

RULES OF

**GIMBLETT GRAVELS WINEGROWERS
ASSOCIATION**

(Rules amendments noted in blue)

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RULES OF GIMBLETT GRAVELS WINEGROWERS ASSOCIATION INC.

(rules amendments noted in blue)

Name

1. The name of the Society shall be the “Gimblett Gravels Winegrowers Association Incorporated” (hereinafter referred to as “the Society”). The Society shall be registered under the Incorporated Societies Act 1908.

Registered Office

2. The registered office of the Society shall be at such place as may be notified to the Registrar of Incorporated Societies from time to time.

Seal

3. The seal of the Society shall consist of the words “Gimblett Gravels Winegrowers Association Incorporated” in the form of a circle with the words “The Common Seal of” in the centre.

The Gimblett Gravels Winegrowing District

4. The Gimblett Gravels Winegrowing District shall be as defined by the Society from time to time and at the incorporation of the Society it would include vineyards within the area bounded by the Ngaruroro River at Roys Hill downstream to Omahu Road along Kirkwood Road and the Hastings City Boundary and Portsmouth Road to Stock Road to Maraekakaho Road to Ngatarawa Road to SH50 and then in a straight line through the Roys Hill Trig Station to the Ngaruroro River (“The District”).

Objects

5. The objects of the Society (each of equal importance) shall be :

- (a) To define the exact locality of the District;
- (b) To encourage membership of the Society by all winegrowers in the District;
- (c) To use licence and then defend and protect the use of the name “Gimblett Gravels” by all possible means;
- (d) To protect and enhance the rights of the Society and its members in relation to any regulatory or environmental controls affecting the industry;
- (e) To take all measures to protect the District as a premium producer of wine grapes in a sensitive environment above the unconfined Hastings District aquifer;
- (f) To promote and encourage responsible professional and ethical conduct by members of the Society to enhance the reputation of the District;
- (g) To receive and expend money in promotion of the objects of the Society;
- (h) To liaise with and encourage other wine growing districts to develop similar associations.
- (i) To employ such professional or other services as may in the opinion of the Society be expedient or necessary for the carrying out or execution of any of the objects of the Society.
- (j) To invest moneys not immediately required in such investments and upon such securities as may from time to time be determined by the Society.
- (k) To borrow and raise money for the purposes of the Society.
- (l) To do all such other lawful things as are incidental or conducive to the attainment of the objects or any of them.

Membership

6. The Society shall consist of all the present members of the Society and those persons who from time to time be elected members in accordance with Rules 6 to 11.
 - a). Election to membership shall be at the discretion of the Society to ensure that members have common interests and goals and will not bring the Society into disrepute.
 - b). Membership shall be open to both individuals (“individual members”) and to partnerships and companies (“corporate members”). On becoming a member of the Society and immediately following each annual general meeting of the Society, each corporate member shall nominate an individual to exercise the rights of membership on the member’s behalf, and may from time to time change its representative by notifying the secretary in writing.

Membership Categories

7. Members shall be divided into the following classes:
 - (a) Full members;
 - (b) Associate members.

Full Members

8. The general criteria for full members are:
 - (a) The member must own a vineyard in the District;
 - (b) The member must have 95% of their vineyard soils classified as recent soils but restricted to Class 1 through 4 and their various phases inclusive as described in the “Soil Map of the Heretaunga Plains” and if the Society shall require it, as verified by a soil scientist appointed for the purpose by the Society whose decision shall be final.

Associate Members

9. The general criteria for an associate member is that the member must produce and or market under the member’s own brand wine which has been produced from grapes of which 95% are from the District.

Admission to Membership

- 10a. Every candidate for membership shall make written application to the Society. Upon receipt of an application, the Executive Committee shall process the application and furnish a report for consideration by the Society at the next special or annual general meeting. Admission to membership shall be by way of election at a general meeting of the Society and a clear majority of votes cast by members present and voting at the meeting shall qualify the candidate for election to membership.
- 10b. If the Executive Committee’s report on an application for membership recommends that membership be approved by a general meeting of the Society, the Executive committee may grant interim membership to the candidate until the next general meeting of the Society.

Membership Rights and Privileges

11. Full, associate and interim members have all rights and privileges of membership except that only full membership includes the right of voting at meetings of the Society.

Subscriptions

12. The annual subscription payable by full and/or associate members shall be fixed at the Annual General Meeting or at a Special General Meeting and if not so fixed shall be the subscription payable in the preceding year. Members at the incorporation of the Society may have provided seed funding for the Society and its formation and such initial contributions to the funds of the Society may be recognised by variations in the subscriptions for the founding members and other full and/or associate members. The annual subscription for full members shall otherwise be generally based on the size of the production of members from grapes growing within the District.

Levies

13. A levy on members may be imposed at any time by a resolution of the Society passed at a General Meeting of which due notice has been given in accordance with these Rules.

Intellectual Property

14. The Society will establish an appellation for the benefit of its members which will use brands, artwork, brand platform and other intellectual property developed by the Society ("intellectual property"). The intellectual property shall at all times remain the property of the Society. The Society will limit the use of its intellectual property by members and the following rules will apply:

- (a) Any member wishing to use the intellectual property of the Society shall sign an Agreement in a form acceptable to and prepared by the Society to protect the rights of the Society to the intellectual property and limit its use. Unless such an Agreement is executed no member shall be permitted to use the intellectual property;
- (b) All members using the intellectual property of the Society must only brand wine that has at least 95% of grape content sourced from within the District. For the purposes of ensuring that this condition is met the members shall by the use of the intellectual property and execution of the Agreement permit an audit of the members' wine production by the Society or its representatives to establish compliance with this sub-clause;
- (c) Failure to comply with the provisions of this clause by a member will enable the Society to suspend such member's membership for a minimum of five (5) years from the date at which the breach occurred and at the discretion of the Society or to expel such members.

Payment of Subscriptions and Levies

15. The annual subscription and any levy or levies imposed in accordance with these Rules shall be due and payable to the Treasurer of the Society not later than 30 days after the date on which a notice or demand for payment is given to or served on the member either personally or in accordance with Rule 38.

Remission of Subscriptions or Levies

16. The Executive Committee shall have power to remit the whole or any part of any subscription or levy or levies payable by any member.

Removal for Non-Payment of Subscriptions or Levies

17. Any member who has not paid any subscription or levy or levies by the due date or dates for payment may, by resolution of the Executive Committee, be struck from the Register of Members in accordance with the provisions of Rule 17 hereof.

Resignation of Members

18. Any member wishing to resign from membership of the Society shall do so by giving written notice to the Secretary. Such member shall be liable for any subscription or levy of which due notice has been given or demand has been made under Rule 13 hereof prior to the date of receipt of such resignation unless the Executive Committee resolves to waive such subscription or levy. No resignation shall relieve or discharge any member from the payment of any moneys then due and payable by that member to the Society.

Correction of Register

19. The Executive Committee may at any time strike off from the Register of Members the name of any member who has failed to pay any subscription or levy payable in accordance with these Rules notwithstanding that such member has failed to send a resignation as provided in Rule 17 hereof. Such member shall thereupon cease to be a member but shall still remain liable for any subscription, levy or levies or other moneys due to the Society. Notwithstanding the foregoing provisions of this Rule any member struck off pursuant to this Rule may within 14 days after receiving notice of such striking off pay the amount of any subscription, levy or levies or other money due to the Society and in such case such member shall be restored to membership of the Society.

Termination or Expulsion from Membership

20. If two or more ordinary members requisition in writing for a Special General Meeting of the Society to consider :

- (a) whether any particular member or members continue to qualify for membership in terms of the provisions and criteria of Rule 8 hereof; or
- (b) whether the conduct of any member is such as endangers the character, good name or welfare of the Society;

then notice of such requisition or requisitions shall be given to the member or members named therein to afford such member or members the opportunity within seven (7) days after the date of service of such notice of the requisition or requisitions to provide to the Secretary such statement or explanation as such member or members require to be distributed to members with the copy of the requisition and the notice calling the meeting to consider such requisition or requisitions. The Secretary shall, between the 14th and 20th days after the date of service of such notice giving a copy of such requisition or requisitions to such member or members, give notice calling a Special General Meeting to consider such requisition or requisitions. The member or members named in such requisition or requisitions shall be entitled to speak and be heard at the meeting considering such requisition or requisitions. At the Special General Meeting considering such requisition or requisitions if it is resolved by a simple majority of members present and voting that the name of such member or members be removed from the Register of Members of the Society, such member or members shall cease forthwith to be a member or members of the Society and shall have no claim against the property of the Society.

Executive Committee

21. The Society shall have an Executive Committee comprising the following officers :

- (a) A maximum of ten persons who are either individual members or a nominated representative of a corporate member;
- (b) A quorum of 60% of the Executive Committee is required for meetings;
- (c) The Executive Committee shall elect one of its members as chairman;
- (d) At the date of incorporation the Executive Committee and officers are:
 - Stephen Smith – Chairman
 - Graeme Milne – Secretary/Treasurer
 - John Hancock
 - Angus Lawson

and they shall hold those offices until the first Annual General or Special Meeting.

Management

22.The general affairs of the Society shall be managed by the Executive Committee who shall have control of the funds and all assets of the Society and who shall conduct the business of the Society on a day to day basis, subject to the direction and ratification by the members as determined at General Meetings of the Society. The public image of the Society shall be the responsibility of the Chairman. No member shall speak on behalf of the Society on any particular project or topic unless instructed or authorised by the Chairman.

Elections

23.The Executive Committee shall be elected annually at the Annual General Meeting and shall hold office for one (1) year subject as hereinafter provided.

Candidates for Election

24.Candidates for election as officers of the Executive Committee must be nominated in writing by 2 ordinary members, such nominations to be delivered to the Secretary not later than 24 hours in advance of the Annual General Meeting.

Ballots

25.Where the number of candidates for the Executive Committee exceeds the number of positions to be filled a single ballot shall be held, with the highest polling candidates filling the available positions. In all ballots under this Rule full members present at the meeting who are entitled to vote under Rule 34 shall be entitled to vote. In the event of an equality of votes in any ballot, the situation shall be resolved as the Chairman of the Annual General Meeting determines.

Commencement of Office

26.The elected members of the Executive Committee shall enter upon their respective offices at the termination of the meeting at which they are elected and each shall hold office (unless previously expelled therefrom by a majority of votes of those members entitled to vote at a Special General Meeting called for the purpose) until the termination of the next Annual General Meeting.

Auditor

27.Unless the members present at the Annual General Meeting of the Society resolve unanimously not to appoint an auditor for the ensuing year, an auditor, who shall be a chartered accountant, shall be elected annually at the Annual General Meeting.

Secretary, Treasurer or Secretary/Treasurer

28.The Executive Committee shall appoint a Secretary and a Treasurer or one person to fill the roles of both Secretary and Treasurer on such terms and conditions as the Executive Committee shall determine.

Secretary

29. The Secretary shall convene all General Meetings of the Society, conduct the correspondence and have custody of the seal and documents belonging to the Society (subject to the rights of creditors). The Secretary shall be responsible for maintaining a list of members of the Society and keeping minutes of all meetings, and shall notify members of meetings in the manner prescribed. The Secretary shall furnish the Treasurer with the names and addresses of all newly elected members. Subject to the approval of the Executive Committee the Secretary may delegate specific tasks and functions to other staff employed by the Executive Committee on behalf of the Society. The Secretary shall have speaking and voting rights at all General Meetings of the Society and at all Executive Committee meetings.

Treasurer

30. The Treasurer shall, as required by the Executive Committee, collect and disburse all funds of the Society and shall keep regular accounts in books belonging to the Society, which accounts shall be audited annually. The Treasurer shall report in writing at the Annual and Quarterly meetings of the Society the balance of money on hand and any existing appropriations which may affect the same. The Treasurer shall perform such other duties as may from time to time be assigned by the Executive Committee. Subject to the approval of the Executive Committee, the Treasurer may delegate specific tasks and functions to other staff employed by the Executive Committee on behalf of the Society. The Treasurer shall have speaking and voting rights at all General Meetings of the Society and at all Executive Committee meetings.

Annual General Meeting

31. The financial year of the Society shall end on the 30th day of June in each year and the Society shall hold its Annual General Meeting not later than the month of September following. The date for holding the Annual General Meeting and all General Meetings shall be fixed by the Executive Committee and at least 14 days' written notice thereof shall be given to all members pursuant to Rule 37.

Special General Meetings

32. Special General Meetings shall be held whenever the Executive Committee considers it necessary or within 21 days after receipt by the Secretary of a requisition for such a meeting pursuant to Rule 19, or otherwise by a requisition signed by not less than 20 per centum of full members of the Society who are entitled to vote at a General Meeting. The requisition calling for a Special General Meeting shall state the business those requisitions for the meeting require to be considered at such meeting. The notice of the meeting shall state the business to be considered at the meeting and no other business shall be considered at such meeting. Not less than 14 days' written notice of each Special General Meeting shall be given to each member of the Society pursuant to Rule 37. Such notice shall include notice of the business to be considered at the meeting.

Quorum

33. At all meetings of the Society ten (10) full members present shall form a quorum.

Chair

34. At all General Meetings, the Chairman of the Executive Committee shall preside but should the Chairman be absent the chair shall be taken by a full member elected for that purpose by the members present and entitled to vote. The person chairing any meeting shall have a casting vote in addition to any deliberative vote such person may have.

Voting

35. Only full members or their representative if a corporate member who are present in person and whose subscription and levy or levies is or are not overdue shall be entitled to vote at any General Meeting. Any nominated representative attending any general meeting to exercise the vote of a full member shall record his or her attendance as the voting person with the Secretary at the commencement of the meeting. Voting shall be by a show of hands or by ballot on demand of any full member present at such meeting and eligible to vote thereat.

Reporting

36. At each General Meeting of the Society, the Executive Committee, and any special ad hoc committee that may have been established by the Executive Committee or by the Society at a General Meeting, shall present a report on its activities for discussion and approval by the meeting.

Casual Vacancies

37. Any casual vacancy occurring in the membership of the Executive Committee shall be filled at a General Meeting of the Society of which notice of the intention to fill such vacancy has been given in accordance with these Rules and the foregoing Rules shall apply as if such General Meeting was in fact an Annual General Meeting. A casual vacancy shall occur if any member of the Executive Committee dies or resigns by notice in writing to the Secretary or is expelled from office by the votes of members at a Special General Meeting or ceases to be the nominated representative of a corporate Member as the case may be.

Notices

38. Notices required by these Rules to be given shall be deemed to have been properly given to members two (2) days after the date of sending if sent through the ordinary course of post addressed to members entitled to receive same, at the address last advised to the Secretary by such member as that member's address for notices. If a member has provided the Secretary with a fax or e-mail address any such notice may be sent by fax or e-mail and in either such case shall be deemed to have been received on the day of dispatch. Members shall advise the Secretary, in writing, of any change in any of the member's addresses provided to the Secretary for the purpose of giving notices under these Rules.

Custody and Use of Seal

39. The Seal of the Society shall be kept in the custody of the Secretary and shall not be affixed to any instrument except by the authority of a resolution of the Executive Committee and in the presence of two of the officers or any two members of the Society who shall attest the affixing of the Seal.

No Pecuniary Gain to Members

40.No member shall be deemed to have derived any pecuniary gain from the property or operations of the Society merely by reason of any of the circumstances referred to in Section 5 of the Incorporated Societies Act 1908.

Alteration to Rules

41.These Rules shall not be altered or repealed nor shall any new Rule be added without resolution to that effect passed by a majority of the members present and voting at a General Meeting of the Society called for such purpose and including notice of such proposed alteration, repeal or addition. No alteration, repeal or addition to the Rules shall be valid until accepted by the Registrar of Incorporated Societies.

Disposition of Funds

42.The income and property of the Society from whatever source derived shall be applied solely towards the promotion of the objects of the Society and no portion of the funds shall be paid or transferred directly or indirectly by way of dividends, bonus or otherwise to members of the Society (except in the circumstances set out in Section 5 of the Incorporated Societies Act 1908).

Dissolution

43.The members present at a Special General Meeting convened for the purpose, provided that all liabilities of the Society have been discharged, may resolve to wind up the Society as from a date to be named in such resolution and may direct a method of disposition of funds and property of the Society after the dissolution thereof. Notice of such resolution shall be sent to the Registrar of Incorporated Societies.

These are the Rules approved by the Association.

Chairman