
NZAMRC Trust

DRAFT

This deed is prepared pursuant to the Trusts Act 2019 and its amendments.

TABLE OF CONTENTS

Clause No:	Page No:
1 INTERPRETATION	1
1.1 Defined terms.....	1
2 CREATION OF THE TRUST	2
2.1 Declaration of trust.....	2
2.2 Name of trusts.....	2
3 PURPOSES.....	2
4 DUTIES OF TRUSTEES.....	2
6 RESTRICTIONS ON PRIVATE PERSONAL PROFIT.....	2
7 TRUSTEES' POWERS	3
7.1 General power	3
7.2 Specific powers.....	3
8 LIABILITY OF TRUSTEES	3
9 INDEMNITY.....	3
10 WINDING UP.....	3
11 RULES	4
12 ALTERATIONS TO DEED	4
FIRST SCHEDULE: TRUSTEES' SPECIFIC DUTIES	5
SECOND SCHEDULE: RULES GOVERNING THE APPOINTMENT, RETIREMENT AND PROCEEDINGS OF THE TRUSTEES.....	6
THIRD SCHEDULE: RULES GOVERNING THE PROCEEDINGS OF THE ELECTORAL COLLEGE	10

Date: 2022

PARTIES

[Initial trustees' names to be inserted here]

(each a *Trustee*, and together, the *Trustees*)

BACKGROUND

On signing this deed the Trustees declare a trust on and subject to the terms of this deed in respect of \$100 held by them upon the trusts and with the powers set out in this deed.

NOW THIS DEED RECORDS:

1 INTERPRETATION

1.1 Defined terms

In this deed, unless the context requires otherwise:

Club means any group of railway modellers that meets to further their interest in and enjoyment of model railways, whether incorporated or not;

Convention has a similar meaning to national convention but with narrower or more specialised appeal as regards scale, prototype or geographic location;

Electoral College has the meaning given to that term in *rule 1* of the *Third Schedule*;

National Convention means a model railway convention offering:

- a. A widely varied programme of activities designed to appeal to modellers country wide having interests in any prototype and any scale from 1:160 to 1:22 of full size; and
- b. A balance between activities such as displays, clinics, workshops, competitions, layout and other tours, meetings, trade stands and other attractions with wide appeal and those with minority or specialised appeal.

NZAMRC means the NZAMRC Trust being an organisation to encourage railway modelling within New Zealand;

Trustees means the persons appointed as Trustees under *Part I, Subpart A* of the *Second Schedule*, being the signatories to this deed and any replacement persons appointed under *rule 4* of the *Third Schedule*;

Purposes means the purposes of the Trust set out in *clause 3*;

Register of Clubs means the register kept by the Trustees of the names and contact persons at clubs that have expressed an interest in being included in that register.

Trust means the trust created by this deed;

Trust Deed when appearing in the rules set out in the *Second Schedule* or the *Third Schedule*, means this deed;

Trust Fund means the sum of \$100 referred to in Background of this deed and includes any money, investments or other property acquired or agreed to be acquired by the Trustees after this deed has been signed with the intention that it be held by the Trustees for those Purposes set out in this deed;

2 **CREATION OF THE TRUST**

2.1 **Declaration of trust**

The Trustees declare that they hold the Trust Fund upon the trusts and with the powers set out in this deed.

2.2 **Name of trust**

The trust created by this deed is to be known as the "NZAMRC Trust" or by such other name as the Trustees may determine by resolution from time to time.

3 **PURPOSES**

The Trust is established to encourage and support a national model railway convention to be held at least every two years.

It is further established to provide those on the Register of Clubs with financial and other support for activities that foster and encourage railway modelling.

4 **DUTIES OF TRUSTEES**

The Trustees must act in good faith and in what they believe to be the best interests of the Purposes. The Undertakings required of the Trustees are as set out in the *First Schedule*.

The Trustees, when exercising powers or performing duties as Trustees, must exercise the care, diligence and skill that a reasonable person would exercise in the same circumstances.

6 **RESTRICTIONS ON PRIVATE PERSONAL PROFIT**

No Trustee or other person acting on behalf of the Trust may profit personally from holding that position. To avoid any doubt, this shall not prevent any such person from receiving reimbursement of any expenses they may incur on behalf of the Trust;

7 **TRUSTEES' POWERS**

7.1 **General power**

Subject to clause 3 Purposes, the Trustees shall have the fullest possible powers in relation to uses of the Trust Fund, and may do anything they think necessary, expedient or desirable to further those purposes.

7.2 **Specific powers**

So far as it is consistent with *clause 7.1*, or to any of the Trustees' express or implied powers, the Trustees may exercise the following powers either alone or with any other person(s).

- To raise funds – To raise money for any of the Purposes by all lawful means, including fundraising campaigns.
- To invest - to invest the Trust Fund and the income from it in a registered bank or registered building society.
- To borrow - to borrow any money upon whatever terms and conditions the Trustees may think fit
- Bank accounts - to open a bank account or accounts in the name of the Trust and authorise the following persons to operate any such accounts:
 - the Trustees; and
 - any delegate(s) named in writing by all the Trustees.

8 **LIABILITY OF TRUSTEES**

The personal liability of any Trustee or other person acting on behalf of the Trust is limited to any loss attributable to that person's dishonesty or wilful breach of any duty or responsibility conferred by this deed.

9 **INDEMNITY**

A Trustee or any other person acting on behalf of the Trust is indemnified by the Trust against any liability except for any liability they may have under clause 8.

10 **WINDING UP**

- 10.1 The Trustees may resolve to wind up the Trust if in their opinion, it becomes impossible, impracticable or inexpedient to carry out the Purposes set out in *clause 3*.
- 10.2 On the winding up or dissolution of the Trust, the Trustees must give or transfer all surplus assets after the payment of costs, debts and liabilities:
- (a) to some other organisation or body within New Zealand having similar objects to the Trust; or

- (b) for some other purpose or purposes within New Zealand, as resolved by the Trustees.

10.3 If the Trustees are unable to decide on the recipient or recipients of the surplus assets of the Trust, then all surplus assets after payment of costs, debts and liabilities shall be disposed of in accordance with the directions of the High Court pursuant to the Trusts Act 2019.

11 **RULES**

- 11.1 The rules (with any valid alterations) set out in the *Second Schedule* shall govern the appointment, retirement and proceedings of the Trustees, subject to the provisions of this deed.
- 11.2 The rules (with any valid alterations) set out in the *Third Schedule* shall govern the composition and functions of the Electoral College.

12 **ALTERATIONS TO DEED**

- 12.1 Subject to *clause 12.4*, this deed may be altered only by a resolution of the Trustees present at a duly convened and conducted meeting of the Trustees.
- 12.2 Subject to *clause 12.4*, the secretary of the Trust (or if no person is holding the position of secretary, the chairperson) shall give each Trustee written notice of any proposed resolution for the alteration of this deed at least 14 days before the date of the meeting at which it is to be considered.
- 12.3 Before resolving to make any alteration to this deed, the Trustees must be satisfied that the proposed alteration does not prejudice the nature of the Trust, and in particular the intent of the Trust to achieve its Purposes.
- 12.4 The *Third Schedule* may only be altered in accordance with the rules set out in that Schedule.

FIRST SCHEDULE: TRUSTEES' SPECIFIC DUTIES

1. UNDERTAKINGS

In order to achieve the Trust's Purposes, the Trustees shall:

- 1.1. Ensure that its funds are invested wisely to the benefit of the model railway hobby without being overly cautious, but being mindful that to achieve its long term aims it must maintain adequate financial reserves.
- 1.2. Strenuously promote to model railway clubs around New Zealand the advantages to them and the hobby of hosting a national convention.
- 1.3. Ensure as far as practicable that each convention is held in a different part of the country than the one before.
- 1.4. Make every effort to ensure the timely planning and staging of a national convention every two years by working with and resourcing clubs to take on these roles, either singly or jointly.
- 1.5. Encourage convention committees to keep their programmes under review, endeavouring to retain those traditional activities that still have wide appeal while also responding to changes evolving within the hobby.
- 1.6. Require outgoing convention committees to provide a final report outlining what they considered to be their successes along with any disappointments, and providing recommendations to future committees.
- 1.7. In addition to national conventions, foster advancement and enjoyment of the model railway hobby by supporting other model railway conventions, conferences, training or other activities as members of the Electoral College may propose from time to time.

2. TRUSTEE'S PRINCIPAL DUTIES

In order to achieve its Purposes and carry out its Undertakings, the Trustees shall:

- 2.1. Write, email and in other ways, including by personal contact, maintain regular communication with the clubs on the Trust's Register of Clubs, in particular with regard to hosting national conventions.
- 2.2. Enter into contracts with committees formed from time to time to host conventions or organise other events consistent with any applicable Trust policy or policies.
- 2.3. Ensure that such contracts include the amount and timing of any monetary advances involved and conditions with regard to financial management and regular progress reporting.
- 2.4. Keep such contracts under review and if necessary take whatever corrective action seems appropriate.
- 2.5. Within set monetary limits, delegate to one or more board members the power to approve grants or advances consistent with 1.1 ABOVE.

SECOND SCHEDULE: RULES GOVERNING THE APPOINTMENT, RETIREMENT AND PROCEEDINGS OF THE TRUSTEES

PART I: APPOINTMENT AND RETIREMENT

Subpart A: Initial Trustees

1 The Initial Trustees

The initial Trustees as at the date of this deed shall be

[Trustees' names to be provided]

2 Term of Office of Trustee

2.1 Subject to rule 6, each Trustee shall hold office for four years.

2.2 Each Trustee shall be eligible for re-appointment by the Electoral College.

Subpart B: Electoral College Appointment

3 Appointment of Trustees by Electoral College

3.1 Subject to *rule 3.3*, the Electoral College shall appoint Trustees, in accordance with the procedures set out in the *Third Schedule*.

3.2 When the office of any Trustee becomes vacant under *rule 6*, then subject to *rule 3.3*, the vacancy so created shall as soon as practicable be filled by the Electoral College in accordance with the procedures set out in the *Third Schedule*. Where a person is appointed to replace a Trustee who has not completed a four year term, that person shall hold office for the remainder of their predecessor's term.

3.3 The Electoral College shall not be bound to appoint a Trustee if the number of incumbent trustees will be more than or equal to the minimum number of trustees provided for in *rule 4*.

4 Number of Trustees

The number of Trustees appointed by the Electoral College shall not be more than 5, nor less than 3.

5 Appointment of Chairperson by Trustees

The Trustees shall appoint one of their number to be chairperson and another of their number to be deputy chairperson of the Trustees and shall determine their respective terms of office as chairperson and deputy chairperson.

Subpart C: Provisions applying to all Trustees

6 Termination of office

A Trustee shall cease to hold office if he or she:

6.1 retires from office by giving written notice to the Trustees;

6.2 completes his or her term of office and, where eligible, is not reappointed;

6.3 refuses to act;

- 6.4 is absent without leave from 3 consecutive ordinary meetings of the Trustees;
- 6.5 becomes physically or mentally incapacitated to the extent that in the opinion of the other Trustees, expressed in a resolution, he or she is unable to perform the duties of a Trustee properly;
- 6.6 in the opinion of the other Trustees is for any other reason unfit to carry out the duties of a Trustee; or
- 6.7 is removed by the Electoral College pursuant to clause 4.6 of the Third Schedule.

7 **Record of changes of Trustees**

Each appointment, retirement, re-appointment or termination of a Trustee shall be recorded in the Trust minute book.

8 **Validity of Proceedings**

Should it be found that a Trustee was not entitled to be in that position anything that Trustee has done prior to that finding shall still be valid.

Should the number of Trustees fall below the minimum required, the remaining Trustees may continue to act until the vacancies have been filled.

9 **Appointment of secretary and others**

The Trustees may appoint a secretary and any other officers, employees or consultants as required on such terms and conditions as they think fit. Such persons may attend and participate in any Trust meetings but only Trustees may approve any resolutions.

10 **Committees**

The Trustees may appoint sub-committees as they may from time to time think expedient for carrying out the Purposes. Any such committee may co-opt any other person to be a member of that committee. Subject to these rules and to any directions that the Trustees might give, each committee may regulate its own procedure.

PART II: ADMINISTRATION PROVISIONS

11 **Quorum**

A majority of Trustees shall constitute a quorum at meetings of the Trustees.

12 **Ordinary meetings**

The Trustees shall meet as often as they consider desirable for the efficient and proper conduct of the affairs of the Trust, but in any event at least twice in each Calendar Year. Meetings may be held in person or via electronic means as determined by the Trustees.

13 **Special meetings**

A special meeting may be called at any time by 2 or more Trustees.

14 **Notice of meetings**

- 14.1 Subject to *clause 12.2* of the Trust Deed, written notice of every ordinary or special meeting, shall be either hand-delivered, posted or sent by email to each Trustee at least 7 days before the date of the meeting. No notice shall be required for adjourned meetings except to those Trustees who were not present when the meeting was adjourned.
- 14.2 Every notice of a meeting shall state the place, day and time of the meeting, and in the case of a notice of a special meeting, shall also state the subject-matter of the meeting.

15 **Interested Trustee may not take part in any resolutions**

A Trustee who has an interest in any item before a Trust meeting may take no part in any discussion of that item or the approving of any resolutions pertaining to it but may:

- 15.1 attend the meeting and be included among the Trustees present at the meeting for the purpose of a quorum;
- 15.2 sign a document relating to the transaction on behalf of the Trust; and
- 15.3 do anything else as a Trustee in relation to the transaction, as if he or she were not interested in the transaction.

16 **Chairperson**

The chairperson appointed under *Part I* of this *Second Schedule* shall take the chair at all meetings of the Trustees. If the chairperson cannot be present, or is not present within 10 minutes of the time appointed for any meeting, the deputy chairperson shall take the chair. If neither is present within 10 minutes, and there is a quorum, the Trustees present shall select a chairperson.

17 **Adjournment**

If a quorum is not present within 30 minutes of the time set for any meeting the meeting will be adjourned until the same time and place the following week. The chairperson may adjourn any meeting on the adoption of such a resolution.

18 **Resolutions**

In accordance with s38 of the Trusts Act 2019, the trustees must act unanimously. A resolution is validly made when a consensus has been reached between those Trustees present and entitled to take part. This clause also applies to any sub-committees provided for in clause 10.

- 18.1 The Trustees may vary or cancel any resolution at an ordinary or special meeting.

A resolution in writing with copies signed by all the Trustees or by all the members of a committee shall be as effective as if it had been resolved at a properly convened and conducted meeting.

19 **Minutes**

The Trustees shall keep a proper record in a minute book of all decisions taken and business transacted at every meeting of the Trustees.

- 19.1 Any minute of the proceedings at a meeting which is purported to be signed by the chairperson of that meeting or by the chairperson of the next succeeding meeting shall be evidence of those proceedings.
- 19.2 Where minutes of the proceedings at a meeting of the Trustees have been made in accordance with the provisions of this rule then, until the contrary is proved, the meeting shall be deemed to have been properly convened and its proceedings to have been properly conducted.

20 **Annual report and financial statements**

- 20.1 Within five calendar months after the end of each Income Year, the Trustees shall present a report dealing with the affairs of the Trust, supported by a statement of the Trust's income and expenditure during the previous Income Year and a statement of its assets and liabilities at the end of that Income Year.
- 20.2 The Trustees shall forward copies of the annual report and supporting financial statements to the Electoral College and any other relevant persons with an interest in the Trust as the Trustees consider appropriate.

21 **Audit**

If the Trustees at any time resolve to appoint an auditor then they will ensure that the financial statements of the Trust for each Income Year are audited by a "Qualified Auditor" as defined by s36 of the Financial Reporting Act. If the Trustees do not resolve to appoint an auditor, as a minimum they are required to submit the financial statements to a suitably experienced person for review.

THIRD SCHEDULE: RULES GOVERNING THE PROCEEDINGS OF THE ELECTORAL COLLEGE

1 Definition of Electoral College

The Electoral College shall comprise persons appointed by the clubs from time to time included on the Register of Clubs maintained by the Trustees.

2 Power to alter composition of Electoral College

2.1 The Electoral College shall meet every two years to review its performance, functions and criteria. At that meeting the Electoral College shall consider such matters as

- (a) the need for any variation in the composition of the Electoral College; and
- (b) the need for any changes to be made to the *Third Schedule* of this deed to enable the Electoral College to function more efficiently or effectively.

Any resolution under *rule 2.1* shall be reached by consensus of those present.

3 Procedures

3.1 Subject to *rule 3.2*, the Electoral College shall regulate their proceedings as they think fit, provided that:

- (a) any three members of the Electoral College may at any time summon a meeting of the Electoral College;
- (b) the members of the Electoral College shall elect a chairperson of their meetings and determine the term of his or her office; and
- (c) five members of the Electoral College for the time being shall constitute a quorum at meetings of the members of the Electoral College but if there are less than five members of the Electoral College then a majority of members shall constitute a quorum.

4 Functions and Powers of the Electoral College

The Electoral College shall have the following functions and powers:

- 4.1 as and when the Trustees die or cease to hold office in accordance with *rule 6* of the *Second Schedule*, the Electoral College shall fill the vacancy by appointing to that office a new person or persons.
- 4.2 in addition to its power to appoint any Trustees in the place of any Trustee who dies or ceases to hold office, the Electoral College shall have the statutory power of appointment of new Trustees;
- 4.3 where there is any vacancy in the number of Trustees, or where the Electoral College resolves to appoint an additional trustee in accordance with *rule 4.3*, the Electoral College shall seek nominations for trusteeship

in such manner as the Electoral College considers appropriate, including by advertisements in appropriate publications.

- 4.4 the Electoral College shall not appoint any person to be a Trustee unless it has received that person's written consent and their agreement to be bound by the provisions of the Trust Deed;
- 4.5 the Electoral College shall also have the power to remove any Trustee without having to give any reason. However, this power may not be exercised to remove any Trustee or Trustees, unless:
 - (a) it is exercised in conjunction with the appointment of a sufficient number of individuals (not exceeding the maximum number of Trustees specified in *rule 4* of the *Second Schedule*) to replace the Trustee or Trustees being removed; and
 - (b) the decision to remove the Trustee or Trustees is supported by all those who are both present at a properly convened meeting of the Electoral College.

5 **Criteria to be taken into account by Electoral College when appointing Trustees**

In making any appointments of Trustees under *rule 4*, the Electoral College shall ensure that the Trustees as a body have an appropriate range and balance of skills and experience, having regard to the following criteria (in order of importance):

- 5.1 an understanding of and commitment to the Trust's Purposes;
- 5.2 experience on one or more convention and/or club committees;
- 5.3 knowledge of and experience with model railways;
- 5.4 experience in governance and financial control.

6 **Alterations to Rules**

- 6.1 Subject to *rule 6.2*, the Rules in this *Third Schedule* may be altered by a resolution reached by a consensus of those members of the Electoral College present, provided that each member has been given written notice of the proposed alteration at least 14 days before the date of the meeting.
- 6.2 Written submissions from any Electoral College member not present shall be read to the meeting but need not be considered in reaching a consensus.
- 6.3 Any alteration to the Rules in this *Third Schedule* shall be effective only if the alteration does not conflict with the provisions of the Trust Deed and does not prejudice the Purposes of the Trust.

Executed as a deed this day of 2022

Signed by

in the presence of:

Name:

Occupation:

Address:

Signed by

in the presence of:

Name:

Occupation:

Address:

DRAFT