



New Zealand Mortgage Brokers Association Incorporated

Constitution

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CONSTITUTION

of the

NEW ZEALAND MORTGAGE BROKERS ASSOCIATION INCORPORATED (NZMBA)

1. Name

- 1.1 The Association shall be called NEW ZEALAND MORTGAGE BROKERS ASSOCIATION (also known to as the NZMBA) referred to in this constitution as the Association.
- 1.2 The Association was established in 1997.

2. Objects

- 2.1 To promote and foster the growth of the mortgage broking industry and credit related financial advisers within New Zealand.
- 2.2 To be a central organisation for mortgage brokers and credit related financial advisers and generally to do all such things to elevate their status and to safeguard and advance their interests and to procure their general efficiency and proper professional conduct, with a view to ensuring for the community the existence of a group who can be relied upon as being responsible, professional and duly qualified to perform their duties.
- 2.3 To encourage and promote high standards of service and professional practice by members and to maintain and develop a Code of Ethics, Standards and Rules.
- 2.4 To provide members with a Code of Ethics, Standards and Rules, by which to operate.
- 2.5 To regulate the professional conduct of members.
- 2.6 To be a technical centre providing commentary, guidance and advice on legal and other regulatory developments of relevance to mortgage brokers.
- 2.7 To promote education, qualification and continuing education for members.
- 2.8 To provide a forum for the exchange on non competitive information.
- 2.9 To be a research and statistical centre, to aggregate and publish statistics and provide analysis on the mortgage broking industry and credit related financial advisers.

3. Powers of the Association

- 3.1 In pursuance of the objects set out in clause 2 above, the Association shall have power to do all such acts, deeds, matters and things as may be necessary or conducive to the furtherance of the objects and in particular and without limiting the generality of the foregoing, the Association shall have the following powers:
- 3.1.a To raise money by subscriptions and to grant rights and privileges to sponsors and promoters.
 - 3.1.b To invest and deal with the monies of the Association, not immediately required, in such a manner as may from time to time be determined and in particular to invest the same in Government securities, or by depositing the same with any registered bank at interest and to vary such investments from time to time.
 - 3.1.c. To own real, or leasehold property for the purposes of occupation by the Association, or for the investment of the Associations monies.
 - 3.1.d To borrow money in such a manner as the Association may think fit and if required to secure the repayment thereof, by the issue of debentures, or by mortgage, or charge upon the whole, or any part of the property, or assets of the Association (whether present or future) and to purchase, redeem or repay any such securities.
 - 3.1.e. To discipline members whose actions are deemed by the Association to have brought the Association into disrepute or to have breached the Association's Rules of Membership and Code of Ethics and Standards.
 - 3.1.f At the discretion of the NZMBA Board, to charge members for any costs incurred in relation to disciplinary hearings.
- 3.2 To charge membership fees, including initial membership fees and annual subscriptions, as determined by the committee from time to time.
- 3.3 To apply penalties for late payment of membership fees as determined by the NZMBA Board from time to time.
- 3.4 To do all such things as are incidental, or conducive to the attainment of the above objects.

4. Membership

- 4.1 The members of the Association shall comprise the following categories:
- a) **Standard Members** : Individual mortgage brokers
 - b) **Associate Members**: Those individuals who are owners of and / or employed by mortgage Broking operations but who are not involved in broking mortgage applications.

- c) **Affiliate Members** : To include banks, valuers and other related professionals where interests may be served through associate membership.
 - d) **Credit related financial adviser members:** Individuals providing advice, opinion, recommendation or guidance on guidance on credit and loans in the course of business to the public.
- 4.2 Application for membership is made on the understanding that the NZMBA Board may, at its discretion, decline membership without reason being given to the applicant, or apply conditions to their membership.
- 4.3 Voting members of the Association shall comprise only Standard, Associate, and Credit related financial adviser: Members as defined in rule 4.1(a) and provided all membership fees have been paid at the time.
- 4.4 Membership of the Association shall not confer on any member thereof, any privilege, or any estate, proprietary right, interest, or share in the funds and property of the Association, nor shall any member be personally liable for any of the liabilities of the Association.
- 5. Duties of Members**
- 5.1 All members will agree to be bound by this Constitution and the NZMBA's Rules of Membership and Code of Ethics and Standards and to promote and further the objects of the Association.
- 5.2 All standard members are to advise the CEO of the Association in writing if they cease to be mortgage brokers.
- 6. NZMBA Board (Powers and Duties)**
- 6.1 The affairs of the Association shall be directed by the NZMBA Board and such Board may exercise all such powers of the Association authorised by this constitution and the Association's Rules of Membership and Code of Ethics and Standards.
- 6.2 Without limiting the generality of the powers conferred by rule 14.1 the Board shall have the following powers:
- a) To determine requirements of membership eligibility, membership standards and disciplinary and termination procedure;
 - b) To determine the annual subscriptions payable by members;
 - c) To control and manage the funds and property of the Association

- d) and to raise, or borrow monies and incur such liabilities for the purposes of the Association as may be necessary and if required, to secure the repayment of the sale by mortgage, or charge upon the whole, or any part of the property, or assets of the Association;
- e) To appoint from its own members, or otherwise, such committee's, panels, groups or sub Association's as it may deem necessary from time to time to assist it in carrying out its duties and to fix and limit the powers and authorities of those committees or sub Associations;
- f) To determine all matters of policy relating to the promotion and sponsorship of the Association;
- g) To make decisions on any matters concerning the Association, which are not, or which in the opinion of the NZMBA Board are not provided for by this constitution and the Association's Rules of Membership and Code of Ethics and Standards.
- h) To make, alter, or revoke rules affecting any matters concerning, or in relation to administration, discipline and control of the members of the Association, within its own boundaries and to determine all questions and disputes as to the construction and meaning of any such rules, or of any expression herein;
- i) To make standing orders for the conduct of its affairs provided however, such standing orders are not inconsistent with this constitution and Association's Rules of Membership and Code of Ethics and Standards.

7. The Chairman and Deputy Chairman

- 7.1 The NZMBA Board shall appoint a Chairperson as may be required from time to time on such terms as the NZMBA Board shall determine.
- 7.2 The Chairperson, so appointed shall carry out such duties as from time to time may be prescribed by the NZMBA Board.
- 7.3 The NZMBA Board shall appoint a Deputy Chairperson as may be required from time to time on such terms as the NZMBA Board shall determine.
- 7.4 The Deputy Chairperson, so appointed shall carry out such duties as from time to time may be prescribed by the NZMBA Board.

8. The Chief Executive Officer

- 8.1 The NZMBA Board shall appoint a Chief Executive Officer (CEO) who shall be responsible to it for the management of the Association and who shall be the principal representative of the Association and the principal policy adviser to the NZMBA Board.

9. Delegation

- 9.1 The NZMBA Board, the Chairman and Deputy Chairman and the CEO may delegate any of their powers.

10. Committees and Panels

- 10.1 The NZMBA Board may establish and maintain committees, panels, subgroups and may delegate matters to them.

- 10.2 The NZMBA Board may appoint technical panels to advise and assist them.

11. The Disputes and Disciplinary Committee

- 11.1 The NZMBA Board shall appoint a Disputes and Disciplinary Committee, such Committee may comprise past and members of the NZMBA either standard members, affiliate members or associate members who have paid all membership fees and any independent persons, all of whom, in the opinion of the NZMBA Chairperson, has the appropriate qualifications to hold enquiries into all matters, questions and disputes.

- 11.2 . Such enquiries shall be conducted in such manner as the NZMBA Board may deem proper and as set out in the NZMBA Membership Rules Code of Ethics and Standards and may be held:

- i) At its absolute discretion and on its own motion;
- ii) At the written request of any person, members or otherwise who in the opinion of the CEO have cause and a standard member to raise such matters, questions and disputes.

12. The NZMBA Board - Election of Officers

- 12.1 The NZMBA Board of the Association shall comprise a maximum eight members, however, in given circumstances where nominees receive an equal number of votes, the NZMBA Board .at its discretion may determine that the tied nominees be members of the NZMBA Board . Six members shall be elected on a national basis, each member serving a two year term. A minimum of four members must be Standard members and a maximum of two members can be Associate Members. One member may be appointed by the NZMBA Board to represent the Associations' stakeholders. (Known as the appointed NZMBA Board Member.) One member may be appointed by the NZMBA Board to represent Affiliate Members (known as the appointed NZMBA Board Member).

- 12.2 The six members of NZMBA Board of the Association shall be elected biennially (every two years) by online, or secure electronic or any voting means thought appropriate by the NZMBA Board and shall hold office until they are re-elected, or their successors are elected at the ensuing biennial election. Those nominated that receive the six highest numbers of votes shall form the new Board.

- 12.3 The NZMBA Board may make rules governing the conduct of elections including provisions to phase retirements.

- 12.4 Nominations for the NZMBA Board must be called for by the Association's CEO not less than 60 days prior to the biennial general meeting.
- 12.5 Nominations for the NZMBA Board shall be in the hands of the Association's CEO no later than 45 days prior the biennial general meeting. Nominations must be on the form supplied by the Association's CEO.
- 12.6 The nominator and seconder must be standard members of the Association.
- 12.7 In the event of a vacancy on the NZMBA Board occurring during any year, such vacancy may be filled by appointment by unanimous vote of the NZMBA Board until such time as the next biennial election.

13. NZMBA Board (Constitution)

- 13.1 The NZMBA Board shall consist of:
- a) **Chairperson** - who shall be a full Standard Member or Associate Member and shall have been an elected NZMBA Board member for the immediately preceding 12 months;
 - b) **Deputy Chairman** - who shall be a full Standard Member or Associate Member and shall have been an elected NZMBA Board member;
 - c) Six other persons as defined in 12.1.
- 13.2 Not less than 30 days prior to the biennial general meeting the Association's CEO shall circulate to members of the Association a list of nominees for positions under rule 12.1 together with a summary of their curricula vitae and voting forms.
- 13.3 Voting forms are to be completed and returned to the Association's CEO not less than three days before the biennial general meeting.
- 13.4 The office of Chairperson, Deputy Chairman or NZMBA Board members shall be vacated if the person holding that office:
- a) Dies, or
 - b) Resigns by notice in writing to the NZMBA Board, or
 - c) Brings disrepute to the office, or the mortgage broking industry
 - d) Is removed from office by a resolution of the NZMBA Board, passed by a majority of two thirds of the members of the NZMBA Board, present at a meeting of the NZMBA Board, convened for that purpose.
- 13.5 A member of the NZMBA Board, at the discretion of the Board, shall cease to be a member if he/she resigns from, or ceases to hold office in the organisation or institution in which they have previously held office.

- 13.6 After the biennial election, at the first meeting of the NZMBA Board, NZMBA Board shall elect its Chairperson and Deputy Chairperson who shall be the Chairperson and Deputy Chairperson of the Association for two years and shall be entitled to speak and act as such.
- 13.7 Each member of the NZMBA Board shall have one vote.
- 13.8 The voting at all meetings of the NZMBA Board shall be taken on a show of hands unless a motion to take a ballot shall be carried.
- 13.9 No debate shall be permitted on a motion to take a ballot.
- a) The Chairman shall have a second vote or casting vote in the event of equality.
- 13.10 In the event of the unavoidable absence, of the Chairperson of the Association, such Chairperson shall be at liberty to appoint for that meeting a proxy being such other member of the NZMBA Board authorised to attend and vote.
- 13.11 A meeting of the NZMBA Board may be summoned by the Chairperson at any time and must be summoned by him / her on receipt of a written requisition signed by two members of the NZMBA Board specifying the object of the meeting. Such meetings shall be held within five days of the receipt of such requisition.
- 13.12 At any meeting of the NZMBA Board, five NZMBA Board members shall form a quorum.
- 13.13 The members shall at any general meeting from time to time, determine what remuneration by way of NZMBA Board members fees shall be appropriate in respect of any, or all of the NZMBA Board.

14. Meetings

- 14.1 The annual general meeting of the Association shall be held annually, on a date determined by the NZMBA Board for the purpose of:
- a) Receiving the NZMBA Board's report, balance sheet, statement of income and expenditure for the past year;
- b) Confirming the biennial appointment of the following years NZMBA Board;
- c) Considering the notices of motion, provided that if the carrying of any such proposed motion would materially affect any of the above mentioned business, then such motion shall be dealt with prior to such business;
- d) Transacting general business.

- 14.2 Special general meetings shall be convened by the CEO and held within 21 days after receipt of a requisition signed by not less than 20% of all members, or a requisition of the NZMBA Board in each case stating the business for which the meeting is called. The CEO of the Association shall give not less than 14 days notice of such special general meeting and the order paper for such meeting shall be sent to the members of the Association in the same manner as provided for in rule 14.4 (9.4) stating the business for which the meeting is called.
- 14.3 The annual general meeting of the Association shall be held not later than 30 September each year.
- 14.4 Not less than 60 days notice of the date of an annual general meeting shall be given by the CEO of the Association by sending notice to the members of the Association defined in rule 4.1. No business shall be transacted unless notice thereof shall have been given in writing to the chairperson of the Association at least 14 days prior to the meeting. A copy of the order paper and the annual accounts and annual reports referred to in rule 14.1(a) [9.1(a),] shall be forwarded in the same manner herein before provided for notice of the meeting, not less than seven days before the date of the meeting.
- 14.5 A quorum at all general meetings, whether annual or special shall consist of persons holding not less than 15% of the voting power of the members referred to in rule 14.8(a) [9.8(a).]
- 14.6 Every notice required to be given to the members, or any of them shall be deemed to have been duly delivered if posted in a pre-paid letter, addressed to each member at that member's last known place of business.
- 14.7 a) The Chairperson for the time being shall take the chair at all annual general meetings and special general meetings of the Association. In the chairperson's absence, the Deputy Chairperson or the NZMBA Board shall elect another NZMBA Board member of the Association to take the chair.
- b) At all general meetings of the Association, whether annual, or special, only members of the Association, persons representing members of the Association and entitled to vote under rule 4.4, associate members, the auditors, persons holding honorary positions, or presenting honorary appointees shall be entitled to speak.
- c) Each member entitled to be represented and to vote as stated in rule 4.3 shall notify the Chairperson of the names of those persons authorised to represent the member not less than 48 hours prior to the time of any such meeting. In the event that any person so authorised is unable to attend any general meeting, the member so authorising shall be at liberty to send a substitute who shall present to the meeting an authority in writing, confirming representation.
- 14.8 At all general meetings, whether annual or special:
- a) Each member shall be entitled to be represented and voting members, as described in 4.3, only may vote.

- b)
 - i) The voting on all matters (except those provided for in rule 12.2 which shall be by ballot), shall be taken by a show of hands unless a motion to take a ballot shall be proposed and carried, or unless the chairperson decides upon a ballot.
 - ii) No debate shall be permitted on a motion to take a ballot.
 - iii) In any ballot for election, every vote cast shall be for not more than the full number to be elected; otherwise the vote shall be informal.
 - iv) Every question shall be decided by a majority of formal votes cast, unless otherwise provided herein and in the case of an equality of votes, the chairperson of the meeting shall have a casting vote as well as a deliberative vote.

15.0 Finance

15.1 The financial year of the Association shall close on 31 March in each year.

15.2 A copy of the balance sheet and statement of income and expenditure shall be prepared in accordance with the requirements of the Financial Reporting Act 1993, or any act in substitution thereof insofar as they are appropriate for an Association and shall be supplied to each member. The balance sheet and statement of income and expenditure shall be submitted to the annual general meeting.

15.3 All funds of the Association shall be paid into a bank to the credit of the Association and all accounts shall be passed for payment by the NZMBA Board and payments shall be made in such a manner as determined by the NZMBA Board from time to time.

16. Common Seal

There shall be no common seal of the Association.

17. Registered Office

The office of the Association shall be at such place as the NZMBA Board may from time to time determine and notice of any change in the situation of the office shall be advised to members.

18. Minutes

18.1 The CEO shall cause minutes of meetings to be kept in a minute book, folder or electronic equivalent. All appointments of NZMBA Board members and of officers and all resolutions and proceedings of the NZMBA Board shall be recorded in the minute book or in suitable electronic form.

