **Audit**

- (a) The Board must ensure that accurate financial records are maintained in a format suitable for annual audit and reporting purposes.
- (b) The annual financial statements of NZTR must be audited each year by an auditor. The auditor will be appointed by NZTR at each AGM and will be paid such remuneration as determined by the Board from time to time.

#### 18.8 **No personal benefit**

The Officers may not receive any distributions of profit or income from NZTR. This does not prevent an Officer from:

- (a) receiving reimbursement of actual and reasonable expenses incurred in the performance of duties; or
- (b) entering into a transaction with, and receiving remuneration from, NZTR for goods or services supplied to or from them, which are at arms' length, relative to what would occur between unrelated parties,

provided no Officer is allowed to influence any such decision made by NZTR in respect of payments or transactions between it and them, their direct family or any associated entity.

## **PART E: RACING**

### **19. Rules of Racing**

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#### **19.1 Rules of Racing**

Under the Racing Act, NZTR must make and maintain rules regulating the conduct of thoroughbred racing.

#### **19.2 Application of the Rules**

- (a) The Rules are contractual in nature and are binding on all Members, participants, and where relevant, horses.
- (b) The Rules apply to all races and race meetings and all matters connected with racing as set out in the Racing Act.
- (c) Every person or body to whom the Rules apply is deemed to have full knowledge of the Rules including their rights, duties, liabilities and obligations, and agrees to be bound by the decisions and acts of all tribunals and persons authorised by the Rules to act and give decisions.
- (d) Every person or body to whom the Rules apply is deemed to agree not to commence legal proceedings in respect of any act or omission under the Rules until they first pursued all remedies available under the Rules.

#### **19.3 Amendment to the Rules**

- (a) The Board may from time to time amend the Rules, under the Racing Act.
- (b) Prior to altering any Rules, the Board must:
  - (i) consult with Members and provide sufficient information on the nature of the proposed amendment.
  - (ii) allow Members not less than one (1) month to provide written submissions on the proposal
  - (iii) consider any submission before deciding to amend any Rules.

#### **19.4 Publication of the Rules**

- (a) The Rules must be published on the NZTR website.
- (b) Every publication that purports to be issued by NZTR is, unless proven otherwise, deemed to be authentic.

#### **19.5 Correction of Errors**



The Board may correct any minor errors, including errors that occur in any consolidation or renumbering of the Rules.

## **20. Regulations, Directions and Policies**

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### **20.1 Power to make Regulations, Directions and Policies**

- (a) The Board may from time to time make regulations, policies, and issue directions authorised by this Constitution, the Rules, or the Racing Act necessary or desirable for the effective administration, promotion, or control of thoroughbred racing in New Zealand.
- (b) Any regulations, policies, or directions must not be inconsistent with this Constitution, the Rules, or the Racing Act.
- (c) The Board may issue directions to, and require information from Members or relevant participants as the Board considers necessary.
- (d) Any regulation, policy, or direction (including any amendment, revocation or replacement) is binding on NZTR and its Members. The making, amendment, revocation, replacement of any document does not constitute an amendment of this Constitution.

## **21. Appointment of a Track Manager**

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### **21.1 Appointment Powers**

Each Club Member acknowledges that, notwithstanding the provisions of its constitution and the powers of its board or committee under that constitution, NZTR may appoint a person (the Track Manager) to be responsible for the maintenance of the Club's racecourse and for the preparation of that racecourse for racing and trialling, if in NZTR's reasonable opinion it is necessary to do so to ensure, to the extent reasonably possible, that the Club's racecourse is presented in a safe, consistent and reliable condition for racing or trialling.

### **21.2 Club Requirements**

If NZTR appoints a Track Manager for a Club Member's racecourse, the Club Member must, and must procure that its officers and employees:

- (a) provide the Track Manager with full access to the racecourse, and permit the use of the Club's equipment, plant, and machinery as reasonably required for the maintenance and preparation of the racecourse for racing or trials; and
- (b) comply with all directions of the Track Manager relating to the maintenance and

preparation of the racecourse.

### **21.3 Notice of End of NZTR Appointment**

NZTR will notify the Club Member when it no longer considers a Track Manager is required, at that point responsibility for maintaining and preparing the racecourse for racing or trialing reverts in full to the Club.

## **22. Appointment of an Adviser**

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### **22.1 Appointment Powers**

Each Member acknowledges that, irrespective of anything in a Members constitution or the powers of its board or committee under that constitution, NZTR may appoint a person (Adviser) to act as an adviser to a Club where NZTR considers this necessary or desirable to support good governance, financial management, regulatory compliance or performance. The Adviser will provide oversight, guidance and recommendations to the Club Member on these matters, and report back to the NZTR.

### **22.2 Member Requirements**

- (a) Where NZTR appoints an Adviser, the Member must:
  - (i) co-operate fully with the Adviser to enable them to carry out their role effectively;
  - (ii) consider and give due regard to any recommendations of the Adviser;
  - (iii) ensure that its officers and employees provide the Adviser with reasonable access to its records, officers, and management as required to perform their role; and
  - (iv) all information provided by or on behalf of the Club to the Adviser or NZTR will be kept confidential, except where its use or disclosure is required for NZTR's regulatory functions or by law.

### **22.3 Notice of End of NZTR Appointment**

NZTR will provide written notice to the Member when it considers that the appointment of an Adviser is no longer necessary.

### **22.4 NZTR Intervention**

NZTR and a Member may, despite anything in the Member's constitution or the powers of its Board or Committee, agree that NZTR will intervene in the Member's governance or management where this is considered necessary to improve governance, financial management, regulatory compliance, or performance.

## **PART F: GENERAL**

### **23. Dispute Resolution**

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If an Officer or Member of NZTR wishes to raise a dispute, including a complaint relating to NZTR, the process set out in Schedule 2 must be followed.

### **24. Contact person**

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- (a) NZTR will have at least one (1) but no more than three (3) contact person(s) whom the Registrar can contact when needed. A contact person must be:
  - (i) at least 18 years of age; and
  - (ii) ordinarily resident in New Zealand.
- (b) A contact person will be appointed by the Board.
- (c) Each contact person's name and contact details will be provided to the Registrar.
- (d) Any change in contact person or that person's name or contact details will be advised to the Registrar within 20 Working Days of the later of the date of the change, and the date when NZTR became aware of the change.

### **25. Access to Information**

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#### **25.1 Member access to information**

- (a) A Member may at any time make a written request to NZTR for access to information held by NZTR.
- (b) The request must specify the information sought in sufficient detail to enable information to be identified.
- (c) Within a reasonable time after receiving the request, NZTR must:
  - (i) provide the information;
  - (ii) agree to provide the information within a specified period;
  - (iii) agree to provide the information within a specified timeframe, subject to payment of a reasonable charge (to be specified and explained) to cover the cost of providing it; or

- (iv) refuse the request specifying the reasons for the refusal.
- (d) Without limiting its ability to refuse a request, NZTR may withhold information if:
  - (i) withholding is necessary to protect the privacy of natural persons, (including deceased natural persons);
  - (ii) disclosure would, or would be likely to, prejudice the commercial position of NZTR or of any of its Members;
  - (iii) the disclosure of the information would, or would be likely to, prejudice the financial or commercial position of any other person, whether or not that person supplied the information to NZTR;
  - (iv) the information is not relevant to the operation or affairs of NZTR;
  - (v) withholding is necessary to maintain legal professional privilege;
  - (vi) the disclosure would, or would be likely to, breach of the law;
  - (vii) the burden to NZTR in responding to the request is substantially disproportionate to any benefit that the member (or any other person) will or may receive from the disclosure of the information;
  - (viii) the request is frivolous or vexatious; or
  - (ix) the request seeks information about a dispute or complaint which is or has been the subject of the procedures for resolving such matters under this Constitution and the Racing Act.
- (e) If NZTR requires payment of a charge, the Member may withdraw the request. The request will be treated as withdrawn unless, within 10 Working Days after being notified of the charge, the Member confirms in writing that:
  - (i) they will pay the charge; or
  - (ii) they consider the charge unreasonable.

25.2 Nothing in this clause limits a Member's rights under Information Privacy Principle 6 of the Privacy Act 2020 relating to access to personal information.

## **26. Methods of Contracting**

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### **26.1 Methods of Contracting**

A contract or other enforceable obligation may be entered into by NZTR as follows:

- (a) An obligation that, if entered into by a natural person, would, by law, be required to be by deed may be entered into on behalf of NZTR in writing signed under the name of NZTR by:
  - (i) two (2) or more Directors;
  - (ii) one (1) Director, or other Officer authorised by the Board, whose signature or signatures must be witnessed; or
  - (iii) one (1) or more attorneys appointed by NZTR.
- (b) An obligation that, if entered into by a natural person, is, by law, required to be in writing may be entered into on behalf of NZTR by a person acting under NZTR's express or implied authority; and
- (c) An obligation that, if entered into by a natural person, is not, by law, required to be in writing may be entered into on behalf of NZTR in writing or orally by a person acting under NZTR's express or implied authority.

### **26.2 Common seal**

NZTR may, but it is not required to, affix its common seal to any contract or document that creates an enforceable obligation.

## **27. Minor alterations to the Constitution**

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- (a) If the Board proposes an amendment to this Constitution that has only a minor effect, corrects an error, or makes a similar technical alteration, the Board may notify all Members of the proposed amendment, including the text of the change and the Members' right to object.
- (b) If no objections are received within 20 Working Days after the notice is sent (or within any longer period determined by the Board), the amendment may be adopted. If any objection is received within that period, the Board may not proceed with the amendment.

## **28. Matters not provided for and Savings**

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### **28.1 Matters not provided for**

If any matter arises that, in the opinion of the Board, is not provided for in this Constitution, the Board may determine the matter as it considers appropriate. Any such determination is binding on all Members and any other persons or bodies affected.

### **28.2 Savings**

- (a) The adoption of this Constitution, or any amendment to it, does not affect anything lawfully done under the previous Constitution or the Rules. All decisions, actions, rights, privileges, obligations, liabilities, penalties, or disqualifications that existed or were incurred under the previous Constitution or the Rules continue in full force and effect.
- (b) All regulations, rules, policies, agreements, deeds, instruments, applications, notices, other documents made or in force under the previous Constitution or the Rules remain valid and continue to apply as if made under this Constitution, until replaced or revoked.

## **29. Liquidation**

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### **29.1 Process of Liquidation**

NZTR may be wound up, liquidated and removed from the Register of Incorporated Societies in accordance with the Act.

### **29.2 Liquidation**

- (a) In the event of the liquidation of NZTR or its dissolution by the Registrar of Incorporated Societies, the funds and assets of NZTR remaining after payment and satisfaction of its debts and liabilities and the costs and expenses of liquidation will be distributed to the Club Members in such proportions as the Representatives may resolve in General Meeting provided however that no part of the income or other funds of the Club Members will be used for the private pecuniary profit of any individual person except to the extent of reasonable payments made for services rendered.
- (b) No amendment affecting the liquidation clauses of this Constitution may be made without the prior approval of the Inland Revenue Department.

## **30. Transitional Provisions**

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### **30.1 Transition**

This clause is intended to facilitate the transition from the previous Constitution to this Constitution. If there is any inconsistency between this provision and any other party of this Constitution, this provision will prevail to the extent of that inconsistency.

### **30.2 Transition of Officers**

- (a) Any person serving as a Director of NZTR, or as a member of a Board committee or sub-committee immediately before this Constitution takes effect, will continue in office until the end of their current term, unless removed in accordance with this Constitution. Any new processes relating to Board appointments, or term limits, will apply from the next scheduled Board appointment following the adoption of this Constitution, unless the Board resolves otherwise, and any such resolution is consistent with the purpose and intent of this Constitution.
- (b) For calculating maximum term limits under this Constitution, any terms previously served as a Director or Officer under an earlier constitution will be counted in full.

### **30.3 Transition of MC Appointees**

- (a) Any person holding office as an MC Appointee immediately before this Constitution takes effect (Initial MC Appointee), will continue in office until the end of their current term, unless removed earlier in accordance with this Constitution, and will be eligible for re-appointment or re-election (as applicable) for a maximum of nine (9) years, despite previously serving three (3) terms of two (2) years.
- (b) In order for two (2) Regional MC Appointees and one (1) Sector MC Appointee to retire as applicable at each AGM, the remaining Initial MC Appointees may serve a further term of greater or less than three (3) years, provided that the longest serving Initial MC Appointees elected as Regional MC Appointees and the longest serving Initial MC Appointee appointed as a Sector MC Appointee must retire at each AGM, until such time as there are no Initial MC Appointees remaining.

### **30.4 Transition of Club and Associate Members**

Subject to this Constitution, every member recorded on the Register of Members immediately prior to the commencement of this Constitution will on and from commencement:

- (a) continue as a Club Member if eligible to be a Club Member under this Constitution; or

- (b) continue as an Associate Member if not eligible to be a Club Member under this Constitution.

### 30.5 Initial Industry Members

Each Industry Member listed in Schedule 1, is taken to have consented in writing to become a Member of NZTR, will be an Industry Member from the commencement of this Constitution.

## 31. Definitions and Interpretation

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### 31.1 Definitions

In this Constitution, unless the context otherwise requires:

**Act** means the Incorporated Societies Act 2022, and includes any amendment, re-enactment or replacement legislation.

**AGM or Annual General Meeting** means an Annual General Meeting of NZTR

**Associate Member** means a racing club not entitled to use a totalisator, or racing association engaged in the management of Club Members, or such other entity associated with the thoroughbred racing industry as accepted to become Associate Members by NZTR from time to time, including, as at the Commencement Date, the entities set out under the heading Associate Members in Schedule 1.

**Board** means the governing body of NZTR, being its Directors, and is the “committee” of NZTR for the purposes of section 5 of the Act.

**Business Plan** means the plan NZTR is required to prepare under the Racing Act.

**Chief Executive** means the person appointed by the Board from time to time to be Chief Executive of NZTR.

**Club Member** means a totalisator club registered as a member of NZTR, including, as at the Commencement Date, the Club Members listed in Schedule 1.

**Commencement Date** has the meaning given to that term in clause 1.2.

**Committee** when used in reference to the Committee of a Member, means the body of persons, by whatever name designated, charged with the general management of the affairs of the Member under its rules.

**Constitution** means this Constitution as amended including any schedules to this Constitution.

**Contact Person** means the individual who meets the eligibility requirements of the Act,



appointed as the Contact Person for NZTR and who serves as the primary point of contact for the Registrar of Incorporated Societies for all purposes under the Act.

**Director** means a person appointed to the Board.

**General Meeting** means either an Annual General Meeting or a Special General Meeting.

**Industry Member** means a recognised industry organisation involved in thoroughbred racing under the Racing Act (other than a racing club) that has been accepted by NZTR as an Industry Member, including, at the Commencement Date, those listed as Industry Members in Schedule 1.

**Interests** have the meaning set out in section 62 of the Act.

**Interests Register** means the register of interests of Directors, kept under this Constitution and as required by the Act.

**Matter** means:

- (a) NZTR's performance of its activities or exercise of its powers; or
- (b) An arrangement, agreement, or contract (a transaction) made or entered into, or proposed to be entered into, by NZTR.

**MC Appointee** means a person appointed or elected to the Members' Council and includes a Regional MC Appointee and a Sector MC Appointee.

**Member** means a Club Member, Industry Member, or Associate Member.

**Members' Council** means the body of persons established under this Constitution.

**NZJA** means the New Zealand Jockeys' Association.

**NZTROF** means the New Zealand Thoroughbred Racehorse Owners' Federation Inc.

**NZTA** means the New Zealand Trainers' Association Inc.

**NZTBA** means the New Zealand Thoroughbred Breeders' Association Inc.

**NZTR** means New Zealand Thoroughbred Racing Incorporated.

**Officer** means the individuals referred to as an Officer set out in this Constitution

**Participant** has the same meaning as defined in the Racing Act.

**Race Date** means a day that a Club Member was issued with a betting licence under sections 68 or 69 of the Racing Act irrespective of whether the Club Member has actually held a meeting on any such day.

**Racing Act** means the Racing Industry Act 2020 and includes any amendment, re-

enactment or replacement legislation.

**Racing Year** means the period beginning on 1 August in any calendar year and ending on 31 July in the next succeeding calendar year.

**Region** means the Northern Region, Central Region or Southern Region, with the plural form meaning the Northern Region, Central Region and South Region together.

**Regional MC Appointee** means a person elected to the Members' Council by a Region.

**Register of Members** means the register of Members maintained by the Chief Executive in accordance with this Constitution and the Act.

**Registrar** means the Registrar of Incorporated Societies.

**Relinquished or forfeited** when used in connection with a Race Date means a Race Date which is relinquished, forfeited or abandoned prior to the closing time for nominations for that Race Date.

**Representative** means a person appointed to represent a Member at a General Meeting of NZTR

**Returning Officer** means NZTR's Board Secretary, or an independent auditor appointed by NZTR.

**Rules** means the New Zealand Rules of Racing, including any valid amendments to those Rules made in accordance with this Constitution and the Racing Act (including any appendices and schedules).

**Sector MC Appointee** means a person appointed to the Members' Council by a Sector Organisation.

**Sector Organisation** means any one of NZTROF, NZTBA, NZTA, or NZJA as the context requires.

**SGM or Special General Meeting** means a meeting of the Members other than an AGM, called for a specific purpose or purposes.

**TAB NZ** has the meaning given to that term in the Racing Act.

**Voting Members** means Club Members and the Industry Members entitled under this Constitution to exercise a vote at a General Meeting whether in person, by an appointed Representative, or by proxy (if applicable).

**Working Day** has the meaning given to it in the Legislation Act 2019.

### 31.2 Interpretation

In the interpretation of this Constitution, unless the context otherwise requires:

- (a) The terms and provisions of this Constitution will, unless the context otherwise requires, be interpreted consistent with the provisions of the Rules and the Racing Act.
- (b) Words denoting a gender include every other gender.
- (c) Words in the singular include the plural, and words in the plural include the singular.
- (d) The meaning of clauses in this Constitution must be ascertained from its text and in the light of its purpose and its context.
- (e) Expressions defined in the main body of this Constitution have the defined meaning throughout this Constitution.
- (f) References to the parties include their respective executors, administrators, successors, and permitted assigns.
- (g) Any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done.
- (h) References to clauses and Schedules are to those in this Constitution.
- (i) References to a person include an individual, company, corporation, partnership, firm, joint venture, association, trust, unincorporated body of persons, governmental or other regulatory body, authority or entity, in each case whether or not having a separate legal identity.
- (j) References to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends or replaces it, and any by-law, regulation, order, statutory instrument, determination or subordinate legislation made under it.
- (k) References to any document (however described) are references to that document as modified, novated, supplemented, varied or replaced from time to time and in any form, whether on paper or in an electronic form.
- (l) *Including* and similar words do not imply any limitation.
- (m) *Written* and *in writing* includes any means of reproducing words, figures, or symbols in a tangible and visible form.
- (n) Every right, power and remedy of a party remains unrestricted and may be exercised without prejudice to each other at any time.

**SCHEDULE 1****MEMBERS AS AT THE COMMENCEMENT DATE****CLUB MEMBERS**

<b>NORTHERN REGION</b>	<b>CENTRAL REGION</b>	<b>SOUTHERN REGION</b>
<ol style="list-style-type: none"><li>1. Whangarei Racing Club</li><li>2. Auckland Thoroughbred Racing</li><li>3. Avondale Jockey Club</li><li>4. Pakuranga Hunt</li><li>5. Waikato Thoroughbred Racing</li><li>6. Thames Jockey Club</li><li>7. Te Aroha Jockey Club</li><li>8. Matamata Racing Club</li><li>9. Racing Tauranga</li><li>10. Rotorua Racing Club</li><li>11. Rotorua and Bay of Plenty Hunt</li><li>12. South Waikato Racing Club</li><li>13. Taumarunui Racing Club</li><li>14. Taupo Racing Club</li></ol>	<ol style="list-style-type: none"><li>1. Taranaki Racing</li><li>2. Egmont Racing Club</li><li>3. Stratford Racing Club</li><li>4. Waverley Racing Club</li><li>5. Wanganui Jockey Club</li><li>6. Feilding Jockey Club</li><li>7. Manawatu Racing Club</li><li>8. Marton Jockey Club</li><li>9. Rangitikei Racing Club</li><li>10. Foxton Racing Club</li><li>11. Levin Racing Club</li><li>12. Ōtaki-Māori Racing Club</li><li>13. Wellington Racing Club</li><li>14. Hawke's Bay Racing</li><li>15. Wairoa Racing Club</li><li>16. Waipukurau Jockey Club</li><li>17. Masterton Racing Club</li><li>18. Wairarapa Racing Club</li><li>19. Woodville-Pahiatua Racing Club</li></ol>	<ol style="list-style-type: none"><li>1. Marlborough Racing Club</li><li>2. Canterbury Jockey Club</li><li>3. Ashburton Racing Club</li><li>4. Banks Peninsula Racing Club</li><li>5. South Canterbury Racing Club</li><li>6. Greymouth Jockey Club</li><li>7. Kumara Racing Club</li><li>8. Reefton Jockey Club</li><li>9. Waimate Racing Club</li><li>10. Oamaru Jockey Club</li><li>11. Otago Racing Club</li><li>12. Beaumont Racing Club</li><li>13. Central Otago Racing Club</li><li>14. Gore Racing Club</li><li>15. Kurow Jockey Club</li><li>16. Tapanui Racing Club</li><li>17. Waikouaiti Racing Club</li><li>18. Wairio Jockey Club</li><li>19. Winton Jockey Club</li><li>20. Wyndham Racing Club</li><li>21. Riverton Racing Club</li><li>22. Southland Racing Club</li></ol>

## **INDUSTRY MEMBERS**

1. New Zealand Thoroughbred Breeders Association Incorporated
2. New Zealand Racehorse Owners' Federation Incorporated
3. New Zealand Trainers Association Incorporated
4. New Zealand Jockeys Association

## **ASSOCIATE MEMBERS**

1. Castlepoint Racing Club
2. Waitemata Hunt Club
3. Hurunui Race and Gala Association
4. Lakeside Football (Rugby) Club
5. Poverty Bay Turf Club
6. Amberley Racing Club
7. Hororata Racing Club
8. North Canterbury Racing Club
9. Riccarton Turf Club

## **SCHEDULE 2**

### **DISPUTE RESOLUTION PROCESS**

The disputes resolution process will not apply to a dispute to the extent that other legislation requires the dispute to be dealt with in a different way. The dispute resolution process will have no effect to the extent that it contravenes, or is inconsistent with, that legislation.

#### **1. How to raise a dispute**

- (1) An Officer or a Member may raise a dispute by giving to the Board (or a complaints subcommittee) a notice in writing that:
  - (a) states that the Officer or Member is starting a procedure for resolving a dispute in accordance with this Constitution;
  - (b) sets out the allegation(s) to which the dispute relates and whom the allegation or allegations are against; and
  - (c) sets out any other information or allegations reasonably required by NZTR.
- (2) NZTR may raise a dispute involving an allegation against an Officer or a Member by giving to the Officer or Member a notice in writing that:
  - (a) states that NZTR is starting a procedure for resolving a dispute in accordance with this Constitution; and
  - (b) sets out the allegation to which the dispute relates.
- (3) 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 detail given to enable that person to prepare a response.
- (4) A complaint may be made in any other reasonable manner permitted by this Constitution.
- (5) All Members and Officers are obliged to cooperate to resolve disputes efficiently, fairly, and with minimum disruption to NZTR's activities.

#### **2. Person has a right to be heard**

- (1) An Officer or a Member who raises a dispute has a right to be heard before the dispute is resolved or any outcome is determined.
- (2) If NZTR raises a dispute:

- (a) NZTR has a right to be heard before the dispute is resolved or any outcome is determined; and
  - (b) an Officer may exercise that right on behalf of NZTR.
- (3) Without limiting the manner in which the Officer, member, or NZTR 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);
  - (b) an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing;
  - (c) an oral hearing (if any) is held before the decision maker; and
  - (d) the Officer's, Member's, or NZTR's written or verbal statement or submissions (if any) are considered by the decision maker.

### 3. **Person who is subject of dispute has right to be heard**

- (1) This clause 3 applies if a dispute involves an allegation that a member, an Officer, or NZTR (the **respondent**):
  - (a) has engaged in misconduct;
  - (b) has breached, or is likely to breach, a duty under the Constitution or the Racing Act; or
  - (c) has damaged the rights or interests of a member or the rights or interests of members generally.
- (2) The respondent has a right to be heard before the dispute is resolved or any outcome is determined.
- (3) If the respondent is NZTR, an Officer may exercise the right on behalf of the NZTR.
- (4) 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.

**4. Investigating and determining dispute**

- (1) NZTR must, as soon as reasonably practicable after receiving or becoming aware of a complaint or dispute made in accordance with the Constitution, ensure that the dispute is investigated and determined.
- (2) Disputes must be dealt with under this Constitution in a fair, efficient, and effective manner and in accordance with the provisions of the Act.

**5. Society may decide not to proceed further with dispute**

- (1) Despite clause 4 above, NZTR may decide not to proceed further with a dispute if:
  - (a) the dispute is considered to be trivial; or
  - (b) the dispute does not appear to disclose or involve any allegation of the following kind:
    - (i) that an Officer or a member has engaged in material misconduct;
    - (ii) that an Officer or member, or NZTR has materially breached, or is likely to materially breach, a duty under NZTR's Constitution, the Rules or the Racing Act; or
    - (iii) that an Officer's rights or interests or a member's rights or interests generally have been materially damaged;
  - (c) the dispute appears to be without foundation or there is no apparent evidence to support it;
  - (d) the person who raises the dispute has an insignificant interest in the matter;
  - (e) the conduct, incident, event, or issue giving rise to the dispute has already been investigated and dealt with under the Constitution; or
  - (f) there has been an undue delay in making the dispute.

**6. Society may refer dispute**

- (1) NZTR may refer a dispute 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.
- (2) NZTR may, with the consent of all parties to a dispute, refer the complaint to any type of consensual dispute resolution.

**7. Decision makers**

- (1) A person may not act as a decision maker in relation to a dispute 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 pre-determined view.

**8. Costs**

- (1) Each party involved in the dispute resolution process bears their own costs.