

VETERINARY PROFESSIONAL INSURANCE SOCIETY INCORPORATED

MOTION TO AMEND CONSTITUTION

BACKGROUND

- A Veterinary Professional Insurance Society Incorporated's (**VPIS**) Board has recently conducted a review of VPIS' membership and governance requirements in anticipation of the Incorporated Societies Bill (**Bill**) being enacted and in light of the Reserve Bank of New Zealand's Governance Guidelines for Licensed Insurers (**Guidelines**) and current tax rules.
- B This review has identified a need to make amendments to VPIS' Constitution (**Constitution**) to comply with provisions of the Bill that are expected to be enacted and the Guidelines. The Board also considers it is necessary to amend VPIS' purposes to more closely align with the income tax exemption it operates under.
- C The primary amendments proposed to be made to the Constitution are as follows:
- 1 Adjusting VPIS' purposes to more closely align with the relevant income tax exemption.
 - 2 Introducing a maximum of 7 Board Members (elected, appointed, or co-opted).
 - 3 Introducing a mandatory requirement that a majority of Board Members be:
 - a VPIS Members or Principals; and
 - b independent.
 - 4 Introducing an express requirement that Board Members be natural persons.
 - 5 Introducing a maximum number of 9 years that a Board Member may serve as a Board Member within any 15 year period – although current serving Board Members may continue and complete their terms.
 - 6 Minor consequential amendments to ensure Board composition is flexible while maintaining compliance with relevant legislation and guidance.
- D An explanatory note and a copy of the Constitution with the amendments proposed in this motion have been circulated to Members alongside this motion.

MOVED that from 1 October 2022 the Constitution be amended as follows:

1. Amend the reference to "*section 24(4)*" in the definition of "*Not-for-profit Entity*" in rule 2.1 to "*section 5(3)*".
2. Amend the reference to "*section 36*" in the definition of "*Officer*" in rule 2.1 to "*section 5*".
3. Remove the word "*draft*" from rule 2.2.4.

4. Delete rule 4.1 and replace it with the following:

4.1 *The primary purpose of the Society is to support and assist Members in providing efficient Veterinary Services in New Zealand. This support and assistance will include:*

4.1.1 *the establishment of insurance schemes or arrangements that facilitate or are incidental to the provision of Veterinary Services by Members to the New Zealand public;*

4.1.2 *support for Members in relation to professional conduct or service matters;*

4.1.3 *organising, operating, and promoting Veterinary Services education, training, and advice programmes for the benefit of Members and other classes of persons the Board deems appropriate;*

4.1.4 *the establishment and maintenance of a fund or funds for the purpose of making payments to any person who is not a Member and who may have suffered loss because of any action or default of a Member in the provision of Veterinary Services.*

5. Replace the word “*monites*” with “*monies*” in rule 10.4.

6. Insert “*or any other monies*” after the words “*any fees*” in rules 11.2.2, 11.4 and 16.4.

7. Insert “*or any other monies*” after the word “*fees*” in rules 11.3.1, 11.3.2, 16.3.1 and 16.3.2.

8. Add the words “*up to 7 Board Members, comprising*” at the end of the preamble in rule 12.1.

9. Remove the words “*up to 6*” in rule 12.1.1.

10. Remove the words “*for the time being*” from rule 12.1.2.

11. Replace the word “*Member*” with “*Members*” in rule 12.1.3.

12. Delete rules 12.1.4 and 12.1.5.

13. Insert a new rule 12.2 that reads:

12.2 *The majority of Board Members, however elected, appointed, or co-opted shall be:*

12.2.1 *Veterinarians;*

12.2.2 *Members or Principals;*

12.2.3 *independent.*

and amend the numbering of subsequent rules accordingly.

14. Insert the words “*be a natural person and*” between “*must*” and “*meet*” in rule 12.3.
15. Replace the word “*shall*” in the preamble of rule 13.1 with “*may*”.
16. Replace the entirety of rule 13.3 with the following:

*Board Members elected in accordance with rule **Error! Reference source not found.** or appointed in accordance with rule **Error! Reference source not found.** are elected or appointed for a term of 3 years. Board Members must retire at the end of their term but may be re-elected or re-appointed.*

17. Insert a new rule 13.4 that reads:

A Board Member cannot serve more than a total of 9 years within any 15 year period as a Board Member whether they are elected, appointed, or co-opted. Any currently serving Board Member at the time this Rule is adopted may continue and complete their current term notwithstanding if they have served for longer than the stated period.

and amend the numbering of subsequent rules accordingly.

18. Replace the word “*Any*” with “*A*” and the word “*shall*” with “*may*” in rule 13.7.
19. Insert the following sentence at the end of rule 13.9:

A co-opted Board Member may be co-opted for subsequent terms, subject to rule 13.4.

20. Replace the figure “*4*” with “*a 2/3 (two-thirds) majority of the*” in rule 15.5.
21. Amend the reference to “*section 39*” in rule 16.1.5 to “*section 42*”.
22. Amend the reference to “*section 22(3)*” in rule 18.2 to “*section 24*”.
23. Amend the reference to “*rule 13.1.4*” in rule 25.2.3 to “*rule 13.1.3*”.
24. Amend the reference to “*section 58(1)*” in rule 24.4 to “*section 59(3)*”.
25. Amend the reference to “*section 56*” in rule 32.1.1 to “*section 57*”.
26. Replace the figure “*1993*” with “*2020*” in rule 30.2.5.

DATED

2022



Gavin Shepherd
Chairperson



Mark Gilmour
Secretary