

The Stoddart Cottage Trust

Rules

1 Name

The name of the Trust will be '**The Stoddart Cottage Trust**' In this deed called 'the Trust'

2 Purpose

The purpose of the Trust will be to administer, maintain and develop the property known as Stoddart Cottage and the surrounding garden, and to provide other support and assistance consistent with this charitable purpose

3 Activities Limited to New Zealand

The activities of the Trust will be limited to New Zealand

4 Location and Ownership

- 4 1 The property is situated at Diamond Harbour between Purau Avenue and the Sports Ground The property boundary is marked by fencing
- 4 2 The property is, and shall remain, in the ownership of the Banks Peninsula District Council (or its successor) until altered by a Council decision

5 Office

The office of the Trust will be in such place in New Zealand as the Board of Trustees may from time to time determine

6 The Board of Trustees

- 6 1 The name of the Board will be '**The Stoddart Cottage Trust**'
- 6 2 The Board will comprise of no less the 5 (five) and no more than 10 (ten) Trustees, one of whom shall be nominated by the Banks Peninsula District Council (or its successor) for as long as the Council retains ownership of the cottage, and one of whom shall be nominated by the Diamond Harbour Community Association Inc (or its successor)
- 6 3 The signatories to this Deed will be the first Board The Trustees will elect from among themselves a Chairperson A Secretary and Treasurer will also be appointed from among them selves or from non-Trust members Such appointments of these Office Bearers will be made at the First meeting of the Board following the execution of this Deed and whenever a vacancy occurs The positions of Secretary and Treasurer may be combined
- 6 4 A person will immediately cease to be a Trustee when he or she resigns in writing, dies, is declared bankrupt, or is found to be a mentally disordered person within the meaning of the Mental Health (Compulsory Assessment and Treatment) Act 1992 or subsequent enactment
- 6 5 The Board will have the power to fill any vacancy that arises in the Board or of Office Bearers positions, or to appoint any additional trustees subject to clause 6 2
- 6 6 The Board may continue to act notwithstanding any vacancy, but if their number is reduced below minimum number of trustees as stated in clause 6 2 in this Deed, the continuing trustees may act for the purpose of increasing the number of trustees to that minimum but for no other purpose

7 Expulsion of Trustees

- 7 1 Any person or Organisation may make a complaint to the Board that the conduct of a member of the Board is, or has been, injurious to the character of the Trust Every such complaint will be in writing and addressed to the Secretary

- 7 2 If the Board, by a majority vote, considers that there is sufficient substance in the complaint, it may invite the member to offer an explanation of his or her conduct
- 7 3 If the Board decides to proceed it will give the member at least fourteen (14) days written notice of a meeting The notice will -
 - 7 3 1 Inform the member that the Board is not satisfied with the members explanation, consequently the Board may expel the member from the Trust Board
 - 7 3 2 Advise the member that he or she may invite a friend or family member to accompany the member to such a meeting
- 7 4 If in the meeting the Board decides to expel the member from the Trust Board the member will cease to be a Trustee immediately
- 7 5 A member expelled by the Trust may within fourteen (14) days give written notice of appeal to the Secretary. The Secretary will then call a Special Meeting of the Board to take place within twenty eight (28) days of receipt of the notice of appeal, to reconsider its decision. If that meeting passes a resolution to rescind the expulsion the member will be reinstated immediately

8 Meetings of the Board

- 8 1 The procedure for Board meetings will be as follows
 - 8 1 1 A quorum will be at least half of its members
 - 8 1 2 If a Trustee, including an office-bearer, does not attend three (3) consecutive meetings of the Board without leave of absence that member may, at the discretion and on decision of the Board, be removed as a Trustee, and/or any office of the Trust which she or he holds
 - 8 1 3 All questions will if possible be decided by consensus In the event that a consensus cannot be reached then a decision will be made by a majority vote by show of hands, unless otherwise determined by the Board
 - 8 1 4 If the voting is tied, the Chairperson may exercise a second and casting vote
 - 8 1 5 Each meeting will be chaired by the Chairperson of the Trust In the absence of the Chairperson, the Board will elect a person to chair the meeting from among the Trustees present
- 8 2 The Board will meet at least four (4) times every year The Secretary will ensure that all members of the Board are notified of the meeting, either verbally or in writing
- 8 3 The Secretary will ensure that a minute book is maintained which is available to any member of the Trust and which, for each meeting of the Board, records
 - 8 3 1 the names of those present,
 - 8 3 2 all decisions which are required by this Deed or by law to be made by the Board of Trustees, and
 - 8 3 3 the financial position of the Trust at the time of the meeting
 - 8 3 4 any other matters discussed at the meeting

9 Powers

In addition to the powers provided by the general law of New Zealand or contained in the Trustee Act 1956, the powers which the Board may exercise in order to carry out its charitable purposes are as follows

- 9 1 to use the funds of the Trust as the Board thinks necessary or expedient in payment of the costs and expenses of the Trust, including the employment and dismissal of professional advisors, agents, officers and staff, according to principles of good employment and the Employment Contracts Act 1991 or any subsequent enactment,
- 9 2 to purchase, hire or otherwise acquire any real or personal property and any rights or privileges which the Board thinks necessary or expedient in order to attain the purpose of the Trust and to sell, exchange or lease, or in any other manner, dispose of any property, rights or privileges to the benefit of the purpose of the Board
- 9 3 Subject to the approval of the Banks Peninsula District Council (or its successor), the Trust may lease all or part of the cottage Any rewards arising from such an arrangement must be used in the

charitable purpose of the Trust

- 9 4 to carry on any business,
- 9 5 to invest surplus funds in any way permitted by law for the investment of Charitable Trust funds and upon such terms as the Board thinks fit,
- 9 6 to borrow or raise money from time to time with or without security and upon such terms as to priority or otherwise as the Board thinks fit
- 9 7 to do all things as may from time to time be necessary or desirable to enable the Board to give effect to and attain the charitable purposes of the Trust
- 9 8 the Board will have the right to establish a subscribing membership of the Trust

10 Income, Benefit or Advantage to be Applied to Charitable Purposes

- 10 1 Any income, benefit or advantage will be applied to the charitable purpose of the Trust
- 10 2 No Trustee or member of the Trust, or any person associated with a Trustee or member shall participate in or materially influence any decision made by the Trustees in respect of any payment to or on behalf of that Trustees or member or associated person of an income, benefit or advantage whatsoever. Any such income paid shall be reasonable and relative to that which would be paid in a normal transaction (being open market value)
- 10 3 The provision and effect of this clause shall not be removed from this Deed and shall be implied into any document replacing this Deed of Trust

11 Power to Delegate

- 11 1 The Board may from time to time appoint any committee and may delegate any of its powers and duties to any such committee or to any person The committee or person may without confirmation by the Board exercise or perform the delegated powers or duties in the same way and with the same effect as the Board could itself have done
- 11 2 Any committee or person to whom the Board has delegated powers or duties will be bound by the charitable terms of the Trust and any terms or conditions of the delegation set by the Board
- 11 3 The Board will be able to revoke such delegation at will, and no such delegation will prevent the exercise of any power or the performance of any duty by the Board
- 11 4 It will not be necessary for any person who is appointed to be a member of any such committee, or to whom such delegation is made, to be a Trustee

12 Financial Arrangements

- 12 1 The financial year of the Trust will be from 1 April to 31 March in the following year
- 12 2 At the first meeting of the Board in each financial year, the Board will decide by resolution the following
 - 12 2 1 how money will be received by the Trust,
 - 12 2 2 who will be entitled to produce receipts,
 - 12 2 3 what bank accounts will operate for the ensuing year, including the purposes of and access to accounts,
 - 12 2 4 who will be allowed to authorise the production of cheques and the names of cheque signatories,
 - 12 2 5 the policy concerning the investment of money by the Trust, including what type of investment will be permitted
- 12 3 The Treasurer will ensure that true and far accounts are kept of all money received and expended by tie Trust including what type of investment will be permitted
- 12 4 The Board will, as soon as practicable after the end of the financial year of the Trust, arrange for the accounts of the Trust for that financial year to be included as part of the review needed to comply with the statutory requirements for charitable organisations. This will be provided to the Charities Commission and the review will be made available to the public.

13 Common Seal

- 13 1 The Common Seal of the Trust will be kept in the custody and control of the Secretary, or such other officer appointed by the Board
- 13 2 When required, the Common Seal will be affixed to any document following a resolution of the Board and will be signed by the Chairperson and one other person appointed by the Board

14. Alteration of Rules

- 14 1 The Trustees may, by consensus or pursuant to a motion decided by a two-thirds (2/3rd) majority of votes, by supplemental Deed make alterations or additions to the terms and provisions of this Deed provided that no such alteration or addition will
- 14 1 1 detract from the exclusively charitable nature of the Trust or result in the distribution of its assets on winding up or dissolution for any purpose that is not exclusively charitable, or
- 14 1 2 be made to the Purpose Clause (2), the Activities Limited to New Zealand Clause (3), the Pecuniary Interests Clause (10) or the Disposition of Surplus Assets Clause (16) unless it is first approved in writing by the Department of Inland Revenue

15 Mediation & Arbitration

- 15 1 Any dispute arising out of or relating to this deed may be referred to mediation, a non-binding dispute resolution process in which an independent mediator facilitates negotiation between parties. Mediation may be initiated by either party writing to the other party and identifying the dispute which is being suggested for mediation. The other party will either agree to proceed with mediation or agree to attend a preliminary meeting with the mediator to discuss whether mediation would be helpful in the circumstances. The parties will agree on a suitable person to act as mediator or will ask the Arbitrators' and Mediators' Institute of New Zealand Inc to appoint a mediator. The mediation will be in accordance with the Mediation Protocol of the Arbitrators' and Mediators' Institute of New Zealand Inc.
- 15 2 The mediation shall be terminated by-
- 15 2 1 The signing of a settlement agreement by the parties, or
- 15 2 2 Notice to the parties by the mediator, after consultation with the parties, to the effect that further efforts at mediation are no longer justified, or
- 15 2 3 Notice by one or more of the parties to the mediation to the effect that further efforts at mediation are no longer justified, or
- 15 2 4 The expiry of sixty (60) working days from the mediator's appointment, unless the parties expressly consent to an extension of this period
- 15 3 If the mediation should be terminated as provided in (b), (c) or (d), any dispute or difference arising out of or in connection with this deed, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in New Zealand in accordance with New Zealand law and the current Arbitration Protocol of the Arbitrators' and Mediators' Institute of New Zealand Inc. The arbitration shall be by one arbitrator to be agreed upon by the parties and if they should fail to agree within twenty one (21) days, then to be appointed by the President of the Arbitrators' and Mediators' Institute of New Zealand Inc.

16 Disposition of Surplus Assets

- 16 1 The Board may be wound up if at a general meeting of Board members, it passes a resolution to wind up the trust and that resolution is confirmed at a subsequent general meeting of members (if such membership exists) called for that purpose and held not less than twenty eight (28) days and not more than forty two (42) days after the Board's resolution
- 16 2 On the winding up of the Trust or on its dissolution by the Registrar, all surplus assets after the payment of costs, debts and liabilities will be disposed of for charitable purposes, within New Zealand as the members of the Trust will decide at the meeting of the Trust as required by clause 16 1. If the Trust is unable to make such a decision, the remaining assets will be disposed of in accordance with the directions of the High Court pursuant to section 27 of the Charitable Trusts Act 1957 or subsequent enactment