



Incorporated Societies Act 2022 & Constitution Changes

July 2025

Incorporated Societies Act 2022 & Constitution Changes

Non Act changes:

1. Business Manager => Chief Executive
2. Removal of clauses relating to the change from VNZ to VNZI (clauses 6.1b, 13.1)
3. Type and timing of Director elections – no longer postal, and timeframe reduced from 49 days to minimum of 28 days (6.2)
4. Duties of Directors added (8)
5. Insurance and Indemnities added (9)
6. CAG groups (13) - tidied, and reduced distribution to Board Agenda, no longer papers
7. AGM notice reduced from 49 days to 28, remit submissions from 28 days to 21 (16.5, 16.7)
8. Constitution changes require 2/3 majority rather than 50/50 (25.1)

Changes required for Incorporated Societies Act 2022:

1. Contact Person – Chief Executive (clause 2.3)
2. Register of Members & Members must consent (4.5 & 4.6)
3. Dispute Procedures (23, Schedule 2)
4. Director consent & eligibility (6.5)
5. Conflicts of Interest added (11, 17.1e)

Incorporated Societies Act 2022 & Constitution Changes

- Remit 8 at the AGM – required changes for the Act:

- New contact person clause to be added:

2.3 For the purposes of the Act, the contact person of VNZ Inc shall be the Chief Executive.

- Members register, and membership consent:

4.5 The Board shall maintain a register of Members and classes of Members and prescribe the documentation required to establish membership.

Application for membership

4.6 Any person who wishes to become a Member of VNZ Inc must complete the official VNZ Inc membership application form for the relevant class of membership, and shall pay any joining fee and the subscription then current (if any) for that class of membership. On payment of such amounts, and acceptance of membership by the Board, the applicant will become a Member of VNZ Inc.



4.5 (a) VNZ Inc shall keep a register of its members, in accordance with the Act, which shall contain:

- (i) the name of each Member;
- (ii) the Member's membership class;
- (iii) the last known contact details of each Member;
- (iv) the date on which each person became a Member;
- (v) the name of each person who has ceased to be a Member of VNZ Inc within the previous 7 years and the date on which each person ceased to be a Member; and
- (vi) any other information required by the Act.

(b) A Member shall notify VNZ Inc in writing of any changes to the information recorded on the register in relation to that Member.

(c) VNZ Inc must ensure that the register of members is updated as soon as practicable after becoming aware of changes to the information recorded on the register.

(d) VNZ Inc may delegate its duties under this clause to the Chief Executive.

Application for Membership

4.6 Any person who wishes to become a Member of VNZ Inc must complete the official VNZ Inc membership application form for the relevant class of membership, which shall include the consent of the applicant to becoming a Member, as required by the Act, and shall pay any joining fee and the subscription then current (if any) for that class of membership. On payment of such amounts, and acceptance of membership by the Board, the applicant will become a Member of VNZ Inc.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 8 at the AGM – required changes for the Act (continued):

- Dispute procedures, new clause 23, and Shedule 2 (check out the new constitution by searching "changes to constitution" on freshvegetables.co.nz):

23. Resolution of Disputes

23.1 If a dispute arises (as defined by the Act), the Dispute Procedures at Schedule 2 shall apply.

Schedule 2

Dispute Procedures

1 Overview of this schedule

This Schedule sets out the procedures to be followed relating to Disputes (as defined in section 38 of the Act).

2 How Complaint is made

2.1 A Member or a Director may make a Complaint by giving to the Board (or a complaints subcommittee, if the Board has established one) a notice in writing that:

- (a) states that the Member or Director is starting a procedure for resolving a Dispute in accordance with these rules; and
- (b) sets out the allegation to which the Dispute relates and whom the allegation is against; and
- (c) sets out any other information reasonably required by VNZ Inc.

2.2 VNZ Inc may make a Complaint involving an allegation against a Member or a Director by giving to the Member or Director a notice in writing that:

- (a) states that VNZ Inc is starting a procedure for resolving a Dispute in accordance with these rules; and
- (b) sets out the allegation to which the Dispute relates.

2.3 The information given under clause 2.1(b) or clause 2.2(b) must be enough to ensure that a person against whom an allegation is made is fairly advised of the allegation concerning them, with sufficient details given to enable them to prepare a response.

3 Person who makes Complaint has right to be heard

3.1 A Member or a Director who makes a Complaint has a right to be heard before the Complaint is resolved or any outcome is determined.

3.2 If VNZ Inc makes a Complaint:

- (a) VNZ Inc has a right to be heard before the Complaint is resolved or any outcome is determined; and
- (b) a Director may exercise that right on behalf of VNZ Inc.

3.3 Without limiting the manner in which the Member, Director, or VNZ Inc may be given the right to be heard, they must be taken to have been given the right if:

- (a) they have a reasonable opportunity to be heard in writing or at an oral hearing (if one is held); and
- (b) an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing; and
- (c) an oral hearing (if any) is held before the decision maker; and
- (d) the Member's, Director's, or VNZ Inc's written statement or submissions (if any) are considered by the decision maker.

4 Person who is subject of Complaint has right to be heard

4.1 This clause applies if a Complaint involves an allegation that a Member, a Director, or VNZ Inc (the **respondent**)—

- (a) has engaged in misconduct; or
- (b) has breached, or is likely to breach, a duty under these rules or the Act; or
- (c) has damaged the rights or interests of a Member or the rights or interests of Members generally.

4.2 The respondent has a right to be heard before the Complaint is resolved or any outcome is determined.

4.3 If the respondent is VNZ Inc, a Director may exercise the right on behalf of VNZ Inc.

4.4 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; and
- (b) the respondent has a reasonable opportunity to be heard in writing or at an oral hearing (if one is held); and
- (c) an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing; and
- (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.

5 Investigating and determining Dispute

5.1 VNZ Inc must, as soon as is reasonably practicable after receiving or becoming aware of a Complaint made in accordance with these rules, ensure that the Dispute is investigated and determined.

5.2 Disputes must be dealt with under these rules in a fair, efficient, and effective manner.

6 VNZ Inc may decide not to proceed further with a Complaint

6.1 Despite clause 5, VNZ Inc may decide not to proceed further with a Complaint if:

- (a) the Complaint is trivial; or
- (b) the Complaint does not appear to disclose or involve any allegation of the following kind:
 - (i) that a Member or a Director has engaged in material misconduct;
 - (ii) that a member, a Director, or VNZ Inc has materially breached, or is likely to materially breach, a duty under these rules or the Act; or
 - (iii) that a Member's rights or interests or Members' rights or interests generally have been materially damaged; or
- (c) the Complaint appears to be without foundation or there is no apparent evidence to support it; or
- (d) the person who makes the Complaint has an insignificant interest in the matter; or
- (e) the conduct, incident, event, or issue giving rise to the Complaint has already been investigated and dealt with under these Rules; or
- (f) there has been an undue delay in making the Complaint.

7 VNZ Inc may refer matter

7.1 VNZ Inc may refer a Complaint to:

- (a) a subcommittee or an external person to investigate and report; or

(b) a subcommittee, an arbitral tribunal, or an external person to investigate and make a decision

7.2 VNZ Inc may, with the consent of all parties to a Complaint, refer the Complaint to any type of consensual dispute resolution (for example, mediation, facilitation, or a tikanga-based practice).

8 Decision makers

A person may not act as a decision maker in relation to a Complaint if 2 or more Directors or (if there is a complaints subcommittee) 2 or more members of the complaints subcommittee consider that there are reasonable grounds to believe that the person may not be:

- (a) impartial; or
- (b) able to consider the matter without a predetermined view.

9 Time periods and other matters

Except as set out in this Schedule 2, the Board, or any complaints subcommittee, shall determine the timetable to be followed in any investigation, including the dates by which any submissions are due, any hearings will be held and any determination will be made.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 8 at the AGM – required changes for the Act (continued):

- Director Consent and Eligibility – new clause 6.5 (note previous clause 6.5 was deleted by 2024 AGM remit):

6.5 Each person nominated for election as Director, or appointed or co-opted by the Board, must consent to becoming a Director and must certify that they are not disqualified from holding office as a Director.

- Conflicts of interest – new clause 11 (existing clause 11 renumbered to 14) and new clause 17.1(e)

11. Conflicts of Interest

11.1 Where a Director is interested (as defined in the Act) in a matter relating to VNZ Inc, the Director must, as soon as practicable after the Director becomes aware that they are interested in the matter, disclose details of the nature and extent of the interest (including any monetary value of the interest if it can be quantified):

(a) To the Board; and

(b) In the interests register kept by VNZ Inc.

11.2 A Director who has a conflict of interest:

(a) must not vote or take part in a decision of the Board relating to the matter; and

(b) must not sign any document relating to the entry into a transaction or the initiation of the matter; but

(c) 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).

11.3 A Director who is prevented from voting on a matter under the Act and these rules may still be counted for the purpose of determining whether there is a quorum at any meeting at which the matter is considered.

11.4 Clauses 11.2(a) and 11.2(b) do not apply to a Director if all Directors who are not interested in the matter consent to the Director so acting.

11.5 If 50% or more of the Directors are prevented from voting on the matter under clause 11.2(a), a Special General Meeting of VNZ Inc must be called to consider and determine the matter.

11.6 No member of VNZ Inc or any person associated with a Member shall participate or materially influence any decision made by VNZ Inc, in respect of the payment to or on behalf of that Member or associated person of any income, benefit or advantage whatsoever. Any such income shall be reasonable and relative to that which would be paid in an arm's length transaction (being open market value).

17. Records

17.1 The Board shall ensure that:

(a) A record is kept of all proceedings of VNZ Inc and the Board;

(b) A record is kept of all Members, their addresses, qualification for membership detail and the date on which they became Members of VNZ Inc;

(c) All correspondence, records and reports connected with VNZ Inc are kept for a reasonable period;

(d) A record of monies due to VNZ Inc, or payments made by VNZ Inc is kept in a correct record of such receipts and payments; and

(e) A register of all interests (as defined by the Act) disclosed by Directors in a matter relating to VNZ Inc, including details of the nature and extent of the interest (including any monetary value of the interest if it can be quantified).

Incorporated Societies Act 2022 & Constitution Changes

- Remit 9 at the AGM – non-Act changes:

- References to "Business Manager" or "General Manager" to be updated to "Chief Executive" throughout

"General Manager" means the business manager appointed by the Board to undertake administrative and secretarial duties on behalf of VNZ Inc;



"Chief Executive" means the person employed to manage the day-to-day operations of VNZ Inc (by whatever job title known);

- Removal of clauses relating to the change from VNZ to VNZI (clauses 6.1b, 13.1)

(b) **VNZ Inc Chair:** The VNZ Inc Chair, elected on an annual basis as set out in clause 6.3. The person holding office as Chair of Vegetables New Zealand will be the initial VNZ Inc Chair, who will hold office until the conclusion of the first AGM following the date of adoption of these rules.



(b) **VNZ Inc Chair:** The VNZ Inc Chair, elected on an annual basis as set out in clause 6.3.

10 Crop Advisory Groups (CAG)

10.1 The Board will, from time to time, form crop-specific subcommittees known as "Crop Advisory Groups" (CAGs). The Board will appoint the chairs of such CAGs from among the existing Directors. The following CAGs have been established at the date of adoption of these rules:



13. Crop Advisory Groups (CAG)

13.1 The Board will, from time to time, form crop-specific subcommittees known as "Crop Advisory Groups" (CAGs).

- (a) Brassicas;
- (b) Roots and tubers;
- (c) Alliums;
- (d) Stalks, vines, bulbs and herbs;
- (e) Covered crops; and
- (f) Leafy vegetables.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 9 at the AGM – non-Act changes (continued):

- Type and timing of Director elections – no longer postal, and timeframe reduced from 49 days to minimum of 28 days (clause 6.2)

- (e) In each year, the General Manager will organise for a postal vote to take place to elect a new Director to fill an upcoming vacancy, due to expiry of the 3 year term, or otherwise. The General Manager will first call for nominations for the position of Director, with the nomination period opening in each year 49 days prior to the date fixed for the AGM, and closing 28 days prior to the date fixed for the AGM.
- (f) Postal voting forms will be included with the notice of meeting for the AGM, and the postal vote shall be completed at least 7 days prior to the date for holding the AGM of VNZ Inc so that the result is available at the AGM.
- (g) All Members entitled to receive a notice of meeting for the AGM are entitled to participate in the postal vote for the Director.



- (f) In each year, the Chief Executive will organise for a vote to take place to elect a new Director to fill an upcoming vacancy, due to expiry of the 3 year terms or otherwise. The Chief Executive will first call for nominations for the position of Director, with the nomination period opening in each year at least 28 days prior to the date fixed for the AGM and closing at least 14 days prior to the date fixed for the AGM.
- (g) Voting forms will be included with the notice of meeting for the AGM, and the vote shall be completed at least 7 days prior to the date for holding the AGM of VNZ Inc so that the result is available at the AGM.
- (h) All Members entitled to receive a notice of meeting for the AGM are entitled to participate in the vote for the Director.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 9 at the AGM – non-Act changes (continued):
 - New clause 8: Duties of Directors (Existing clause 8 renumbered to clause 10):

8. Duties of Directors

8.1 In exercising powers or performing duties as a Director, each Director shall:

- (a) act in good faith and in what the Director believes to be the best interests of VNZ Inc;
- (b) exercise a power as a Director for a proper purpose;
- (c) act, or agree to VNZ Inc acting, in a manner that contravenes the Act or these rules;
- (d) exercise the care and diligence that a reasonable person with the same responsibilities would exercise in the same circumstances considering (without limitation):
 - (i) the nature of VNZ Inc;
 - (ii) the nature of the decision; and

- (iii) the position of the Director and the nature of the responsibilities undertaken by them.

8.2 A Director must not:

- (a) agree to the activities of VNZ Inc being carried on in a manner likely to create a substantial risk of serious loss to VNZ Inc's creditors;
- (b) cause or allow the activities of VNZ Inc to be carried on in a manner likely to create a substantial risk of serious loss to VNZ Inc's creditors; or
- (c) agree to VNZ Inc incurring an obligation unless the Director believes at that time on reasonable grounds that VNZ Inc will be able to perform the obligation when it is required to do.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 9 at the AGM – non-Act changes (continued):

- New clause 9: Insurance and Indemnities (Existing clause 9 renumbered to clause 12):

9. Insurance and Indemnities

9.1 VNZ Inc may in accordance with subpart 6 of the Act, indemnify a Director, Member or an employee of VNZ Inc for:

- (a) liability to any person other than VNZ Inc for any act or omission in their capacity as a Director, Member or an employee of VNZ Inc (not being a liability specified in paragraph 9.2;
- (b) subject to paragraph 9.3, costs incurred by the Director, Member or employee in defending or settling any claim or proceeding relating to that liability.

9.2 The liabilities for which VNZ Inc may not indemnify a Director, Member or an employee of VNZ Inc are:

- (a) criminal liability; and
- (b) liability that arises out of a failure to act in good faith and in what the Director, Member or employee believes to be the best interests of VNZ Inc when acting in their capacity as a Director, Member or an employee of VNZ Inc.

9.3 VNZ Inc may indemnify a Director, Member or an employee of VNZ Inc for any costs incurred by them in defending or settling a proceeding that relates to liability of a kind referred to in paragraph 9.1(a) if:

- (a) judgment is given in their favour or if they are acquitted; or
- (b) the proceeding is discontinued.

9.4 VNZ Inc may, with the prior approval of the Board, effect insurance for a Director, Member or an employee of VNZ Inc in respect of:

- (a) liability (other than criminal liability) of a kind referred to in section 94 of the Act; or
- (b) costs incurred by the Director, Member or employee in defending or settling any claim or proceeding relating to that liability; or
- (c) costs incurred by the Director, Member or employee in defending any criminal proceedings:
 - (i) that have been brought against the Director, Member or employee in relation to any alleged act or omission in their capacity as a Director, Member or employee; and
 - (ii) in which they are acquitted.

9.5 The Directors who vote in favour of authorising the insurance under paragraph 9.4 must sign a certificate stating that, in their opinion, the cost of effecting the insurance is fair to VNZ Inc.

9.6 For the purposes of section 98 of the Act, VNZ Inc is expressly authorised to indemnify a Director, Member or employee, or to effect insurance for a Director, Member or employee, for the following matters:

- (a) liability (other than criminal liability) for a failure to comply with:
 - (i) a duty under sections 54 to 61 of the Act (officers' duties); or
 - (ii) any other duty imposed on the Director, the Member or employee in their capacity as an officer (as that term is defined in the Act); and
- (b) costs incurred by the Director, Member or employee for any claim or proceeding relating to that liability.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 9 at the AGM – non-Act changes (continued):

- CAG groups (13) - tidied, and reduced distribution to Board Agenda, no longer papers (note existing clause 13 has been renumbered to 16):

10 Crop Advisory Groups (CAG)

10.1 The Board will, from time to time, form crop-specific subcommittees known as “Crop Advisory Groups” (CAGs). The Board will appoint the chairs of such CAGs from among the existing Directors. The following CAGs have been established at the date of adoption of these rules:

- (a) Brassicas;
- (b) Roots and tubers;
- (c) Alliums;
- (d) Stalks, vines, bulbs and herbs;
- (e) Covered crops; and
- (f) Leafy vegetables.

10.2 Meetings of the CAGs will generally be held by way of conference calls prior to the scheduled meetings of the Board and once per year at the AGM. CAGs may meet from time to time, subject to the approval of the Board, in order to further pursue aims and objectives specific to that CAG.

10.3 In order to keep the members of each CAG informed, interested and involved, CAG members will be sent copies of each Board meeting agenda and papers in advance of each Board meeting. The CAG Chairs will then engage with their respective CAG members via conference call and bring any discussion back to the Board meetings.

10.4 If any member of a CAG is unable to attend any CAG meeting, that representative may appoint a substitute with full power to attend, speak and vote at the CAG meeting.

13. Crop Advisory Groups (CAG)

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13.2 Meetings of the CAGs will generally be held by way of conference calls prior to the scheduled meetings of the Board and once per year at the AGM. CAGs may meet from time to time in order to further pursue aims and objectives specific to that CAG.

13.3 In order to keep the members of each CAG informed, interested and involved, CAG members will be sent copies of each Board meeting agenda in advance of each Board meeting. The CAG Chairs will then engage with their respective CAG members via conference call and bring any discussion back to the Board meetings.

13.4 If any member of a CAG is unable to attend any CAG meeting, that representative may appoint a substitute with full power to attend, speak and vote at the CAG meeting.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 9 at the AGM – non-Act changes (continued):

- AGM notice reduced from 49 days to 28, remit submissions from 28 days to 21 (16.5, 16.7) (Note existing clause 16 has been renumbered to 19).

Annual general meetings

13.4 A meeting of all Members of VNZ Inc, called the “AGM”, shall be held once in each financial year, on such date as is determined by the Board. All Members have the right to attend the AGM.

13.5 Forty-nine (49) days written notice shall be given to Members of the AGM.

13.6 The agenda of the AGM shall include the following:

- (a) Receiving and considering a report from the VNZ Inc Chair;
- (b) Consideration and if appropriate approval of VNZ Inc’s financial statements for the preceding financial year;
- (c) Appointment of an auditor;
- (d) Setting the subscription (if any) payable for membership;
- (e) Confirming the election of Directors;
- (f) Generally reviewing VNZ Inc’s operations in the preceding financial year;
- (g) Considering any remits initiated by Members by written notice to the General Manager in the manner set out in clauses 13.7 to 13.9;
- (h) Conducting such other general business as the Members think fit (by majority approval of Members present at the AGM, provided that such business shall not be put to a resolution).

13.7 **Remits:** In the event that a Member of the VNZ Inc wishes to have a certain matter considered at an AGM pursuant to clause 13.6(g) of these rules then the relevant person (“the Proposer”) shall give notice in writing to the VNZ Inc Chair and the General Manager of the remit not less than 28 days prior to the date fixed for the AGM.

Annual General Meetings

16.4 A meeting of all Members of VNZ Inc, called the “AGM”, shall be held once in each financial year, on such date as is determined by the Board. All Members have the right to attend the AGM.

16.5 Twenty-eight (28) days written notice shall be given to Members of the AGM.

16.6 The agenda of the AGM shall include the following:

- (a) Receiving and considering a report from the VNZ Inc Chair;
- (b) Consideration and if appropriate approval of VNZ Inc’s financial statements for the preceding financial year;
- (c) Appointment of an auditor;
- (d) Setting the subscription (if any) payable for membership;
- (e) Confirming the election of Directors;
- (f) Generally reviewing VNZ Inc’s operations in the preceding financial year;
- (g) Considering any remits initiated by Members by written notice to the Chief Executive in the manner set out in clauses 16.7 to 16.9;
- (h) Conducting such other general business as the Members think fit (by majority approval of Members present at the AGM, provided that such business shall not be put to a resolution).

16.7 **Remits:** In the event that a Member of the VNZ Inc wishes to have a certain matter considered at an AGM pursuant to clause 13.6(g) of these rules, then the relevant person (“the Proposer”) shall give notice in writing to the VNZ Inc Chair and the Chief Executive of the remit not less than 21 days prior to the date fixed for the AGM.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 9 at the AGM – non-Act changes (continued):
 - Constitution changes require 2/3 majority rather than 50/50 (25.1):

21 Rules and Regulations

21.1 These rules may be altered, added to, rescinded or otherwise amended by a resolution passed by a majority of those present in person or by proxy at a general meeting of which 21 days' notice has been given. No alteration shall be made to the rules that would enable the income or other funds of VNZ Inc to be used for or be available for the private pecuniary profit of any Member.



25. Rules and Regulations

25.1 These rules may be altered, added to, rescinded or otherwise amended by a resolution passed by a majority of not less than two-thirds of the Members present in person or by proxy at a general meeting of which 21 days' notice has been given. No alteration shall be made to the rules that would enable the income or other funds of VNZ Inc to be used for or be available for the private pecuniary profit of any Member.

Incorporated Societies Act 2022 & Constitution Changes

- Remit 10 at the AGM:
 - That the VNZI board is empowered to make any changes to the constitution as required by direction from the Registrar of Incorporated Societies as part of re-registration, provided that these changes are ratified by Members at the next Annual General Meeting.

Explanation: Remit 10 is included so the VNZI board can approve minor changes to the constitution as required by the Registrar to achieve re-registration without the requirement to hold a Special General Meeting. These changes would then be put up for approval at the next AGM.