

**CONSTITUTION OF NEW ZEALAND
INDEPENDENT COMMUNITY PHARMACY
GROUP INCORPORATED**

ARL | LAWYERS

- (j) made by that Member to the Society, or provides a Member with incidental benefits (for example, trophies, prizes, or discounts on products or services) in accordance with the purposes of the Society.

3.3 No Member, or related or associated person of a Member, is allowed to take part in, or influence any decision made by the Society in respect of payments to, or on behalf of, the Member or a related or associated person of a Member of any income, benefit, or advantage.

3.4 Any payments made to a Member or a related or associated person of a Member must be for goods and services that advance the charitable purpose and must be reasonable and relative to payments that would be made between unrelated parties.

MANAGEMENT OF THE SOCIETY

4.0 Managing Committee

4.1 The Society shall have a managing committee ("the Committee"), comprising the following persons:

- (a) The Chairperson;
- (b) The Secretary;
- (c) The Treasurer; and
- (d) Other Members as the Society shall decide.

4.2 The offices of the Secretary and the Treasurer may be combined and if so, the person holding such combined office shall only have one vote at a meeting of the Committee.

4.3 Only Members of the Society may be Committee Members in addition to the officers listed above.

4.4 There shall be a minimum of three (3) Committee Members.

4.5 There shall be a maximum of seven (7) Committee Members.

5.0 Appointment of Committee Members

5.1 At a Society Meeting, the Members may decide by majority vote:

- (a) Subject to the restrictions above, how large the Committee will be;
- (b) Who shall have the title of Chairperson, Secretary, and Treasurer;
- (c) Whether any Committee Member may have more than one title;
- (d) How long each person will be a Committee Member ("the Term").

6.0 Cessation of Committee Membership

6.1 Persons cease to be Committee Members when:

- (a) They resign by giving written notice to the Committee;
- (b) They are removed by majority vote of the Society at a Society Meeting; and
- (c) Their Term expires.

6.2 If a person ceases to be a Committee Member, that person must within one month give to the Committee all documents (including any electronic documents) and other property of the Society.

7.0 Nomination of Committee Members

- 7.1 Nominations for members of the Committee shall be called for at least 14 days before a General Meeting. Each candidate shall be proposed and seconded in writing by Members and the completed nomination delivered to the Secretary. Nominations shall close at 5pm on the fifth day before the Annual General Meeting. The Secretary shall advise all nominations on a suitable media at least two days before the Annual General Meeting. All retiring members of the Committee shall be eligible for re-election.
- 7.2 If the position of any Committee Member becomes vacant between Society Meetings, the Committee may appoint another Committee Member to fill that vacancy until the next Society Meeting.
- 7.3 If any Committee Member is absent from three consecutive meetings without leave of absence the Chairperson may declare that person's position to be vacant.

8.0 Role of the Committee

- 8.1 Subject to the rules of the Society, the role of the Committee is to:
- (a) Administer, manage, and control the Society in advancement of the Society's purpose;
 - (b) Carry out the purposes of the Society, and Use Money or Other Assets to do that;
 - (c) Manage the Society's financial affairs, including approving the annual financial statements for presentation to the Members at the Annual General Meetings;
 - (d) Set accounts policies in line with generally accepted accounting practice;
 - (e) Delegate responsibility and co-opt Members where necessary;
 - (f) Ensure that all Members follow the Rules;
 - (g) Decide how a person becomes a Member, and how a person stops being a Member;
 - (h) Decide the times and dates for Meetings, and set the agenda for Meetings;
 - (i) Decide the procedures for dealing with complaints;
 - (j) Set Membership fees, including subscriptions and levies; and
 - (k) Make regulations.
- 8.2 The Committee has all of the powers of the Society, unless the Committee's power is limited by these Rules, or by a majority decision of the Society.
- 8.3 Decisions of the Committee bind the Society, unless the Committee's power is limited by these Rules or by a majority decision of the Society.

9.0 Roles of Committee Members

- 9.1 The Chairperson's role is to:
- (a) Ensure that the Rules are followed;
 - (b) Convene Meetings;
 - (c) Chair Meetings, deciding who may speak and when;
 - (d) Oversee the operation of the Society; and
 - (e) Give a report on the operation of the Society at each Annual General Meeting.
- 9.2 The Secretary's role is to:
- (a) Record the minutes of Meetings;
 - (b) Keep the Register of Members;

- (c) Hold the Society's records, documents, and books, except those required for the Treasurer's function;
- (d) Receive and reply to correspondence as required by the Committee;
- (e) Retain the common seal of the Society, if the Society has a common seal;
- (f) Advise the Registrar of Incorporated Societies of any rule changes; and
- (g) Advise the Registrar of Incorporated Societies of any alteration to the Rules.

9.3 The Treasurer's role is to:

- (a) Collect and receive all payments made to the Society. These payments must be banked within seven days after the Treasurer receives them;
- (b) Keep proper accounting records of the Society's financial transactions to allow the Society's financial position to be readily ascertained;
- (c) Prepare annual financial statement for presentation at each Annual General Meeting, and prepare financial reports more often if either the Committee or a majority of the Society decides this in a Meeting; and
- (d) Forward the annual financial statements for the Society to the Registrar of Incorporated Societies upon approval by the Members at an Annual General Meeting.

SOCIETY MEMBERSHIP

10.0 Types of Members

10.1 A Member has the rights and responsibilities set out in these Rules.

10.2 Membership may comprise different classes of membership as decided by the Society.

10.3 Members have the rights and responsibilities set out in these Rules.

11.0 Admission of Members

11.1 To become a Member, a person ("the Applicant") must:

- (a) Complete an application form, if the Committee requires this;
- (b) Supply any other information the Committee requires; and
- (c) Own, operate or hold shares in an Independent New Zealand Community Pharmacy.

11.2 The Committee may interview the Applicant when it considers Membership applications.

11.3 The Committee shall have complete discretion when it decides whether or not to let the Applicant become a Member. The Committee shall advise the Applicant of its decision, and that decision shall be final.

12.0 The Register of Members

12.1 The Secretary shall keep a register of Members ("the Register"), which shall contain the names, the addresses, email addresses and telephone numbers of all Members, and the dates at which they became Members.

12.2 If a Member's contact details change, that Member shall give the new contact details to the Secretary.

12.3 Each Member shall provide such other details as the Committee requires.

12.4 Members shall have reasonable access to the Register of Members.

13.0 Cessation of Membership

13.1 Any Member may resign by giving written notice to the Secretary and shall be deemed to have given written notice of resignation to the Secretary if the Member ceases to own or hold shares in an Independent New Zealand Pharmacy.

13.2 A Member may have his or her Membership terminated in the following way:

- (a) If, for any reason whatsoever, the Committee is of the view that a Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Society, the Committee may give written notice of this to the Member ("the Committee's Notice"). The Committee's Notice must:
 - (i) Explain how the Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Society;
 - (ii) State what the Member must do in order to remedy the situation; or state that the Member must write to the Committee giving reasons why the Committee should not terminate the Member's Membership;
 - (iii) State that if, within 14 days of the Member receiving the Committee's Notice, the Committee is not satisfied, the Committee may in its absolute discretion immediately terminate the Member's Membership; and
 - (iv) State that if the Committee terminates the Member's Membership, the Member may appeal to the Society;
- (b) 14 days after the Member received the Committee's Notice, the Committee may in its absolute discretion by majority vote terminate the Member's Membership by giving the Member written notice ("Termination Notice"), which takes immediate effect. The Termination Notice must state that the Member may appeal to the Society at the next Meeting by giving written notice to the Secretary ("Member's Notice") within 14 days of the Member's receipt of the Termination Notice;
- (c) If the Member gives the Member's Notice to the Secretary, the Member will have the right to be fairly heard at the next Society Meeting. If the Member chooses, the Member may provide the Secretary with a written explanation of the events as the Member sees them ("the Member's Explanation"), and the Member may require the Secretary to give the Member's Explanation to every other Member within seven days of the Secretary receiving the Member's Explanation. If the Member is not satisfied that the other Society Members have had sufficient time to consider the Member's Explanation, the Member may defer his or her right to be heard until the following Society Meeting;
- (d) When the Member is heard at a Society Meeting, the Society may question the Member and the Committee Members; and
- (e) The Society shall then by majority vote decide whether to let the termination stand, or whether to reinstate the Member. The Society's decision will be final.

13.3 In addition to the provisions of clause 13.2 above, the Committee may also terminate the membership of any Member who ceases to qualify for Membership, including if the Member ceases to own, operate or hold shares in an Independent New Zealand Community Pharmacy and or becomes associated with Corporate Pharmacy.

14.0 Re-admission of former Members

- 14.1 Any former Member who has resigned may apply for re-admission in the same way as a new applicant, but if the former Member's membership was terminated by the Committee or the Society, the Applicant shall not be readmitted without the approval of the Committee by majority vote.

15.0 Obligations of Members:

- 15.1 All Members (and Committee Members) shall promote the purposes of the Society and shall do nothing to bring the Society into disrepute.

MONEY AND OTHER ASSETS OF THE SOCIETY

16.0 Use of Money and Other Assets

- 16.1 The Society may only Use Money and Other Assets if:
- (a) It is for a purpose of the Society;
 - (b) It is not for the sole personal or individual benefit of any Member; and
 - (c) That use has been approved by either the Committee or by majority vote of the Society.

17.0 Joining Fees, Subscriptions and Levies

- 17.1 The Committee shall decide:
- (a) What a Member must pay to join the Society ("Joining Fee"); and
 - (b) What a Member must pay in order to stay a Member ("Subscription") and how often this must be paid.
- 17.2 In addition to the Joining Fee and Subscription, the Committee may by majority vote impose a levy or levies on Members from time to time in such amount as may in the opinion of the Committee be required to fund the Society.
- 17.3 If any Member does not pay a Subscription or levy by the date set by the Committee or the Society, that Member shall have a further period of seven days to pay the Subscription or levy. After the seven day period, the Member shall (without being released from the obligation of payment) have no Membership rights and shall not be entitled to participate in any Society activity until all the arrears are paid, and the Member's Membership shall be suspended until all arrears are paid in full.

18.0 Additional Powers

- 18.1 The Society may:
- (a) Employ people for the purposes of the Society;
 - (b) Exercise any power a trustee might exercise;
 - (c) Invest in any investment that a trustee might invest in; and
 - (d) Borrow money and provide security for that if authorised by Majority vote at any Society Meeting.

19.0 Financial Year

- 19.1 The financial year of the Society begins on 1 April of every year and ends on 31 March of the next year.

20.0 Payments

- 20.1 Unless approved by the Committee, any payment made by the Society above a value of twenty dollars must be by electronic deposit.
- 20.2 All payments must be approved or validated by any two (2) members of the Committee.

21.0 Appointing an Auditor

- 21.1 At an Annual General Meeting, the Society may by majority vote appoint an accountant to review the annual financial statements of the Society ("the Reviewer"). The Reviewer shall conduct an examination with the objective of providing a report that nothing has come to the Reviewer's attention to cause the Reviewer to believe that the financial information is not presented in accordance with the Society's accounting policies. The Reviewer must be a suitably qualified person, preferably a member of the New Zealand Institute of Chartered Accountants, and must not be a member of the Committee, or an employee of the Society. If the Society appoints a Reviewer who is unable to act for some reason, the Committee shall appoint another Reviewer as a replacement.
- 21.2 The Committee is responsible to provide the Reviewer with:
- (a) Access to all information of which the Committee is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - (b) Additional information that the reviewer may request from the Committee for the purpose of the review; and
 - (c) Reasonable access to persons within the Society from whom the reviewer determines it necessary to obtain evidence.

CONDUCT OF MEETINGS

22.0 Society Meetings

- 22.1 A Society Meeting is either an Annual General Meeting or a Special General Meeting.
- 22.2 The Annual General Meeting shall be held once every year no later than five months after the Society's balance date. The Committee shall determine when and where the Society shall meet within those dates.
- 22.3 Special General Meetings may be called by the Committee. The Committee must call a Special General Meeting if the Secretary receives a written request signed by at least a quarter of the Members.
- 22.4 The Secretary shall give all Members at least 14 days written notice of:
- (a) The business to be conducted at any Society Meeting;
 - (b) A copy of the Annual Report prepared by the Chairperson and Annual Financial Statements, if the Society Meeting is an Annual General Meeting;
 - (c) A list of Nominees for the Committee, and information about those Nominees if it has been provided. (The Secretary must not provide Members with information exceeding one side of an A4 sheet of paper per Nominee); and
 - (d) Notice of any motions and the Committee's recommendations about those motions.
- 22.5 If the Secretary has sent notice to all Members in good faith, the Meeting and its business will not be invalidated simply because one or more Members do not receive

the notice.

- 22.6 All Members may attend and vote at Society Meetings in person, or by a signed original written proxy (an email or copy not being acceptable) in favour of some individual entitled to be present at the meeting and received by, or handed to, the Secretary before the commencement of the Society Meeting, or through the authorised representative of a body corporate as notified to the Secretary. No other proxy voting shall be permitted.
- 22.7 No Society Meeting may be held unless at least ten (10) Members or twenty five percent (25%) of Members, whichever is lower, attend. This will constitute a quorum.
- 22.8 All Society Meetings shall be chaired by the Chairperson. If the Chairperson is absent, the Secretary shall chair the Society Meeting. If the Secretary is also absent, the Society shall elect another Committee Member to chair that meeting. Any person chairing a Society Meeting has a casting vote.
- 22.9 On any given motion at a Society Meeting, the Chairperson shall in good faith determine whether to vote by:
- (a) Voices;
 - (b) Show of hands; or
 - (c) Secret ballot.

However, if any Member demands a secret ballot before a vote by voices or show of hands has begun, voting must be by secret ballot. If a secret ballot is held, the Chairperson will have a casting vote.

- 22.10 The business of an Annual General Meeting shall be:
- (a) Receiving and approving any minutes of the previous Meeting(s);
 - (b) The Chairperson's report on the business of the Society;
 - (c) The Treasurer's report on the finances of the Society, and the Annual Financial Statements;
 - (d) Election of Committee Members;
 - (e) Motions to be considered;
 - (f) General business; and
 - (g) Approval of plans for the balance of the current and next calendar years.
- 22.11 Minutes must be kept by the Secretary of all Society Meetings.
- 22.12 The Committee must, at each Annual General Meeting, present the following information:
- (a) an annual report on the affairs of the Society during the most recently completed accounting period,
 - (b) the annual financial statements for that period, and
 - (c) notice of any disclosures of conflicts of interest made by Committee Members during that period (including a brief summary of the matters, or types of matters, to which those disclosures relate).

23.0 Motions at Society Meetings

- 23.1 Any Member may request that a motion be voted on ("Member's Motion") at a particular Society Meeting, by giving written notice to the Secretary at least 28 days before that meeting. The Member may also provide information in support of the motion ("Member's Information"). The Committee may in its absolute discretion

decide whether or not the Society will vote on the motion. However, if the Member's Motion is signed by at least a quarter of all Members:

- (a) It must be voted on at the Society Meeting chosen by the Member; and
- (b) The Secretary must give the Member's Information to all Members at least 14 days before the Society Meeting chosen by the Member; or
- (c) If the Secretary fails to do this, the Member has the right to raise the motion at the following Society Meeting.

23.2 The Committee may also decide to put forward motions for the Society to vote on ("Committee Motions").

23.3 **Adjourned Meetings:** If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened upon requisition of Members, shall be dissolved; in any other case it shall stand adjourned to a day, time and place determined by the Chairperson, and if at such adjourned meeting a quorum is not present the meeting shall be dissolved without further adjournments. The Chairperson may with the consent of any Society Meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

24.0 Committee Meetings

24.1 Committee meetings may be held via video or telephone conference, or other formats as the Committee may decide.

24.2 No Committee Meeting may be held unless more than half of the Committee Members attend.

24.3 The Chairperson shall chair Committee Meetings, or if the Chairperson is absent, the Secretary shall chair the Committee Meeting. If the Secretary is also absent, the Committee shall elect a Committee Member to chair that meeting.

24.4 Decisions of the Committee shall be by majority vote.

24.5 The Chairperson or person acting as Chairperson has a casting vote.

24.6 Only Committee Members present at a Committee Meeting may vote at that Committee Meeting.

24.7 Subject to these Rules, the Committee may regulate its own practices.

SIGNING OF DOCUMENTS

25.0 Signing of Documents

25.1 The Society shall have a common seal. A document shall be executed on behalf of the Society if:

- (a) The common seal is attached to the document; and
- (b) The document is witnessed by any one of the Chairperson, Secretary, or Treasurer, and countersigned by one other member of the Committee.

ALTERING THE CONSTITUTION

26.0 Altering the Constitution

- 26.1 The Society may alter or replace its Constitution at a Society Meeting by a resolution passed by a two-thirds majority of those Members present and voting.
- 26.2 Any proposed motion to amend or replace the Constitution shall be signed by at least 10 Members or twenty five percent (25%) of Members, whichever is greater and given in writing to the Secretary at least 28 days before the Society Meeting at which the motion is to be considered, and accompanied by a written explanation of the reasons for the proposal.
- 26.3 In addition to the process in 26.2, the Committee can also propose a motion to amend or replace the Constitution.
- 26.4 At least 14 days before the General Meeting at which any change to the Constitution is to be considered the Secretary shall give to all Members written notice of the proposed motion, the reasons for the proposal, and any recommendations the Committee has.
- 26.5 When a change to the Constitution is approved by a General Meeting the Committee shall cause to be filed with the Registrar of Incorporated Societies advice of the changes in the required form. No change shall take effect until this is done.

WINDING UP

27.0 Winding up

- 27.1 If the Society is wound up:
- (a) The Society's debts, costs and liabilities shall be paid;
 - (b) Surplus Money and Other Assets of the Society may be disposed of:
 - (i) by transferring to an organisation or organisations with a similar purpose to purposes of the Society;
 - (ii) according to the provisions in the Incorporated Societies Act 1908 or any replacement legislation;but no distribution may be made to any Member.

28.0 Definitions

- 28.1 In this Constitution:
- (a) "Committee" means the Committee of the Society.
 - (b) "Committee Meeting" means a meeting of the Committee.
 - (c) "Committee Member" means any Member who is on the Committee.
 - (d) "Corporate Pharmacy" means, notwithstanding anything in the Medicines Act 1981, any pharmacy:
 - where an owner of shares or other ownership interests in the pharmacy also directly or indirectly owns or has shares (or other ownership interests) in greater than five pharmacies;
 - operated by a pharmacist that directly or indirectly owns or has shares (or other ownership interests) in greater than five pharmacies; or
 - where either the pharmacy, an owner of shares or other ownership interests in that pharmacy, or the pharmacist who operates that pharmacy is in a joint venture (howsoever defined) with an entity that

- directly or indirectly owns or has shares (or other ownership interests) in greater than five pharmacies.
- (e) "Independent New Zealand Community Pharmacy" means a pharmacy that, unless otherwise determined by the Committee:
- holds a licence under the Medicines Act 1981;
 - is, in the reasonable opinion of the Committee, operated by a pharmacist who does not directly or indirectly hold an interest in a pharmacy where any owner of shares or other ownership interest of that pharmacy also holds shares or other ownership interests in a Corporate Pharmacy; and
 - is not a Corporate Pharmacy.
- (f) "Majority vote" means a vote made by more than half of the Members who are present at a Meeting and who are entitled to vote and voting at that Meeting upon a resolution put to that Meeting.
- (g) "Meeting" means any Annual General Meeting, any Special General Meeting, and any Committee Meeting.
- (h) "Member" means a person properly admitted to the Society who has not ceased to be a member of the Society.
- (i) "Money or Other Assets" means any real or personal property or any interest therein, owned or controlled to any extent by the Society.
- (j) "Payment" means any transfer of legal tender by cash, electronic transfer, bank cheque, or any other means of paying legal tender.
- (k) "Rules" means the rules set out in this Constitution, being the rules of the Society.
- (l) "Society Meeting" means any Annual General Meeting, or any Special General Meeting, but not a Committee Meeting.
- (k) "Use Money or Other Assets" means to use, handle, invest, transfer, give, apply, expend, dispose of, or in any other way deal with, Money or Other Assets.
- (l) "Written Notice" means hand-written, printed or electronic communication of words or a combination of these methods.

28.2 In this Constitution the terms pharmacy, pharmacist, "operating a pharmacy" and "holding an interest in a pharmacy" shall have the meaning given to them in the Medicines Act 1981.

28.3 A reference to any law or legislation in this Constitution includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation.