

Kiwifruit Vine Health Incorporated (KVHI)
Annual General Meeting Agenda
Thursday 21 August 2025 at 9.00am
Suite 1, Mercury Baypark, Truman Lane, Mt Maunganui



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Meeting ID: 499 756 462 016 3

Passcode: 9RA2VU2Z

1. Mihi whakatau – Tiaki Hunia.
2. Welcome, Apologies and Confirmation of Quorum (quorum of 20 members required, inclusive of body corporates) – Chair, Simon Cook.
3. Approval of the Minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 21 August 2024 and Matters Arising from those Minutes – Chair, Simon Cook.
4. Kiwifruit Vine Health Incorporated Chair & Chief Executive Reports - Chair, Simon Cook and Chief Executive, Leanne Stewart.
5. Kiwifruit Vine Health Incorporated’s 2024-25 Financial Reports – Chief Executive, Leanne Stewart.
6. Approval of the 2026-27 Biosecurity (Readiness and Response – Kiwifruit Levy) and the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy rates - Chief Executive, Leanne Stewart.
7. Kiwifruit Vine Health Incorporated’s Budget for 2026-27 - Chief Executive, Leanne Stewart.
8. Directors Remuneration - Chair, Simon Cook.
9. Appointment of the Auditor for Kiwifruit Vine Health Incorporated - Chair, Simon Cook.
10. Kiwifruit Vine Health Incorporated Constitution – Chief Executive, Leanne Stewart.
11. Grower Director Election - Chair, Simon Cook.
(An opportunity to hear from the director candidate will be provided)
12. General business
Business to be taken from people in attendance at the meeting provided that no motions are required to be passed. It is a requirement of the Rules that all Members must be given at least three business days’ written notice of the business to be conducted of any Society meeting. Two additional business days should be allowed to deliver that written notice to all Members.
13. Close of AGM.

Following the close of the meeting please join the KVH Board, and NZKGI Executive Committee & Forum for morning tea.

Explanation of Voting at AGM and of Grower Directors

The business to be conducted at the AGM is set out in the above agenda. Voting put to the AGM is by online and optional postal ballot and by voting at the AGM on the separate voting form. Unless otherwise specified voting papers submitted to KVH by post or by Members attending the AGM by the end of the AGM will be counted. The Boards will declare the result of the voting on resolutions put to the AGM following the AGM on the website and in the KVH Bulletin on 28 August 2025.



Explanation of Resolutions

Kiwifruit Vine Health Incorporated - 2025 Annual General Meeting

KVHI 2024 Annual General Meeting Minutes – Resolution 1 (Item 3 of Agenda)

Proposed resolution:

That the minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 21 August 2024 be approved as a true and accurate record.

Explanatory Information

The minutes for the last Annual General Meeting, held on 21 August 2024 have been distributed with the AGM pack. The Chair will invite members to discuss the content of the previous minutes and to ask any questions. The Chair will then put the above resolution to the meeting.

The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends that Members approve the minutes of the Annual General Meeting held on 21 August 2024.

KVHI Chair and Chief Executive Reports – Resolution 2 (Item 4 of Agenda)

Proposed resolution:

That the Chair and Chief Executive Reports for Kiwifruit Vine Health Incorporated be approved.

Explanatory Information

These reports have been distributed with the AGM pack. The Chair and Chief Executive will speak to their reports and invite members to discuss the content of the reports and ask any questions. The Chair will then put the above resolution to the meeting.

The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends that Members approve the Chair and Chief Executive Reports.

KVHI Financial Reports – Resolution 3 (Item 5 of Agenda)

Proposed resolution

That Kiwifruit Vine Health Incorporated's Financial Report for the twelve months ending 31 March 2025 be approved.

Explanatory Information

The full audited financial reports and statements for KVHI, including an unqualified audit report, have been distributed in the AGM pack. These accounts are presented in accordance with the Special Purpose Financial Reporting Framework for use by For Profit Entities as published by the New Zealand Institute of Chartered Accountants.

KVHI's Chief Executive will present the financial statements and invite members to question any aspect of the statements. The Chair will then put the above resolution to the meeting.

The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends the Members approve the Financial Statements of Kiwifruit Vine Health Incorporated for the twelve months ending 31 March 2025.

2026-27 Levy Rates – Resolution 4 (Item 6 of Agenda)

Proposed resolution:

1. That for the year ending 31 March 2027 the Biosecurity (Readiness & Response – Kiwifruit Levy) levy continues at the rate of eight tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except *Actinidia arguta*, exported to all markets other than Australia.
2. That for the year ending 31 March 2027 the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy continues at the rate of six tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except *Actinidia arguta*, exported to all markets other than Australia.

Explanatory Information

KVHI undertakes annual assessment and planning for biosecurity response liabilities, managing wider pathway risk and maintaining our ability to undertake effective wider biosecurity operations. Factors that are considered include growth in the value of the kiwifruit industry, seasonal performance, inflation, changes in operating expenses and GIA cost-share changes that increase our potential response liability obligations.

At the 2021 AGM the total levy was decreased from 1.6c to 1.4c per tray equivalent, which has been in effect since the 2022-23 financial year. The KVHI levies are proposed to remain set at their current level of eight tenths of a cent per tray equivalent for the Biosecurity (Readiness and Response – Kiwifruit Levy) and six tenths of a cent per tray equivalent for the Biosecurity (Kiwifruit National Pathway Management Plan - Kiwifruit Levy), for the reasons set out below.

The Biosecurity (Readiness and Response – Kiwifruit Levy) will remain at eight tenths of a cent per tray equivalent for the 2026-27 financial year. This will allow KVHI to continue to collect levy to meet our response liability obligations as a partner of the Government Industry Agreement for Biosecurity

Readiness and Response (GIA) and undertake effective wider biosecurity activities to support the kiwifruit industry to protect itself from biosecurity risks.

GIA is a partnership between government and industry for improving New Zealand's biosecurity. Under GIA, industry organisations (such as KVHI on behalf of the kiwifruit and kiwiberry sectors) and the Ministry for Primary Industries (MPI) signed a Deed that formally established the biosecurity partnership. The GIA Deed outlines the principles for the partnership and the commitments that each signatory makes including joint decision making and cost sharing for readiness and response. Under GIA, industries identify the biosecurity risks of greatest concern to them, and jointly by way of operational agreements, agree with government what readiness and response approaches are required.

KVHI signed the GIA Deed in May 2014, and has entered into below Operational Agreements ("OA"):

- i. In May 2016, the first multi-sector readiness and response OA under GIA was signed for the management of fruit fly in New Zealand, this was renewed in September 2022.*
- ii. In March 2017, KVHI signed a sector readiness and response OA, on behalf of the kiwifruit and kiwiberry sectors, to help manage the impacts of four kiwifruit sector specific threats - Ceratocystis fimbriata, Verticillium wilt, Psa non-NZ strains and Invasive Phytophthoras, this was renewed in March 2023.*
- iii. In July 2017, the second multi sector readiness and response OA for Brown Marmorated Stink Bug (BMSB) was signed, this was renewed in July 2023.*
- iv. In November 2021, a fourth multi sector readiness OA for the Plant Production Biosecurity Scheme was signed, this OA does not have response liabilities.*
- v. In February 2023, a fifth multi sector readiness OA was signed for Lepidoptera, this OA does not have response liabilities.*

KVHI provides for potential response liability obligations using a combination of reserves held by KVHI, and a right to call on Members by way of an increase to the Biosecurity levy, as provided for in the levy regulations. Currently the maximum levy cap that can be set under the Biosecurity (Readiness and Response – Kiwifruit Levy) levy is five cents per tray. If a response was to be prolonged with significant costs associated to ensure eradication, or a further response of another organism occurred, then KVHI could request an increase in the Biosecurity levy up to this cap. KVHI's potential response liability obligations for 2026-27 is \$6.2 million which means KVHI require reserves to meet 50% of this liability at \$3.1m.

The resolution requires 50% or more of the votes cast by members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends the Biosecurity (Readiness & Response – Kiwifruit Levy) levy continues at eight tenths of a cent and the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy continues at six tenths of a cent per tray equivalent for the 2026-27 financial year.

2026–27 KVHI Budget - Resolution 5 (Item 7 of Agenda)

Proposed resolution:

That Kiwifruit Vine Health Incorporated's Budget for the 2026-2027 year be approved.

Explanatory Information

The budget for KVHI includes revenue and expenses for meeting the obligations for readiness and response under the GIA and associated Operational Agreements (OA's) and managing wider pathway risk under the Kiwifruit National Pathway Management Plan on behalf of the kiwifruit industry. These

respective revenue and expense streams are managed separately from each other, with common activities receiving proportional allocations.

For the KVHI's combined budget for 2026-2027:

1. The levies have been included in this budget:
 - For the Biosecurity Levy, based on 210 million trays, at a proposed rate of eight tenths of a cent per tray equivalent for all commercial varieties of kiwifruit except *Actinidia arguta*, exported other than to Australia.
 - For the Pathway Plan Levy, also based on 210 million trays, at a proposed rate of six tenths of a cent per tray equivalent for all commercial varieties of kiwifruit except *Actinidia arguta*, exported other than to Australia.
2. KVHI is a party to five GIA Operational Agreements (OAs). As part of these OAs KVHI has an obligation to fund readiness costs and contributions toward GIA administration and secretariat costs. It should be noted that no response costs are included in the budget. Response costs will be incurred only when and if an incursion occurs. KVHI's potential response liability obligations for 2026-27 is \$6.2 million.
3. Changes to note across the cost centres include increases to operations, people, and wild kiwifruit control. Conversely, there is a cost reduction in professional services. There is an overall increase in expenses of 4% (\$133k).
4. Noting that there is projected to be a surplus for the year ending 31 March 2027 of \$124,906, resulting in an overall reserve of \$2.8m.

The resolution for approval of these budgets requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends the Members approve the KVHI 2026-27 Budget.

Directors Remuneration – Resolution 6 (Item 8 of Agenda)

Proposed resolution:

That the Kiwifruit Vine Health Incorporated director fees are increased by the 2.5% for the 2025-26 financial year.

Explanatory Information

The KVHI Directors have discussed potential increases to their fees for 2025-26, following the recommendations made by the KVHI Remuneration Committee in 2022, to maintain regular increases based on changes to the Consumers Price Index (CPI), which as of July 2025 is 2.7%. To align with the recommendations made by the KVHI Remuneration Committee an increase of 2.5% is being sought for the 2025-26 financial year.

The below table sets out the increase of Director's for the 2025-26 financial year.

Position	Current rate	New rate
Chair	\$41,200	\$42,230
Director	\$21,115	\$21,643

The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends the Members approve a 2.5% increase to their fees, as from 1 August 2025.

Reappointment of Auditor – Resolution 7 (Item 9 of Agenda)

Proposed resolution:

That BDO be reappointed as the auditor of Kiwifruit Vine Health Incorporated for the 2025-26 financial year.

Explanatory Information

BDO New Zealand Limited, a limited liability company, is a member of BDO International Limited, a UK company and forms part of the international BDO network of independent member firms.

The KVHI Rules provide that included in the role of Members is the appointment or re-appointment of an auditor.

The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends that BDO be reappointed auditor for the 2025-26 financial year.

KVHI Constitution – Resolution 8 (Item 10 of Agenda)

Proposed resolution:

That the Kiwifruit Vine Health Incorporated Constitution is approved to meet the requirements for re-registration under the new Incorporated Society Act 2022.

Explanatory Information

A new Incorporated Societies Act was passed in 2022 which brings in new rules and requirements for all societies incorporated in New Zealand, including KVH. The new Act is far more prescriptive than the 1908 Act and includes several new mandatory requirements which must be in place before 5 April 2026.

Accordingly, KVHI has redrafted our Rules into a Constitution to meet the legal requirements under the 2022 Act and reflects how our society is currently governed.

An overview of the changes required by the new Incorporated Societies Act, as well as the Constitution can be found within the KVHI AGM pack and on the KVHI website.

The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVHI Board recommends the Constitution of Kiwifruit Vine Health Incorporated be approved.

KVHI Board Grower Director – Resolution 9 (Item 11 of Agenda)

Vacancy: Grower Director

Proposed resolution:

That Dermott Malley is re-elected as a Grower Director of Kiwifruit Vine Health Incorporated for a term of three years.

Explanatory Information

Kiwifruit Vine Health Incorporated Rules specify a requirement for six Directors, of which three are Grower Directors elected by the Members at the AGM. Dermott Malley is re-standing for this Grower Director vacancy unopposed. Information about Dermott Malley has been circulated with the agenda papers.

The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.

Board recommendation:

The KVH Board recommend the Members approve the re-election of Dermott Malley as Grower Director of Kiwifruit Vine Health Incorporated for a 3-year term.

General Business (Item 11 of Agenda)

Items to be taken from those attending the meeting, provided that no motions are required to be passed. It is a requirement of the Rules that all Members must be given at least three business days' written notice of the business to be conducted of any Society meeting. Two additional business days should be allowed to deliver that written notice to all Members.



Annual General Meeting

Kiwifruit Vine Health Incorporated

21 August 2024 at 9.00am

Held at: Mercury Baypark, 81 Truman Lane, Mount Maunganui
and Microsoft Teams Video Conferencing

Members in person

Dermott Malley (Deputy Chair), Craig Thompson (Director), Fiona Carrick (Director), Amy Willoughby (Director), Liarna White (Director), Cam Clayton (Associate Director), Monty Spencer, Vicky Long, Sean Carnachan, David Tanner, Mark Mayston, John White, Chris Anstis, Sally Gardiner, Matthew Glenn, Colin Bond, Stephen Butler, Mike Smith, Karen Pickford, Barry O’Neil, Mark and Robyn Gardiner, Gary Davies, Helen Allen, Tom Davies, Phil Jones, Carol Ward, Linda Flegg, Hugh Moore, Ruth Underwood, Rory Bragg, Michael Baillie, Sam Coxhead, Robert Humphries, Tim Teitjen, John Bourke, Whetu Rolleston, Michelle Dyer, Kimiora Rawiri, Marc Rolleston, R Bayly, Tangiwai Manihera-Palmer & Andrew Dunstan.

In attendance in person:

Leanne Stewart, Jacqui Craig, Lisa Gibbison, Linda Peacock, Erin Lane, Kerry O’Neil, Andrew McConnell, Anna Li, Isiah Roberts (Electionz), Neil Mogeey, Mike Murphy, Sam Vicente-Moa, Kathy Mason, Tanya Vickers, Vanessa Malloy, Sonia Whiteman & Jacqueline Rowarth.

In attendance via Microsoft Teams Video Conferencing:

Austin Benn, Karla Bradley, Genevieve Griffin-George and Simon Cook

Apologies:

Ross Bawden

Item	Discussion
Meeting Administration	<ul style="list-style-type: none">• Those present were welcomed to the meeting.• The meeting accepted the apologies.• The Deputy Chair instructed the members on how to raise topics during the meeting.• The Deputy Chair advised that Electionz are the independent scrutineer, and that voting will close at the conclusion of the AGM with an allowance of postal votes postmarked no later than 5.00pm 20 August 2024 being included.• The Deputy Chair requested confirmation of the quorum, which was confirmed by the acting Company Secretary.• The Deputy Chair advised that the voting and grower member election results will be published via the Bulletin on Thursday 29 August 2024 and on the KVH website.• The KVH 2024 AGM was declared open by the Deputy Chair.• The Deputy Chair asked for items of General Business of which there were none.

<p>Minutes of the Annual General Meeting held on 23 August 2023</p>	<p>The meeting considered the minutes of the previous meeting which were distributed with the AGM papers.</p> <p>Resolution 1: Resolved that: The minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 23 August 2023 be approved as a true and accurate record. <i>Amy Willoughby/David Tanner</i></p> <p>Matters Arising There were no matters arising from the minutes.</p>
<p>Chair & Chief Executive Reports</p>	<p>Dermott Malley presented the Chair’s Report on behalf of Simon Cook. The Deputy Chair noted some key points from the previous 12 months in his report which included:</p> <ul style="list-style-type: none"> • Another difficult season with poor bud break and a number of weather events damaging vines. • KVH is now working in Emergency Response Management (ERM) space to prepare and support growers during future severe adverse events. • The Spotted Lantern Fly simulation exercise at the recent KVH Biosecurity Symposium helps prepare the industry for biosecurity responses. • Biosecurity research remains a key priority in the KVH organisational strategy. <p>Leanne Stewart presented the Chief Executive’s Report. The Chief Executive noted some key points in her report which included:</p> <ul style="list-style-type: none"> • The successful KVH Biosecurity Symposium focussed on building resilience. • The 10-year anniversary of the GIA partnership has provided an opportunity to reflect and acknowledge value the kiwifruit industry has gained in this time. • Savings made during the year resulting in a stronger financial position. • Appreciation to Zespri and NZKGI for their ongoing support of KVH activities. <p>Resolution 2: Resolved that: The Chair and the Chief Executive reports for Kiwifruit Vine Health be approved. <i>Dermott Malley/Karen Pickford</i></p>
<p>Financial Reports</p>	<p>A full set of the Annual Accounts to 31 March 2024 were distributed with the AGM papers. A summary of the financial reports and statements was presented by Leanne Stewart noting:</p> <ul style="list-style-type: none"> • An unqualified audit report has been completed by KVH’s auditor, BDO. • Special purpose financial reporting framework was used. • There was a levy income decrease from 2023 of \$387k to \$1.875m. • KVH reduced our forecast loss on expenditure by \$280k. <p>Key changes in expenditure:</p> <ul style="list-style-type: none"> • Decrease in levy collected to 134 million trays. • A small increase in governance costs and professional services. • A small decrease in people and travel costs. • Budget allocation for weather monitoring has been transferred to Zespri with the low risk Psa management activities. • Additional revenue was received from external contributors to fund emergency response activities.

	<p>This results in total reserves of \$2.9m for the financial year ending 31 March 2024, which aligns with the KVH Reserves Policy.</p> <p>Resolution 3: Resolved that: Kiwifruit Vine Health Incorporated’s Financial Report for the twelve months ending 31 March 2024 be approved. <i>Fiona Carrick/Mark Gardiner</i></p>
Levy Changes	<p>Leanne Stewart presented the Biosecurity Readiness & Response Levy and the Pathway Plan Levy rates. Key points included:</p> <ul style="list-style-type: none"> • At the 2021 AGM the total levy was decreased from 1.6c to 1.4c per tray equivalent, which has been in effect since the 2022-23 financial year. • There is no change proposed to the current levy rates. <p>Resolution 4: Resolved that:</p> <ol style="list-style-type: none"> 1. That for the year ending 31 March 2026 the Biosecurity (Readiness & Response – Kiwifruit Levy) levy continues at the rate of eight tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except <i>Actinidia arguta</i>, exported to all markets other than Australia. 2. That for the year ending 31 March 2026 the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy continues at the rate of six tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except <i>Actinidia arguta</i>, exported to all markets other than Australia. <p><i>Dermott Malley/Phill Jones</i></p>
KVHI Budget	<p>The budget for KVHI for the 2025-26 year was circulated with the AGM papers and was presented by Leanne Stewart, noting the following:</p> <ul style="list-style-type: none"> • Levy income is based on an estimate of 194m trays exported. • The 2025-2026 budget continues to be operated prudently. • Planned expenditure is forecast to \$3.15m. • A small projected surplus of \$77k resulting in overall reserves of \$2.99m, which aligns with the KVH Reserves Policy. <p>Resolution 5: Resolved that: Kiwifruit Vine Health Incorporated’s Budget for 2025-2026 year be approved. <i>Craig Thompson/Hugh Moore</i></p>
Directors Remuneration	<p>The Deputy Chair explained that the KVHI Board reviewed the director’s remuneration following the recommendation of the KVHI Remuneration Committee in 2022 and have recommended to increase the director’s remuneration based on CPI of 3%.</p> <p>Resolution 6: Resolved that: That the KVHI Directors fees are increased by 3% for the 2024-2025 financial year. <i>Liarna White/ Mike Smith</i></p>
Appointment of Auditor	<p>The Deputy Chair advised that the KVHI Board have recommended that BDO be re-appointed as our auditor for the 2024-25 financial year.</p>

	<p>Resolution 7: Resolved that: BDO be appointed as the auditor of Kiwifruit Vine Health Incorporated for the 2024-2025 financial year. <i>Fiona Carrick/Monty Spencer</i></p>
Director Elections	<p>The Deputy Chair advised that there is one three-year grower member vacancy for the KVHI Board and the incumbent, Liarna White is standing for re-election. Liarna White addressed the AGM.</p> <p>Resolution 8: Resolved that: Liarna White is re-elected as a Grower Director to the KVHI Board for a term of three years. <i>Amy Willoughby/Sally Gardiner</i></p> <p>The Deputy Chair advised that there is one three-year Independent Director vacancy for the KVHI Board and the incumbent, Fiona Carrick is standing for re-election. Fiona Carrick addressed the AGM.</p> <p>Resolution 9: Resolved that: Fiona Carrick is re-elected as Independent Director to the KVHI Board for a term of three years. <i>Craig Thompson/David Tanner</i></p>
General Business	No general business was raised.
Close of AGM	The Deputy Chair thanked the members for attending the 2024 AGM and for their support of the activities of KVH and closed the meeting at 9.40am.

Minutes approved as a true and correct record.

Signed:

_____ **Chairman**

_____ **Date**



Kiwifruit Vine Health Incorporated

Special Purpose Financial Report
for the year ended 31 March 2025



Report contents

	Page
Independent auditors report	2
Approval of special purpose financial report	5
Entity information	6
Financial statements	
Statement of financial performance	8
Statement of movements in equity	9
Statement of financial position	10
Statement of cash flows	11
Statement of accounting policies	12
Notes to the financial statements	15

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIWIFRUIT VINE HEALTH INCORPORATED

Opinion

We have audited the financial statements of Kiwifruit Vine Health Incorporated (“the society”), which comprise the statement of financial position as at 31 March 2025, the statement of financial performance for the year then ended, the statement of movements in equity, statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the society for the year ended 31 March 2025 are prepared, in all material respects, in accordance with the accounting policies specified in pages 12-14 in the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the society in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the society.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to pages 12-14 in the financial statements, which describes the basis of accounting. The financial statements are prepared solely for the society’s members, as a body. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the society and the society’s members, as a body, and should not be distributed to or used by parties other than the society or the society’s members. Our opinion is not modified in respect of this matter.

Board’s Responsibilities for the Financial Statements

The board is responsible for the preparation of the financial statements in accordance with the accounting policies specified in pages 12-14 in the financial statements and for such internal control as the board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the society’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the board either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the society to cease to continue as a going concern.

We communicate with the board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Who we Report to

This report is made solely to the society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Tauranga

BDO Tauranga
Tauranga
New Zealand
9 July 2025



Kiwifruit Vine Health Incorporated

Special purpose financial report for the year ended 31 March 2025

Approval of Special Purpose Financial Report

The Board has approved the special purpose financial statements of Kiwifruit Vine Health Incorporated for the year ended 31 March 2025.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read 'S. Cook', written over a horizontal line.

Simon Cook
Chair

A handwritten signature in black ink, appearing to read 'D. Malley', written over a horizontal line.

Dermott Malley
Vice Chair

Dated: 9 July 2025



Entity information

for the year ended 31 March 2025

Legal name of entity

Kiwifruit Vine Health Incorporated ("KVHI")

Nature of business

The primary purpose of the Society is to be the Management Agency under the Biosecurity Act 1993 and to do all things required of the Society for the management of the National Kiwifruit Pathway Management Plan 2022 ("PMP") within New Zealand. Other purposes of the Society are:

(a) To monitor and identify biosecurity risks across pathways in the kiwifruit industry, to undertake and arrange biosecurity surveillance, to prepare for responses to biosecurity risks to the kiwifruit industry, including ensuring adequate operational arrangements are in place, to lead biosecurity responses as required and to liaise with governments, agencies, industry groups and other agencies as appropriate in relation to any such biosecurity risks;

(b) To promote biosecurity excellence across the kiwifruit industry through a programme of education and awareness to ensure all growers and industry participants are aware of their biosecurity responsibilities under the PMP and manage risk;

(c) To promote and encourage in the national interest research into and the dissemination of information relating to biosecurity risk management and monitoring for kiwifruit vines in New Zealand;

(d) To coordinate emergency readiness and response activities across the kiwifruit industry where it is agreed there is a significant impact to growers and vine health; and

(e) To do any act or thing necessary or incidental to the attainment of the above objectives.

Incorporated Society Number

254737

Incorporation date

6th December 2010

Registered Office

25 Miro Street
Mount Maunganui

IRD number

106-272-964

Auditors

BDO
525 Cameron Road
Tauranga

Bankers

Westpac Bank
Auckland

ANZ
Tauranga

Entity information (continued)

for the year ended 31 March 2025

Solicitors	Cooney Lees Morgan Level 3 247 Cameron Road Tauranga
Chief Executive	Leanne Stewart
Board Members	Simon Cook (Chair, appointed September 2023) (Grower Director, elected September 2016) Dermott Malley (Deputy Chair, appointed September 2023) (Grower Director, elected July 2018) Liana White (Grower Director, appointed August 2023) Craig Thompson (Zespri Director, appointed November 2019) Amy Willoughby (Supplier Director, appointed July 2021) Fiona Carrick (Independent Director, appointed August 2021)
Associate Director	Cam Clayton (appointed January 2024)
Board Secretary	Kylie McHannigan (appointed March 2025) Kiana Allen-Moka (appointed February 2024, resigned February 2025)
Physical address	25 Miro Street Mount Maunganui
Postal address	PO Box 4246 Mount Maunganui
Phone	0800 665 825
Email	info@kvh.org.nz
Website	http://www.kvh.org.nz



Statement of financial performance

for the year ended 31 March 2025

	Note	2025 \$	2024 \$
Income			
Income	1	2,688,894	1,875,307
Total income		2,688,894	1,875,307
Operating expenses			
Education and awareness		118,004	97,335
Emergency response management		100,000	30,000
GIA operational agreement	2	863,630	104,867
Governance	3	184,985	185,356
Office expenses	4	229,824	213,320
Operations		170,018	183,285
People costs	5	1,318,118	1,236,879
Professional services	6	88,462	65,140
Research & development	7	20,000	12,000
Strategic projects		36,282	67,927
Wild kiwifruit		751,894	628,749
Total operating expenses		3,881,216	2,824,857
Operating surplus/(deficit)		(1,192,322)	(949,550)
Non-operating income			
Admin support cost recovery		50,000	50,000
Biosecurity response cost recovery		36,868	-
Emergency response management - External contributions		100,000	30,000
Interest received		139,373	142,231
Wild kiwifruit - External contributions		371,330	328,909
Total non-operating income		697,571	551,140
Non-operating expenses			
Income tax		39,024	39,825
Total non-operating expenses		39,024	39,825
Net surplus/(deficit)		(533,777)	(438,236)



Statement of movements in equity

for the year ended 31 March 2025

	Note	2025 \$	2024 \$
Net surplus/(deficit)		(533,777)	(438,236)
Movements in equity for the period		(533,777)	(438,236)
Equity at beginning of period		2,899,007	3,337,241
Equity at end of year	10	2,365,230	2,899,007



Statement of financial position

As at 31 March 2025

	Note	2025 \$	2024 \$
Current assets			
Cash and bank balances	8	1,380,422	1,442,086
Term deposits		1,307,313	1,595,791
Accrued income		29,103	16,055
Accounts receivable		20,367	14,434
Prepayments		16,607	16,558
GST refund due		57,146	48,760
Total current assets		2,810,959	3,133,684
Non current assets			
Property, plant and equipment	9	18,407	24,981
Term deposits		565,693	-
Total non current assets		584,100	24,981
Total assets		3,395,058	3,158,665
Current liabilities			
Visa credit card	8	4,408	15,351
Accounts payable		224,867	160,542
Provision for Incursion Costs		710,080	-
Accrued charges		90,471	83,764
Total current liabilities		1,029,827	259,658
Total liabilities		1,029,827	259,658
Net assets/(liabilities)		2,365,230	2,899,006
Equity	10	2,365,230	2,899,006



Statement of cash flows

for the year ended 31 March 2025

	2025 \$	2024 \$
Cash flow from operating activities		
Cash was received from:		
Funding receipts	3,241,159	2,258,958
Interest received	87,301	86,351
Cash was applied to:		
Payments to suppliers and employees	(3,089,173)	(2,722,027)
GST paid	(8,387)	(6,952)
Net cash flows from operating activities	230,901	(383,670)
Cash flow from investing activities		
Cash was applied to:		
Purchase of assets	(4,406)	-
Net cash flows from investing activities	(4,406)	-
Net increase/(decrease) in cash held	226,495	(383,670)
Opening cash	3,022,524	3,406,194
Closing cash	3,249,020	3,022,524
This is represented by:		
ANZ Current account	540,314	215
ANZ Term Deposit	510,902	522,614
Westpac Cheque Account	82,746	79,312
Westpac Online Saver	757,362	1,362,559
Westpac Term Deposit	1,362,104	1,073,176
Westpac Visa credit cards	(4,408)	(15,351)
	3,249,020	3,022,524



Statement of accounting policies

for the year ended 31 March 2025

Reporting entity

KVHI was established in 2010 following agreement of the Industry Advisory Council (IAC) to transition management of the Psa response from MPI and ZESPRI to a separate independent pan-industry organisation. Subsequently in 2012, Kiwifruit Vine Health Foundation (KVHF) was established as a separate incorporated charity to manage the wider biosecurity risks to the kiwifruit industry and to promote and encourage research into and the dissemination of information relating to biosecurity risk management and monitoring.

Further to a planned reorganisation of KVHI and KVHF, early in the financial year ended 31 March 2018 the business of KVHF was merged into KVHI such that from that point, KVHI was undertaking both the Psa activities as it had done from its inception and the wider biosecurity activities previously undertaken by KVHF.

As of 1 April 2022 KVHI continued its Management Agency status under the Biosecurity Act under the National Pathway Management Plan, followed by the expiry of the National Psa-V Pest Management Plan on 13 May 2023.

At the 24 August 2023 Annual General Meeting, members supported a resolution to expand KVHI's mandate to coordinate emergency readiness and response activities across the kiwifruit industry where it is agreed there is a significant impact to growers and vine health, under the Emergency Response Management portfolio.

Basis of preparation

The financial statements have been prepared on the basis of historical cost. Reliance is placed on the fact that the entity is a going concern with funding in place for the next 12 months. Revenue earned is matched with expenses using accrual accounting concepts.

Kiwifruit Vine Health Incorporated does not have a general purpose reporting requirement and as such these financial statements are prepared as Special Purpose reports in accordance with the accounting policies below.

Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the asset.

Depreciation

Depreciation is charged to the statement of financial performance at the same rate as allowed by the Income Tax Act 2007. The following rates have been used:

Computer equipment 25.0% - 50.0% diminishing value

Office equipment 10.0% - 25.0% diminishing value

Accounts receivable

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

Statement of accounting policies (continued)

for the year ended 31 March 2025

Impairment of non-financial assets

At each balance date, non-financial assets are classified into four categories: assets measured at fair value; assets currently available that KVHI intends to use to the end of its useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at balance date.

Assets measured at fair value or assets KVHI intends to use to the end of its useful life, are not reviewed for impairment at balance date.

Assets intended to be sold prior to the end of their useful life or assets damaged or idle at balance date are reviewed to determine if any indications of impairment exist. If indicators exist the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable.

If the recoverable amount of an asset is determined to exceed its carrying amount then the resulting difference is recognised as an impairment loss in the statement of financial performance.

Taxation

KVHI derives all of its income from non-taxable member transactions, except for interest income. No income tax arises in relation to the member transactions, however, the interest income is taxable using the taxes payable method.

Goods and services tax

All amounts are shown exclusive of Goods & Services Tax (GST), except for receivables and payables which are shown inclusive of GST.

Provisions

KVHI records provisions when it has a legal or constructive obligation to satisfy a claim as a result of a past event, it is more likely than not that an outflow of resources will be required to satisfy the obligation, and a reliable estimate of the amount can be made. The amount recognised as a provision is the net present value of the best estimate of the outflows required to satisfy the obligation.

Leases

KVHI has entered into lease agreements for office equipment and office space. Operating lease payments, where the lessors effectively retain substantially all the risk and benefits of ownership of the leased items, are recognised as an expense in profit or loss on a straight line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

Income

Income is recognised to the extent that it is probable that economic benefit will flow to the Society and can be reliably measured.

Funding income:

Funding income is recognised in the period to which it relates, with any amount owing to KVHI at balance date being included as a current asset, and any amount owed by KVHI at balance date being included as a current liability.

Statement of accounting policies (continued)

for the year ended 31 March 2025

Levy income:

Under the Levy Orders, levies become due and payable on the date on which the kiwifruit is loaded on board a ship or an aircraft for export (other than exports to Australia). Any levies collected are not refundable. For financial reporting purposes, all levy income is recognised in the season to which the harvest relates. Levies on early shipments received prior to the end of March for the current season, are recorded in the following financial year alongside the majority of that season's levy income. This provides more relevant information for the Board and members by aligning the levy income in the financial statements to the total trays shipped in relation to each season.

Interest income:

Interest is recognised in the Statement of Financial Performance as it accrues, using the effective interest method.

People costs

People costs include all relevant employee costs.

Employee costs include salaries, wages and annual leave which are recognised when they accrue to employees.

Liabilities for employee benefits are carried at the value of the estimated future cash flows required to settle the obligation arising from services rendered by employees up until balance date.

Statement of cash flows

The following definitions are the terms used in the Statement of Cash Flows:

- i. Cash and cash equivalents are cash held in current accounts and short term deposits with original maturity of three months or less.
- ii. Investing activities are those activities relating to the acquisition, holding and disposal of fixed assets.
- iii. Operating activities include all transactions and other events which are not investing activities.



Notes to the financial statements

1 Income	2025	2024
	\$	\$
Biosecurity (National Pathway Management Plan – Kiwifruit Levy) Order 2022	1,152,383	803,964
Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015	1,536,511	1,071,343
Total income	2,688,894	1,875,307

Levy rates per tray (on all commercial varieties of kiwifruit except Actinidia arguta, exported to all markets other than Australia)

<i>Current rates levied (per tray)</i>	2025	2024
	Cents	Cents
Biosecurity (National Pathway Management Plan – Kiwifruit Levy) Order 2022:	0.60	0.60
Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015:	0.80	0.80

The above income includes:

(i) the Biosecurity (Kiwifruit National Pathway Management Plan - Kiwifruit Levy) Order 2022 ("Pathway Plan levy") came into effect on the 1st of April 2022. This levy is payable to KVHI, as the management agency, on all commercial varieties of kiwifruit except Actinidia arguta, exported to countries other than Australia. Following approval at the 2022 KVHI AGM, this levy rate was set for collection from 1 April 2023 at 0.6 cents.

(ii) the Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015 ("Wider Biosecurity levy") came into effect on 2 February 2015. The levy is payable to KVHI, as the GIA partner for the kiwifruit industry, on all commercial varieties of kiwifruit except Actinidia arguta, exported to all countries other than Australia. Following approval at the 2022 KVHI AGM, this levy rate was set for collection from 1 April 2023 at 0.8 cents.

2 GIA Operational Agreement	2025	2024
	\$	\$
Incursion Response Costs - Fruit Fly	749,237	-
GIA Operational Agreement	114,393	104,867
Total GIA expenses	863,630	104,867

Incursion response costs include provision for incursion costs, response cost recovery for field operations and miscellaneous response expenses.

3 Governance	2025	2024
	\$	\$
Directors fees paid	145,250	142,500
Directors meeting, mileage & expenses	25,150	29,842
Annual General Meeting costs	14,585	13,014
Governance costs	184,985	185,356

4 Office expenses	2025	2024
	\$	\$
Office expenses excluding depreciation and rent	170,279	155,891
Rent	48,564	42,468
Depreciation of computer, office equipment & software	10,980	14,961
Office expenses including depreciation	229,824	213,320

Notes to the financial statements (continued)

5 People costs	2025	2024
	\$	\$
Staff salaries	1,315,643	1,234,161
Accident compensation	2,475	2,718
People costs	1,318,118	1,236,879
6 Professional Services	2025	2024
	\$	\$
Audit fee	12,075	10,250
All other Professional Services	76,387	54,890
Professional Services	88,462	65,140
7 Research and development		
<p>All research and development was funded by Zespri in the year ended 31 March 2025 other than a \$10,000 contribution from KVHI towards the 'Find-a-pest' project and a \$10,000 KVHI contribution for the Aligator Weed research project.</p>		
8 Cash and bank balances	2025	2024
	\$	\$
ANZ Current account	540,314	215
Westpac Cheque Account	82,746	79,312
Westpac Online Saver	757,362	1,362,559
Westpac Visa credit cards	(4,408)	(15,351)
	1,376,014	1,426,735
Total cash and bank balances are classified as follows:		
Current assets	1,380,422	1,442,086
Current liabilities	4,408	15,351

Notes to the financial statements (continued)

9 Property, plant and equipment

	Cost	Depreciation	Acc Depn	Carrying value
	\$	\$	\$	\$
Computer equipment	68,309	9,726	60,059	8,250
Office equipment	23,178	1,255	13,021	10,157
Balance as at 31 March 2025	91,487	10,980	73,080	18,407

	Cost	Depreciation	Acc Depn	Carrying value
	\$	\$	\$	\$
Computer equipment	63,903	13,542	50,333	13,570
Office equipment	23,178	1,418	11,766	11,412
Balance as at 31 March 2024	87,081	14,961	62,100	24,981

10 Equity

	Pathway Plan Reserves	Biosecurity Reserves	Total Reserves
	2025	2025	2025
	\$	\$	\$
Opening KVHI reserves as at 1 April 2024	102,845	2,796,162	2,899,007
Surplus/ (Deficit) from operations	(600)	(533,177)	(533,777)
Closing KVHI reserves as at 31 March 2025	102,245	2,262,985	2,365,230

The KVH Board has a Reserves policy that is reviewed annually to ensure reserves are being retained for appropriate purposes, such as response obligations and continuance of operating expenses across each levy. The policy states that KVH can retain 50% of its annual response costs obligations, in addition to up to half of KVH's operating costs for associated activities under the biosecurity levy. Under the pathway plan levy, there is an allowance for a modest surplus to be collected to allow for contingency planning, with the intention to retain up to \$100k each year.

11 Related party disclosures

All transactions with the following entities were in the normal course of business. They are related to the Society by virtue of common directorship or management as detailed below:

	Transactions		Balances	
	2025	2024	2025	2024
	\$	\$	\$	\$
Paid by KVHI:				
GIA Operations Limited	(95,197)	(69,547)	(14,832)	-
Zespri International Limited	(80,801)	(72,027)	(77,574)	(7,023)
Paid to KVHI:				
GIA Operations Limited	3,450	5,431	-	503
New Zealand Kiwifruit Growers Incorporated	56,945	55,804	4,924	4,929
Zespri International Limited	2,891,394	2,010,088	-	-

GIA Operations Limited - KVHI's share in GIA Operations Limited as at 31 March 2025 is 5% (2024: 5.2%)

Zespri International Limited (Zespri) are related by way of common Directorship, Craig Thompson is a Director of both KVHI and Zespri International Limited.

NZKGI are a related party by way of common membership, all members of KVHI are also members of NZKGI.

Simon Cook is a Director of Trevelyan's Growers Limited and KVHI, there were no transactions between these two parties in 2025.

Notes to the financial statements (continued)

12 Contingent liabilities

The Government Industry Agreement for Biosecurity Readiness and Response (GIA) is a partnership between government and industry for improving New Zealand's biosecurity. Under GIA, industry organisations (such as KVHI on behalf of the kiwifruit and kiwiberry industries) and the Ministry for Primary Industries sign a Deed that formally establishes the biosecurity partnership. The GIA Deed outlines the principles for the partnership and the commitments that each signatory makes including joint decision making and cost sharing for readiness and response.

Under GIA, industries are able to identify the biosecurity risks that are a priority to them, and jointly by way of operational agreements agree with government what readiness and response approaches are required.

KVHI signed the GIA Deed in May 2014.

Under the GIA Deed, KVHI has entered into the below Operational Agreements ("OA"):

- (i) Fruit Fly Readiness and Response Operational Agreement: signed May 2016
- (ii) Sector Operational Agreement for Readiness and Response - Kiwifruit and Kiwiberry sectors: signed March 2017
- (iii) Brown Marmorated Stink Bug (BMSB) Operational Agreement: signed July 2017
- (iv) Plant Production Biosecurity Scheme Operational Agreement: signed November 2021
- (v) Lepidoptera Readiness Operational Agreement: signed February 2023

The OAs establish the operational details for readiness and response activities, including the roles and responsibilities of all the parties before, during and after a response, as well as cost-sharing information.

The programme of preparedness (readiness) in each OA is developed and funded under a work programme that is agreed by all parties involved and costs are incurred, and as such these costs are part of KVHI's annual operating budget. Conversely, response costs are incurred only when an incursion occurs, and costs will vary depending on the scale of the response. KVHI's liability to response costs is capped within the OAs.

Currently KVHI's potential liability to response costs is estimated at \$6.1 million. KVHI plans to provide for this liability by a combination of biosecurity reserves held in KVHI, and a right to call on Members by way of an increase to the Biosecurity levy, as provided for in the levy regulations.

13 Post balance sheet events

There have been no events occurring after the balance sheet date that have a material effect on the financial statements.

14 Capital expenditure commitments

There were no commitments for capital expenditure as at balance date (2024:\$Nil).

15 Operating lease commitments

	2025	2024
	\$	\$
Not later than one year	60,503	52,038
Later than one year and not later than five years	223,217	-
Later than five years	222,400	389,014
	506,120	441,052


The above amounts relate to non-cancellable operating leases contracted for but not capitalised in the financial statements.

16 Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

Draft KVH 2026-27 AGM Budget

Summary for the year ended 31 March 2027	KVHI	Pathway Plan	Biosecurity	
Trays:		210,000,000	210,000,000	
Levy per tray:		0.006	0.008	
Levy description:		6/10ths cent per tray	8/10ths cent per tray	
	Combined Budget Total	Allocated to Pathway Plan	Allocated to Wider Biosecurity	
Opening reserves 01-04-2026 (estimate)	\$2,698,605	\$175,653	\$2,522,951	
Forecast Revenue	\$3,359,840	\$1,632,340	\$1,727,500	
Forecast Costs	-\$3,234,934	-\$1,631,733	-\$1,603,201	
Forecast Surplus/(Deficit)	\$124,906	\$607	\$124,299	
Closing reserves 31-03-2027 (estimate)	\$2,823,510	\$176,260	\$2,647,250	



2026-27 AGM Budget	2026-27 Total KVHI	2026-27 Pathway	2026-27 Biosecurity	2025-26 Current Budget
Income				Income
Levy income - Wider Biosecurity	1,680,000	-	1,680,000	Levy income - Wider Biosecurity
Levy income - Pathway Plan	1,260,000	1,260,000	-	Levy income - Pathway Plan
ERM Contribution	50,000	-	-	ERM Contribution
Wild Kiwifruit Recovery	369,840	369,840	-	Wild Kiwifruit Recovery
Total income	3,359,840	1,629,840	1,680,000	Total income
Operational expenditure				Operational expenditure
Education and awareness	126,000	38,400	87,600	Education and awareness
Emergency Response Management	50,000	-	-	Emergency Response Management (see note below)
GIA operational agreement	130,000	-	130,000	GIA operational agreement
Governance	206,250	69,113	137,138	Governance
Office expenses	265,750	72,725	193,025	Office expenses
Operations	315,000	122,550	192,450	Operations
People	1,322,684	528,671	794,013	People
Professional services	74,250	22,275	51,975	Professional services
Research and development	10,000	-	10,000	Research and development
Strategy Projects	10,000	3,000	7,000	Strategy Projects
Wild Kiwifruit	775,000	775,000	-	Wild Kiwifruit
Total expenses	3,284,934	1,631,733	1,603,201	Total expenses
Operating Surplus (Deficit) before Interest Income	74,906	-1,893	76,799	Operating Surplus (Deficit) before Interest Income
Other revenue				Non operating income and expenses
Interest income	50,000	2,500	47,500	Interest income
Total other revenue	50,000	2,500	47,500	Total other revenue
Surplus (Deficit) including Interest Income	124,906	607	124,299	Surplus (Deficit) including Interest Income
Reserves c/f from 2025-26 year (est)	2,698,605	175,653	2,522,951	Reserves c/f from 2025 year (act)
Reserves projected for 31 March 2027	2,823,511	176,260	2,647,250	Reserves for 31 March 2026 (est)

KVHI Constitution to meet the Incorporated Societies Act 2022 changes

A new Incorporated Societies Act was passed in 2022 which brings in new rules and requirements for all societies incorporated in New Zealand, including KVH. The new Act is far more prescriptive than the 1908 Act and includes several new mandatory requirements which must be in place before April 2026.

Accordingly, KVH has redrafted our Rules into a Constitution to meet the legal requirements under the 2022 Act and reflects how our society is currently governed.

A short summary of the proposed changes is provided below.

- **Constitutions** – the Act sets out several items that must be included in all society constitutions. The existing KVH Rules have been updated in the form of a constitution, transferring across our society structure and operations, in addition to new Act requirements being added.
- **Disputes** – all constitutions must include dispute resolution procedures, KVH has chosen to adopt the default procedure in the Act.
- **Conflicts** – the Act sets out conflicts of interest that apply to officers and the consequences of being interested. These have been included in our revised constitution.
- **Committees/Boards** – KVH has included the option for members to decide to have an additional independent director on the Board if necessary, subject to approval by industry through an AGM resolution.
- **Duties of Officers** – have been formalised in the new Act and apply to all board members and also to non-board members who hold positions of authority that allow them to exercise authority over the society.
- **Reporting** – there are now reporting requirements for societies based on the size and nature of the society requiring most societies to submit annual reports and financial statements.
- **Offences** – a range of offences have been included in the new Act for incorporated society compliance.

Constitution of Kiwifruit Vine Health Incorporated



Contents

Clause	Page
1. DEFINITIONS AND INTERPRETATION	3
2. NAME AND REGISTERED OFFICE	5
3. OBJECTS AND PURPOSES.....	5
4. SOCIETY STRUCTURE.....	7
5. MEMBERSHIP OF SOCIETY	7
6. GENERAL MEETINGS.....	11
7. VOTING	13
8. BOARD	15
9. CHIEF EXECUTIVE OFFICER.....	21
10. CONTACT PERSON/BOARD SECRETARY	22
11. CONFLICTS.....	22
12. FINANCES	23
13. DISPUTE RESOLUTION.....	25
14. WINDING UP	26
15. ALTERATION OF CONSTITUTION	27
16. CONTRACTING	27
17. NOTICES	28
Schedule 1 – Dispute resolution process	30
Schedule 2 – Form of proxy voting form.....	33
Schedule 3 – Qualifications of Officers.....	34

1. DEFINITIONS AND INTERPRETATION

1.1 **Definitions:** In this Constitution, unless the context otherwise requires:

Act means the Incorporated Societies Act 2022.

AGM is an annual general meeting as further described in clause 6.1.

balance date means 31 March or the date the Society has selected and is the final date in the Society's financial year

Board means the Directors from time to time elected or appointed to manage the affairs of the Society as further described in clause 8.

Board Notice has the meaning described in clause 5.6(g).

Board Secretary has the meaning described in clause 10.

body corporate means an association of persons regarded in law as a single legal person, such as a limited liability company, a limited partnership or an incorporated trust board.

Chief Executive has the meaning described in clause 9.

Constitution means this Constitution as amended or added to, including all schedules to this Constitution.

Contact Person(s) has the meaning described in clause 10.

Corporate Representative has the meaning described in clause 5.2(b).

Delegated Authorities Manual has the meaning described in clause 16.1.

Dispute has the meaning described in clause 13.1.

general meeting means a meeting of Members, in particular an AGM or Special General Meeting.

generally accepted accounting practice has the meaning described in s8 Financial Reporting Act 2013.

Grower Directors has the meaning described in clause 8.4(a).

Grower Members means the members referred to in clause 5.4(a).

Independent Director has the meaning described in clause 8.4(b).

Industry Member has the meaning described in clause 5.4(b).

KPIN means a unique kiwifruit property identification number.

Levy means a levy under the Biosecurity (National Kiwifruit Pathway Management Plan—Kiwifruit Levy) Order 2022 or the Biosecurity (Readiness and Response — Kiwifruit Levy) Order 2015 and **Levies** has a corresponding meaning.

Member means each person who is a member of the Society from time to time, as described in clause 5 and **Members** has a corresponding meaning.

Member Motion has the meaning described in clause 6.7.

Money and Other Assets means any real or personal property or any interest therein, owned or controlled to any extent by the Society.

Officer means any director or person holding a position which allows them to exercise significant influence over the management or administration of the Society, including the Chief Executive.

Register of Members has the meaning described in clause 5.10.

Registrar means the person holding office from time to time as Registrar of Incorporated Societies in terms of the Act (as applicable).

Registrar's Website means the incorporated societies website at <https://is-register.companiesoffice.govt.nz/>.

Regulations means the Incorporated Societies Regulations 2023.

PMP means the National Kiwifruit Pathway Management Plan 2022.

Society means Kiwifruit Vine Health Incorporated, incorporation number 9429043226849, New Zealand Business Number 2542737.

Special General Meeting has the meaning described in clause 6.6(b).

Supplier Member means a Member described in clause 5.4(b)(ii).

Supplier Director has the meaning described in clause 8.4(c).

Tray means a standard single layer tray of kiwifruit packed for export to industry specifications as that is understood in the New Zealand kiwifruit industry and which is submitted to an exporter for export. Unless otherwise stated the word Tray when it appears in this Constitution includes the words Tray Equivalent.

Tray Equivalent is the answer obtained when a volume of fruit packed or stored in non- standard size containers is recalculated to convert that volume to the number of Trays that the same volume of fruit would have occupied if packed in standard containers.

working day means a day that is not a Saturday, Sunday, a public holiday or a regional holiday in Tauranga, New Zealand between the hours of 9:00am and 5:00pm.

Zespri Supply Agreement means annual Supply Agreement between Zespri Group Limited and its registered suppliers.

Zespri Director has the meaning described in clause 8.4(d).

Zespri Grower Registration Form means the form completed by kiwifruit growers in order to register as a grower with Zespri Group Limited.

1.2 **Interpretation:** In this Constitution, unless the context otherwise requires:

- (a) **Clauses and schedules:** A reference to a clause or to a schedule is a reference to clauses in, and schedules to, this Constitution. Each schedule forms part of this Constitution.
- (b) **Documents:** References to any document (however described) are references to that document as modified, novated, supplemented, varied or replaced from time to time and in any form, whether on paper or in an electronic form.
- (c) **Headings:** The headings in this Constitution are inserted for convenience and reference only and do not affect the meaning or interpretation of this Constitution.

- (d) **Inclusive expressions:** The term “includes” or “including” (or any similar expression) is deemed to be followed by the words “without limitation”.
- (e) **In writing:** References to “writing” will be construed as including references to words printed, typed, or any words sent by email or other electronic form, or otherwise reproduced.
- (f) **Persons:** References to a “person” include an individual, company, corporation, partnership, firm, joint venture, association, trust, unincorporated body of persons, governmental or other regulatory body, authority or entity, in each case whether or not having a separate legal identity.
- (g) **Plural and singular:** References to the singular include the plural and vice versa.
- (h) **Statutory Provisions:** References to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends, replaces or re-enacts it, and any bylaw, regulation, order, statutory instrument, determination or subordinate legislation made under it.
- (i) **Statutory Timeframes:** References to any timeframes set by statutory provisions are to timeframes in force in New Zealand and include any revised timeframe which amends, replaces or re-enacts it under any bylaw, regulation, order, statutory instrument, determination or subordinate legislation made under it.
- (j) **Negative obligations:** Any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done.

2. NAME AND REGISTERED OFFICE

- 2.1 **Name:** The name of the Society is Kiwifruit Vine Health Incorporated.
- 2.2 **Name change:** Any change to the name of the Society will be in accordance with s117 of the Act. Any change to the Society’s name will be updated on the Registrar’s Website.
- 2.3 **Registered office:** The registered office of the Society is 25 Miro Street, Mount Maunganui, 3116, New Zealand or such other place as the Board nominates from time to time. Any change to the Society’s registered address will be updated on the Registrar’s Website not less than 5 business days prior to the address being changed.

3. OBJECTS AND PURPOSES

- 3.1 **Objects/Purposes:** The primary purpose of the Society is to be the Management Agency under the Biosecurity Act 1993 and to do all things required of the Society for the management of the National Kiwifruit Pathway Management Plan 2022 (**PMP**) within New Zealand. Other purposes of the Society are:
 - (a) to monitor and identify biosecurity risks across pathways in the kiwifruit industry, to undertake and arrange biosecurity surveillance, to prepare for responses to biosecurity risks to the kiwifruit industry, including ensuring adequate operational arrangements are in place, to lead

biosecurity responses as required and to liaise with governments, agencies, industry groups and other agencies as appropriate in relation to any such biosecurity risks;

- (b) to promote biosecurity excellence across the kiwifruit industry through a programme of education and awareness to ensure all growers and industry participants are aware of their biosecurity responsibilities under the PMP and manage risk;
- (c) to promote and encourage in the national interest research into and the dissemination of information relating to biosecurity risk management and monitoring for kiwifruit vines in New Zealand;
- (d) to coordinate emergency readiness and response activities across the kiwifruit industry where it is agreed there is a significant impact to growers and vine health;
- (e) to do any act or thing necessary or incidental to the attainment of the above objectives; and
- (f) any incidental activities beneficial for Members of the Society.

3.2 **No financial gain:** The Society does not have any financial gain purpose and in particular:

- (a) there will be no distributions, in money or in kind, to Members;
- (b) no Member will have a disposable interest in any property owned by the Society;
- (c) no capital of the Society will be divided into shares to be held by Members.

3.3 **Permitted activities:** The following activities are not for the purpose of financial gain of Members merely because the Society will or may:

- (a) pay a Member for matters that are incidental to the purposes of the Society, and the Member is a not-for-profit entity;
- (b) distribute funds to a Member to further the purposes of the society, and the Member:
 - (i) is a not-for-profit entity; and
 - (ii) is affiliated or closely related to the Society (or proposed society); and
 - (iii) has the same, or substantially the same, purposes as those of the Society;
- (c) reimburse a Member for reasonable expenses legitimately incurred on behalf of the Society or while pursuing the Society's purposes;
- (d) provide benefits to members of the public, or of a class of the public, including Members of the society or their families;
- (e) provide benefits to Members or their families to alleviate hardship;
- (f) provide educational scholarships or grants to Members or their families;

- (g) pay a Member a salary, wages, or other payments for services, or enter into any other transaction with a Member, on arm's-length terms (as described in clause 3.4);
- (h) have its surplus assets distributed under subpart 5 of Part 5 of the Act and in accordance with clause 14 to a Member that is a not-for-profit entity;
- (i) amalgamate with or into another society under subpart 2 of Part 5 of the Act (with the result that the amalgamated society succeeds to any gain, profit, surplus, dividend, or other financial benefit of the amalgamating society).

3.4 **Arms-length terms:** In subsection 3.3(g), salary, wages, or other payments for services, or other transactions, are on arm's-length terms if:

- (a) the terms:
 - (i) would be reasonable in the circumstances if the parties were connected or related only by the transaction in question, each acting independently, and each acting in its own best interests; or
 - (ii) are less favourable to the Member than the terms referred to in subparagraph (i); and
- (b) the salary, wages, or other payments for services, or other transaction, does not include any share of a gain, profit, or surplus, percentage of revenue, or other reward in connection with any gain, profit, surplus, or revenue of the Society.

3.5 **Industry group:** The Society does not have a purpose of being carried on, and is not being carried on, for the financial gain of any of its Members merely because it is established for the protection or regulation of an industry in which the Members are engaged or interested, if the Society itself does not engage or take part in the industry.

4. SOCIETY STRUCTURE

4.1 The Society shall consist of:

- (a) Members;
- (b) the Board of Directors elected and/or appointed pursuant to clause 8.

5. MEMBERSHIP OF SOCIETY

5.1 **Number of Members:** The Society will have a minimum of 20 Members at all times.

5.2 **Body corporate Members:** A Member that is a body corporate:

- (a) is equivalent to 3 members for the purposes of clause 5.1; and
- (b) may, by resolution of its directors or other governing body, authorise a person to act as its representative (**Corporate Representative**) at any meeting of the Society.

- 5.3 **Rights and responsibilities of Members:** Members have the rights and responsibilities set out in this Constitution. All Members and their Corporate Representatives shall promote the purposes of the Society and do nothing to bring the Society into disrepute. Subject to this Constitution, the role of Members shall be to:
- (a) set remuneration of Directors;
 - (b) to approve changes to this Constitution;
 - (c) to receive reports on finances and proceedings of the Society, proposed budgets, annual plans, achievement of milestones and any other matters considered by the Members to be relevant;
 - (d) to receive audited accounts; and
 - (e) to appoint or re-appoint an auditor.
- 5.4 **Types of Members:** The Society has the following membership types, all of which are Members:
- (a) **Grower Members** being growers of kiwifruit in New Zealand who have registered as growers with Zespri Group Limited;
 - (b) **Industry Members** being:
 - (i) Zespri Group Limited; and
 - (ii) registered suppliers who are party to the Zespri Supply Agreement;
 - (iii) other parties whose application for membership has been deemed appropriate by the Board pursuant to clause 5.5.
- 5.5 **Becoming a Member:** A person consents to Membership and becomes a Member of the Society by:
- (a) Grower Members:
 - (i) by paying Levies;
 - (ii) completing and consenting to membership on their Zespri Grower Registration Form

effective from the date the Grower Member completed the Zespri Grower Registration Form;
 - (b) Industry Members:
 - (i) by making an application to the Society to become a Member, such application:
 - A may be in the form of an email or hard copy;
 - B must include name, address, reason for membership and other such information as the Board requires from time to time;

- C where the applicant is a registered supplier, confirmation they are party to the Zespri Supply Agreement (**Supplier Member**); and
 - D acts as the applicant's consent to membership; and
- (ii) the Board, in its sole discretion, approves the application, effective from the date the application was approved by the Board;
- (c) Zespri Group Limited is not required to apply for Membership to the Society.

5.6 **Ceasing Membership:** A Member ceases to be a Member when, and from the date, the Member:

- (a) gives notice in writing to the Society that the Member is resigning their membership, effective from the date the notice is received; or
- (b) does not comply with their responsibilities under clause 5.3;
- (c) fails to meet the membership criteria in clause 5.5;
- (d) fails to pay any Levy or Levies by for a period of 15 months other than by arrangement with the Board due, for example, to adverse events resulting in no Levy being payable during that period; is convicted of an indictable offence or an offence for which the punishment includes imprisonment;
- (e) dies; or
- (f) being:
 - (i) a natural person, the Member becomes bankrupt;
 - (ii) a body corporate Member, the Member is wound up, placed in receivership, liquidated or makes an arrangement with its creditors;
- (g) if, the Board is of the view that a Member has breached or is breaching this Constitution or acting in a manner inconsistent with the purposes of the Society, the Board may give written notice of this to the Member (**Board Notice**). The Board Notice must:
 - (i) explain how the Member is breaching the Constitution or acting in a manner inconsistent with the purposes of the Society;
 - (ii) state what the Member must do in order to remedy the situation or state that the Member must write to the Board giving reasons why the Board should not terminate the Member's membership;
 - (iii) state that if, within 14 days of the Member receiving the Board Notice, the Board is not satisfied, the Board may immediately terminate the Member's membership; and
 - (iv) state that if the Board terminates the Member's membership, the Member may appeal in accordance with the process set out in clause 13,

14 days after the Member received the Board Notice, the Board may by simple majority vote to terminate Member's membership and notify the Member by written notice, with immediate effect.

- 5.7 **Corporate Representatives:** Where a Member is represented by a Corporate Representative and the Board is of the view that the Corporate Representative is in breach of their obligations in clause 5.35.6(g) or if clause 5.6(g) applies, the Board may give notice to the Member to replace their Corporate Representative within 14 days.
- 5.8 **Obligations:** Resignation does not relieve a person of any obligation or liability incurred while the person was a Member.
- 5.9 **Not Assignable:** The rights, privileges and obligations of a Member are not assignable.
- 5.10 **Register of Members:** The Society will maintain a register of Members recording:
- (a) **For each Member:**
 - (i) name;
 - (ii) membership type;
 - (iii) postal address;
 - (iv) email address;
 - (v) telephone number;
 - (vi) where the Member is a body corporate, Corporate Representative;
 - (vii) KPIN;
 - (viii) any applicable information related to biosecurity matters under the PMP; and
 - (ix) other information as may be specified by the Board.
 - (b) **Membership dates:** the dates on which each Member:
 - (i) consented to become a Member; and
 - (ii) ceases to be a Member.
 - (c) **Member information:** Members must notify the Society of any change to the Member's information on the Register of Members.
- 5.11 **Access to Information:** Members may make a written request to the Society for information held by the Society at any time. The request must specify the information sought in sufficient detail for it to be identified. Within a reasonable time of receiving the request the Society will:
- (a) provide the information; or
 - (b) agree to provide the information within a specified period; or

- (c) agree to provide the information within a specified period if the Member pays a reasonable charge, specified and explained to the Member, to meet the cost of providing the information; or
- (d) refuse to provide the information, specifying the grounds set out in s81 of the Act which apply to the refusal.

Nothing in this clause limits the Information Privacy Principle 6 of the Privacy Act 2020.

6. GENERAL MEETINGS

- 6.1 **Annual General Meeting:** The Society must hold an AGM not later than 6 months following the balance date and no more than 15 months after the date of the previous AGM.
- 6.2 **Information presented for the AGM:** The following must be presented at the AGM:
- (a) the annual report on the operations and affairs of the society during the preceding year;
 - (b) the financial statements described in clause 12.8;
 - (c) disclosure of interests made by officers under clause 11.2;
 - (d) minutes from the last AGM and any subsequent Special General Meeting;
 - (e) approval of the budget for the subsequent financial year commencing the year following the meeting and any Levy;
 - (f) appointment of directors;
 - (g) appointment of auditor in accordance with clause 12.10;
 - (h) motions to be considered; and
 - (i) any other information prescribed in regulations.
- 6.3 **Minutes:** The Board must ensure that minutes are kept of every general meeting of the Society.
- 6.4 **Access to Minutes and Financial Statements:** Members may make a written request for:
- (a) the financial statements presented at the most recent AGM of the Society; and/or
 - (b) minutes of the most recent general meeting of the Society,
- the Society will provide the requested information without charge within a reasonable period of receiving the request.
- 6.5 **Method of Meetings:** Meetings may be held in person, by audio, audio-visual or other electronic means or by a combination of those methods.
- 6.6 **Calling Meetings:**

- (a) The Board will determine the time and place of each year's AGM.
- (b) A general meeting other than an AGM (**Special General Meeting**) may be requested by:
 - (i) the Board; or
 - (ii) by written requisitions signed by not less than 10% of current Members,

the Board Secretary shall call a Special General Meeting within 14 days of receiving an effective request.

6.7 **Member motions:** A Member may request a motion (**Member Motion**) be voted on at a general meeting by giving notice to the Board Secretary. The Member may provide information in support of the Member Motion. If the request is received:

- (a) not more than 60 days but not less than 30 days prior to the AGM, the Member Motion will be considered at the AGM; and
- (b) if the Member Motion is received other than as described in clause 6.7(a):
 - (i) if the Member Motion is signed by at least 10% of Members, the Board will call a Special General Meeting not more than 5 business days following receipt of the Member's Motion; or
 - (ii) if the Member Motion is not signed by at least 10% of Members, the Board may decide in its absolute discretion whether or not to convene a Special General Meeting to vote on the Member's Motion.

6.8 **Notice of general meetings:** Other than as provided in clause 6.14(c), a notice of an AGM or Special General Meeting must be sent to every Member not less than 10 business days before the date of the meeting. The notice must specify:

- (a) the date, time and venue of the meeting;
- (b) the nature of business to be transacted;
- (c) the text of any resolutions to be voted on;
- (d) the Board's recommendations about the resolutions to be voted on; and
- (e) any Member motions submitted in accordance with clause 6.7 including supporting information (where applicable and practical); and
- (f) the right to appoint a proxy or to vote by postal or electronic means and include applicable voting form(s) by which Members may exercise those rights,

notices will be sent by email unless a Member has notified the Board Secretary that email notices are not acceptable to that Member.

6.9 **Failure to Give Notice:** The accidental omission to give notice or a Member not receiving such notice does not invalidate the proceedings at any general meeting.

- 6.10 **Quorum:** No business may be transacted at any general meeting of the Society unless a quorum of not less than 20 Members eligible to vote at general meetings is present. For the purposes of calculating a quorum, a body corporate Member shall be considered present if one person representing the body corporate attends. Members may be present:
- (a) in person; or
 - (b) by proxy; or
 - (c) participating in the meeting by means of audio, audio and visual, or electronic communication; or
 - (d) a combination of the above.
- 6.11 **Resolution in lieu of general meeting:** The Society may not pass a resolution in writing in lieu of at a general meeting.
- 6.12 **Postal instructions:** If postal voting is permitted the Board Secretary is authorised to receive and count postal votes at that meeting.
- 6.13 **The Chair:** The chair at any general meeting shall be:
- (a) the Chair of the Board; or
 - (b) if the Chair is unable, or if the Chair is absent, the Vice Chair, and if both the Chair and the Vice Chair are absent, the Board shall elect a Director to chair that meeting; and
 - (c) no person chairing a general meeting will have a casting vote.
- 6.14 **Adjournment:**
- (a) If a quorum is not present within 30 minutes after the time appointed for a general meeting, the meeting is adjourned to the same day the following week at the same time and place, or to such other date, time and place as the Board determines (no later than 14 days from the date of the adjourned meeting).
 - (b) If at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the Members present or their proxies are a quorum.
 - (c) No business other than the business which might have been transacted at the meeting from which the adjournment took place may be transacted at any adjourned meeting. Notice of the adjourned meeting will be provided not less than 5 days before the date of the adjourned meeting.

7. VOTING

- 7.1 **Voting:** For the purposes of calculating votes:
- (a) A Member (other than a Grower Member) who is a body corporate shall have a single vote and each individual Member (other than a Grower Member) shall have one vote;
 - (b) A Grower Member shall have one vote for every Tray Equivalent (rounded to the nearest Tray) of kiwifruit owned by the Member when it

was accepted for export by an exporter to markets other than Australia in the most recently completed season. A Member's voting entitlement shall be determined by taking the average of the highest number of Tray Equivalents produced by the Member in any two of the five financial years immediately preceding the financial year in which the vote occurs; and

- (c) Where a Grower Member notifies the Board Secretary that the Grower Member has top grafted to a new variety, or has lost production to vine disease, or had an adverse weather event or other act of God, or any other event, then the Board shall determine the number of votes held by the Grower Member. The determination of the Board of the number of votes held by any Grower Member shall be final.

7.2 **Corporation Representatives:** A Corporate Representative may exercise the body corporate Member's powers.

7.3 **Voting at Meetings:** The Board shall establish the voting method and process for all general meetings and appoint returning officers to administer it. At the discretion of the Board, Members may vote in person, by postal vote, electronic means or by proxy:

- (a) If applicable, Members may appoint a proxy by notice in writing signed by the Member in the form set out in the notice of meeting or, in the case of electronic notice, sent by the Member. A proxy for a Member is entitled to attend and be heard and vote at a general meeting as if the proxy were the Member.
- (b) Each notice of proxy and/or postal ballot (as applicable) shall be sent to Members in sufficient time prior to the date of the Society Meeting to enable the notice of proxy to be returned and/or ballot papers to be received and Members to cast their votes. Ballot papers sent to Members shall include sufficient information to enable Members to cast their votes.
- (c) Voting in a postal ballot may be by ballots returned to the Board Secretary by mail, delivery (before or at the Society Meeting), email or other electronic process as determined by the Board.
- (d) The Board shall declare the result of the ballot.
- (e) The result of each ballot shall be as effective and binding on Members as a resolution passed at a Society Meeting.
- (f) A resolution shall be passed if 50% or more of the votes cast by Members are in favour of the resolution.
- (g) Where postal ballots are not applicable, resolutions put to the vote shall be decided on show of hands unless a ballot is demanded before the vote is taken by:
 - (i) the chairperson of the meeting; or
 - (ii) at least 50% of the Members present in person or by proxy;
- (h) If a vote is taken on a resolution for which postal votes have been cast, the chairperson must count each postal vote for or against the resolution in a vote by show of hands or by ballot;

- (i) where a resolution is put to the vote of the meeting by show of hands, the number of votes recorded in favour and against the resolution will be entered in the Society's minute book;
- (j) resolutions are passed by a majority of votes unless a Special Resolution or the unanimous resolution of all Members is required by this Constitution;
- (k) The chairperson does not have a casting vote.

7.4 **Postal and proxy and electronic votes:**

- (a) Members may vote by postal vote solely for the purposes of the Grower Director election process described in clause 8.7.
- (b) Members may vote by proxy or electronic means.
- (c) Members may appoint a proxy by notice in writing signed by the Member substantially in the form set out in Schedule 2 or, in the case of electronic notice, sent by the Member. A proxy for a Member is entitled to attend and be heard and vote at a general meeting as if the proxy were the Member.
- (d) Notices of proxy must be received by the Board Secretary not less than 48 hours before the start of the meeting and may be sent physically by courier, standard post or by hand or by electronic means such as email.

8. **BOARD**

8.1 **Powers and duties:**

- (a) Subject to any restrictions set out in the Act or this Constitution, the Board has all powers necessary for managing the operation of the Society including to:
 - (i) administer, manage, and control the Society;
 - (ii) carry out the purposes of the Society, and use Money or Other Assets to do that;
 - (iii) manage the Society's financial affairs, including approving the annual financial statements for presentation to the Members at the AGM;
 - (iv) set accounting policies;
 - (v) delegate responsibility and contract resources where necessary in accordance with the Delegated Authorities Manual;
 - (vi) ensure that all Members follow this Constitution;
 - (vii) decide how a person becomes a Member, and how a person stops being a Member;
 - (viii) decide the times and dates for Meetings, and set the agenda for Meetings;

- (ix) decide, in accordance with the requirements of the Act, the procedures for dealing with complaints;
 - (x) set Membership fees, including subscriptions and levies.
- (b) Except where a right, power or discretion is expressly reserved to the Members under the Act or this Constitution, the Board may exercise a right, power or discretion on behalf of the Society.
- (c) Each director must comply with all duties required of an "officer" under the Act (as applicable).
- 8.2 **Delegation of powers to sub-committee:** The Board may delegate any of its powers to sub-committees consisting of members of the Board and at the discretion of the Board may include non-Board advisors. Any sub-committee will comply with the directions of the Board in the exercise of those powers.
- 8.3 **Bank Accounts:** The Society will establish a bank account. Any transactions on that account must be approved in accordance with the Delegated Authorities Manual.
- 8.4 **Composition:** The Board shall have not less than six nor more than seven directors comprised of:
- (a) **Grower Directors:** three directors (which may include Corporate Representatives appointed under clause 5.2(b)) elected by the Grower Members in accordance with clause 8.6(a);
 - (b) **Independent Director:** one or two independent director(s), nominated by the Board and elected by the Society in a General Meeting;
 - (c) **Supplier Director:** one director appointed by the Supplier Members; and
 - (d) **Zespri Director:** one director appointed by Zespri Group Limited.
- 8.5 **Changes to Board composition:** any change to the number of directors will be determined by resolution of the Members at a General Meeting of the Society.
- 8.6 **Election and appointment of Board:** Persons wishing to be appointed to the Board must be qualified to be officers under s47 of the Act.
- (a) Grower Directors will be elected by the Members at the AGM from amongst the Members in accordance with the process set out in clauses 8.7.
 - (b) The Independent Director will be elected by the Members at the AGM in accordance with the process set out in clauses 8.8.
 - (c) On election or appointment all directors must:
 - (i) consent in writing to being a director; and
 - (ii) certify they are not disqualified from holding office due to any reason set out in s47(3) of the Act,
 by completing the form available on the Registrar's Website.

- (d) Directors will hold their position from:
- (i) **Elected Directors:** the date following the AGM at which they were elected; and
 - (ii) **Appointed Directors:** the date on which they are appointed.

8.7 **Grower Director election process:** Every year in conjunction with the Annual General Meeting voting process, the Board will conduct a postal ballot of Grower Members to elect one Grower Director. The Board will determine nomination and voting procedures consistent with this Constitution:

- (a) before nominations are called for, the Board will appoint a returning officer to run and administer the election and will appoint an independent scrutineer to oversee the election;
- (b) nominations will be opened eight weeks prior to the vote commencing and close four weeks before voting commences;
- (c) candidates for director shall be Grower Members and shall be nominated and seconded by other Grower Members;
- (d) before any nomination for director is accepted by the Board, the nominee will provide a list of all interests in the kiwifruit industry, both in New Zealand and elsewhere on the form provided by the Board. This information will be held by the Board and be available to Members on request;
- (e) The provisions of clause 7 shall apply, adapted as required, to the election of the Grower Directors and all references to "Members" in clause 7 shall be read and construed as references to "Grower Members" for the purpose of the Grower Director elections.

8.8 **Independent Director election process:** Every third year in conjunction with the Annual General Meeting voting process, the Board will make a preliminary appointment of an Independent Director to be ratified by way of a postal ballot of Members. The Board will determine the voting procedures for ratification of the Independent Director consistent with this Constitution.

8.9 **Removal of Directors:** Directors will hold their position until the earliest of:

- (a) for all directors:
 - (i) the date the director resigns by giving notice in writing to the Society; or
 - (ii) the date from which the director becomes disqualified from being an officer in accordance with s47 of the Act; or
 - (iii) if the director has been absent from 3 Board meetings without leave of absence from the Board, the date of the third such Board meeting; or
 - (iv) if the director has brought the Society into disrepute, the date the Board becomes aware of the director's behaviour; or
 - (v) the Board passes a vote of no confidence in the director; or

- (vi) the director dies,
- (b) for Grower Directors and Independent Directors:
 - (i) the third AGM following the date of their election;
 - (ii) the date the Director is removed from the position by the Members in a General Meeting; or
 - (iii) the date a Grower Director ceases to be a Member of the Society,
- (c) for Appointed Directors:
 - (i) the third anniversary of the date on which they were appointed under clause 8.6(d); or
 - (ii) the date the Appointed Director is removed from the position by its appointer.
- (d) In the event of a casual vacancy:
 - (i) in any Grower Director position on the Board for whatever reason, the remaining directors may appoint another Member to fill the vacancy until the position is elected by the Members at a General Meeting;
 - (ii) in an Independent Director position on the Board for whatever reason, the remaining directors may appoint another person to fill the vacancy until the position is elected by Members at a General Meeting;
 - (iii) in any Appointed Director position on the Board for whatever reason, the appointing party under clause 8.4(c) or (d) (as applicable) will appoint a replacement as soon as practicable;
 - (iv) Any replacement director appointed under this clause 8.9(d) must be qualified to act as an officer of the Society in accordance with s47 of the Act; and
 - (v) The replacement director appointed under this clause 8.9(d) shall hold office for the remainder of the vacating director's term and shall be eligible for reappointment in accordance with this Constitution.
- (e) Directors will not be barred from reappointment for subsequent terms.
- (f) It is intended that the Directors will retire in rotation so that two of the directors shall retire or have their term ending at each AGM.
- (g) A person who ceases to be a Director and is not reappointed in accordance with this Constitution must return all Society documents and property to the Society's registered office within one month of the date they ceased to be a Director.

8.10 **Notice to Registrar:** Notice of any change to directors must be notified to the Registrar via the form available on the Registrar's Website within 20 business days of the change.

- 8.11 **Chair, Vice Chair:** The Directors shall choose a Chair and Vice Chair. Unless otherwise determined by the Directors, the Chair and Vice Chair shall be elected or re-elected annually.
- 8.12 **Alternate Directors:**
- (a) Every Appointed Director may by notice given in writing to the Society, appoint any person (including any other director) to act as an alternate director in the director's place either generally or in respect of a specified meeting or meetings during the director's absence or inability to act as a director and at the director's discretion by notice in writing to the Society, may remove the director's alternate director.
 - (b) On any such appointment being made the alternate director may, while acting in the place of the Appointed Director, represent, exercise and discharge all the powers, rights, duties and privileges (but not including the right of acting as chairperson) of the director appointing the alternate director and is subject in all respects to the same terms and provisions as that director except as regards remuneration and except as regards the power to appoint an alternate director under this Constitution.
 - (c) For the purpose of establishing a quorum of the board an alternate director is deemed to be the director appointing him or her.
 - (d) Any alternate director appointed under this clause 8.12 must be qualified to act as an officer of the Society in accordance with s47 of the Act.
- 8.13 **Associate Directors:** for the purpose of succession planning and development within the industry, the Board may appoint an Associate Director:
- (a) The Associate Director shall have the right to attend and speak at Board meetings but shall not have voting rights.
 - (b) The Associate Director will be appointed for a term of one year, with an option to renew their term for a further one year period:
 - (i) if they choose not to renew, the Associate Director will notify the Board in writing not less than two months prior to the anniversary of their appointment; and
 - (ii) following expiry of their one or two years (as applicable) they will not be eligible for reappointment as Associate Director.
 - (c) The Board will form a sub-committee for the purpose of reviewing and appointing Associate Director candidates.
 - (d) The sub-committee shall call for applications for the role of Associate Director from amongst the Grower Members and Supplier Members 3 months prior to the role becoming available.
 - (e) Applicants will apply to the Board Secretary on behalf of the sub-committee providing the information requested by the sub-committee.
 - (f) Following review of the applications, the sub-committee shall recommend a candidate to the Board.

- (g) The Board shall take the sub-committee's recommendations into account but shall have sole discretion to appoint the Associate Director.
- (h) The Associate Director ceases to be an Associate Director:
 - (i) on the date:
 - A one year after the date they were appointed if they do not renew their term as set out in clause 8.13(b)(i); or
 - B two years after the date they were appointed if they have chosen to renew their term in accordance with clause 8.13(b); or
 - (ii) on the date they resign in writing to the Board; or
 - (iii) if they are removed by a majority vote of Board members.
- (i) The Associate Director role is unpaid but may, at the discretion of the Board, claim per diem or reimbursable expenses.
- (j) The Associate Director is not an officer for the purposes of the Act.
- (k) An Associate Director may not be appointed or elected as a Director of the Board for a period of six months from the date their term finishes under clause 8.13(b).

8.14 **Conduct of Meetings:**

- (a) The Board may meet together, adjourn or otherwise regulate its meeting and procedures for conducting its business as it thinks fit.
- (b) A quorum comprises a majority of Directors. No Board business may be conducted unless a quorum is present.
- (c) Meetings may be held in person, by audio link, audio-visual link or other electronic communication or by a combination of these methods.
- (d) The Board may meet at any time and the Board Secretary will convene a meeting of the Board the request of:
 - (i) the Chair; or
 - (ii) not less than 50% of Directors.
- (e) The Chair shall chair Board Meetings, or if the Chair is absent, the Vice Chair, and if both the Chair and the Vice Chair are absent, the Board shall elect a Director to chair that meeting;
- (f) Only Directors present at a Board Meeting or appointed in accordance with clause 8.12 may vote at that Board Meeting.

8.15 **Voting:**

- (a) Resolutions of the Board will be passed by simple majority.
- (b) Each director is entitled to exercise one vote.

- (c) The Board Secretary will not be entitled to vote unless the Board Secretary is also a Director.
- (d) In the event of an equal vote, the Chair shall have a casting vote.
- (e) A resolution may be passed in writing in lieu of at a Board meeting by the resolution being signed by such of the directors as would constitute a quorum at a Board meeting.
- (f) Directors voting on a resolution may vote by electronic means.
- (g) Decisions of the Board bind the Society, unless the Board's power is limited by this Constitution or by a majority vote of the Society.

8.16 **Minutes:** The Board must ensure that minutes are kept of all Board meetings.

8.17 **Policies:** The Board may make and amend policies, procedures and bylaws from time to time for the conduct and control of Society activities and codes of conduct applicable to Members. No policies, procedures and bylaws shall be inconsistent with this Constitution, the Act or any regulations under the Act, or any other legislation.

8.18 **Directors' and officers' insurance:** The Society may take out and maintain directors' and officers' liability insurance cover (in respect of those risks which can be lawfully covered) to an appropriate level approved by the Board in respect of:

- (a) liability (other than criminal liability) for failure to comply with officers' duties (other than actions or omissions done in bad faith, dishonestly or due to gross negligence) under the Act or any other duty imposed on the officer in their capacity as an officer; and

costs incurred by the officer for any claim or proceeding relating to that liability.

9. CHIEF EXECUTIVE OFFICER

9.1 **Chief Executive:** The Board may appoint a Chief Executive for the Society and may remove and replace the Chief Executive from time to time. The Chief Executive is responsible for the day-to-day management of the Society as set out in a job specification agreed at the time of appointment or as modified from time after consultation between the parties including to:

- (a) operate the Society in line with the expectations of the Board;
- (b) will hold the level of financial authority delegated and set out in a letter of delegation by the Board. Such delegation may be revoked or amended by the Board at any time by issuing a letter of revocation or a subsequent letter of delegation;
- (c) may attend Board meetings except those Board meetings, or parts of Board meetings, where the Board wishes to meet without the Chief Executive present.

9.2 **Status of Chief Executive:** The Chief Executive is deemed to be an officer under the Act and must comply with all officer duties. Any change to the Chief Executive will be notified in accordance with the requirements set out in clause 8.10 to the Registrar as if the Chief Executive is a Director.

10. CONTACT PERSON/BOARD SECRETARY

10.1 Appointment:

- (a) The Board shall also appoint a Board Secretary, who need not be Director or a Member, but shall be a person considered by the Board to have the appropriate skills to carry out the function of the secretary. The Board may remove and replace the Board Secretary from time to time.
- (b) The Board Secretary will act as the contact person (**Contact Person**) for the Society. The Board may appoint up to 2 additional Contact Persons and may remove or replace such additional Contact Persons from time to time.
- (c) The Contact Person will be at least 18 years of age and ordinarily resident in New Zealand.

10.2 **Replacement:** If the Society has only one Contact Person, the position must be filled within 20 business days of a vacancy occurring.

10.3 **Notification:** The Society must notify the Registrar of any change to the Contact Person(s) or to a Contact Person's name or contact details within 20 business days of the change. Notification must be in the form available on the Registrar's Website.

10.4 **Status of Contact Person:** Unless the Contact Person is also a Director or deemed an "officer" as that term is defined under the Act in another capacity, the Contact Person is not an officer of the Society.

10.5 **Duties and status of Board Secretary:** The Board Secretary appointed under clause 10.1 will be responsible for the duties determined by the Board including:

- (a) convening general meetings when requested to do so in accordance with this Constitution;
- (b) attending Board meetings except those Board meetings, or parts of Board meetings, where the Board wishes to meet without the Board Secretary present.
- (c) giving all notices as required under the Act, this Constitution, or as directed from time to time by the Society or the Board;
- (d) recording minutes at all general meetings and Board meetings, including:
 - (i) the time, date and venue of the meeting; and
 - (ii) all business considered and resolutions passed.

11. CONFLICTS

11.1 **Interested:** A Director is interested in a matter if they:

- (a) may obtain a financial benefit from the matter;
- (b) have a financial interest in, or are a partner, director, officer, board member or trustee of, a person to whom the matter relates; or

- (c) are a spouse, civil union partner, de facto partner, child, parent, grandparent, grandchild, sibling, niece, nephew, uncle, aunt or first cousin of someone who may obtain a financial interest in the matter.

11.2 **Disclosure:** A Director must disclose if, to the best of their knowledge, they are interested as described in 11.1 including details of the nature and extent of their interest to the Board.

11.3 **Interests register:**

- (a) The interest must be recorded in the Society's interests register.
- (b) Each year the Chief Executive will prepare a report stating the disclosures or types of disclosures made under clause 11.2 in the preceding financial year including a brief summary of the matters or types of matters to which the disclosures relate.

11.4 **Consequences of being interested:**

- (a) **Actions:** A Director who is interested may not:
 - (i) vote on the matter; or
 - (ii) take part in a decision on the matter; or
 - (iii) sign any documents in relation to the matter,
 but may:
 - (iv) take part in a discussion on the matter; and may
 - (v) count towards a quorum and be present during the vote.
- (b) **Exceptions:** If all Directors who are not interested in the matter consent, the interested Director may vote on the decision and/or sign documents relating to the decision.
- (c) **Majority conflict:** If 50% or more of the Board are prevented from voting on a matter due to conflicts of interest, a Special General Meeting must be called to determine the matter.

11.5 **Acknowledgement:** All Grower Directors and the Supplier Director may be interested in matters under clauses 11.1(a) and 11.1(b). Where a matter relates to and may impact all, or a large proportion of, Grower Members and/or Supplier Members (as applicable), clauses 11.4(a)(i) to (iii) do not apply.

11.6 **Failure to comply:** Subject to clause 11.5, if a Director fails to disclose an interest, fails to record an interest in the interests register or fails to comply with the restrictions in 11.4(a), the Board must notify all Members of the failure.

11.7 **Arms-length transactions:** A Member may enter into any agreement or understanding with the Society for the supply of any goods or services on terms and conditions that would be reasonable if that person were not a Member.

12. FINANCES

12.1 **Use of Money and Other Assets:** The Society may only use Money and Other Assets if:

- (a) it is for a purpose of the Society;
- (b) it is not for pecuniary gain in accordance with clause 3.2; and
- (c) that use has been approved by either the Board or by simple majority vote of the Society.

12.2 **Subscriptions:** The Board has discretion to set Member subscriptions and other charges from time to time:

- (a) any such subscriptions or other charges may vary between Member types but shall be the same for all Members in a category referred to in clause 5.4;
- (b) nothing in this rule shall affect the imposition and collection of a Levy or Levies payable to the Society under applicable legislation;
- (c) if any Member does not pay a subscription by the date set by the Board and unless the arrears are paid by a nominated date, the Membership may be terminated;
- (d) if terminated, the Member shall (without being released from the obligation of payment of any sums due to the Society) have no Membership rights and shall not be entitled to participate in any Society activity.

12.3 **Control of funds:** All moneys received by or on behalf of the Society shall (unless otherwise directed by the Board) be paid to the credit of the Society in an account or accounts with the bankers for the time being of the Society.

12.4 **Additional Powers:** The Society may:

- (a) employ people for the purposes of the Society, including without limitation appointing a Chief Executive Officer for such period and on such terms as the directors think fit;
- (b) exercise any power a trustee might exercise;
- (c) invest in any investment that a trustee might invest in; and
- (d) borrow money and provide security for that if authorised by simple majority vote of the Society.

12.5 **Financial Year:** The financial year of the Society begins on 1 April of every year and ends on 31 March of the next year.

12.6 **Accounting records:** The Board will ensure that proper accounts and records of the Society are kept at all times. Accounting records will be kept for the current accounting period and for a further 7 years. In particular, the Board shall ensure compliance with any requirements for financial reporting of the Minister for Primary Industries, whether pursuant to any agreement for funding or the Biosecurity Act 1993.

12.7 **Reporting to Registrar:** The Society will submit an annual return via the Registrar's Website within 6 months of the balance date. The annual return must include the following information:

- (a) Society name;

- (b) balance date;
- (c) New Zealand Business Number and registration number;
- (d) physical address of registered office;
- (e) name and contact details of at least one contact person;
- (f) confirmation the Society has 10 or more members at the time the return is given; and
- (g) confirmation by an officer that the information given is correct.

12.8 **Financial statements:** The Society a specified not-for-profit society as defined in s103 of the Act. The Society will prepare financial statements in accordance with generally accepted accounting practice.

12.9 **Completion of financial statements:** The Society must ensure that, within 6 months after the balance date, financial statements are:

- (a) completed, dated and signed by two Directors; and
- (b) copies of the financial statements are provided to the Registrar.

12.10 **Appointment of auditor:** The Society shall appoint an auditor to audit the annual financial statements of the Society. The auditor shall report on whether the financial statements are prepared in all material respects in accordance with the Society's accounting policies. The auditor must be a suitably qualified person, a member of the New Zealand Institute of Chartered Accountants, and must not be a member of the Board, or an employee of the Society or any Member. If the Society appoints an auditor who is unable to act for some reason, the Board shall appoint another auditor as a replacement.

12.11 **Responsibility to auditor:** The Board is responsible to provide the auditor with:

- (a) access to all information of which the Board is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- (b) additional information that the auditor may request from the Board for the purpose of the audit; and
- (c) reasonable access to persons within the Society from whom the auditor determines it necessary to obtain evidence.

12.12 **Approval of financial statements:** The audited financial statements shall be approved at the annual general meeting of members by a simple majority vote.

13. DISPUTE RESOLUTION

13.1 **Disputes:** A dispute is a disagreement or conflict that relates to an allegation that:

- (a) a Member or an Officer has engaged in misconduct; or
- (b) a Member or an Officer has breached, or is likely to breach, a duty under this Constitution or the Act; or

- (c) the Society has breached, or is likely to breach, a duty under this Constitution or the Act; or
- (d) a Member's rights or interests as a member have been damaged or Members' rights or interests generally have been damaged,

and may arise between:

- (e) Members;
- (f) Member(s) and the Society;
- (g) Member(s) and Officer(s);
- (h) Officers; or
- (i) Officer(s) and the Society,

the Society will follow the process set out in sections 2 to 8 of Schedule 2 of the Act, as amended from time to time. Schedule 2 of the Act at the time of incorporation/re-registration is set out in Schedule 1 of this Constitution.

- 13.2 The Disputes Procedure will not apply to a Dispute to the extent that other legislation requires the Dispute to be dealt with in a different way. The Disputes Procedure will have no effect to the extent that it contravenes, or is inconsistent with, that legislation.

14. WINDING UP

- 14.1 **Winding up:** The Society may be wound up in accordance with Part 5 of the Act and must:

- (a) call a Special General Meeting for the purpose of resolving the intention to wind up the Society;
- (b) the resolution referred to in 14.1(a) must state the date on which the Society will be dissolved and may direct the method of disposing of the Society's assets and potential recipient organisation(s);
- (c) a second Special General Meeting must be called not less than 30 days after the date of the resolution in being passed to confirm the resolution to dissolve the Society and request the Society be removed from the Register;
- (d) notice of the resolution and its confirmation must be given to the Registrar,

on dissolution, the Society must:

- (e) discharge its debts and liabilities in full;
- (f) distribute its surplus assets as set out below.

- 14.2 **Surplus Assets:** Any surplus assets of the Society shall, by resolution of the Board, be distributed in accordance with the Biosecurity Act 1993 or its applicable delegated legislation.

15. ALTERATION OF CONSTITUTION

15.1 **Planned changes:** Any amendment, addition or replacement of this Constitution must be:

- (a) in writing; and
- (b) approved by an ordinary resolution at an AGM or at a Special General Meeting convened for that purpose; and
- (c) notice of any motion for alteration, amendment or rescission of the Constitution must be given to Members at least 10 business days prior to the applicable general meeting and accompanied by a written explanation of the reasons for the proposal and any recommendations of the Board;
- (d) any alteration to:
 - (i) clause 3.2 must retain the prohibition on financial gain; and
 - (ii) clause 14.2 must retain the requirement for surplus assets to be distributed to a not-for-profit organisation.

15.2 **Minor and technical changes:** The Society may make minor or technical amendments to fix errors by giving written notice of the proposed amendment to all members. The notice must state the text of the amendment and the right of members to object to the amendment and:

- (a) if no objections are received within 20 business days of the notice being sent to members, the Board may make the amendment; or
- (b) if any member objects to the amendment, the amendment may only be made in accordance with clause 15.1.

15.3 **Timeframes prescribed by law:** Timeframes described in clause 1.2(i) are included in this Constitution for convenience. Where such timeframe is amended, the applicable reference in this Constitution may be updated by the Board and is not an alteration as described in clause 15.1 or 15.2.

15.4 **Notification to Registrar:** The Board must notify the Registrar of amendments to the Constitution within 25 business days of the amendment being made by using the form provided on the Registrar's Website. Notification must include the following:

- (a) the amendment;
- (b) a copy of the constitution, as amended;
- (c) a certificate from an officer of the Society in the form provided by the Registrar; and
- (d) any other information prescribed by regulations from time to time.

15.5 **No name change:** The Society's name may not be changed under this clause 15.

16. CONTRACTING

16.1 **Delegated Authorities Manual:**

- (a) The Society will maintain a manual (**Delegated Authorities Manual**) setting out the authorisations required for financial approval of decisions and transactions including any applicable formalities.
- (b) The Delegated Authorities Manual will be reviewed annually by the Board.

16.2 **Contracting:** The Society will enter contracts in accordance with the requirements of the Delegated Authorities Manual as amended from time to time.

17. NOTICES

17.1 Notices:

- (a) Any notice given under this Constitution must be in writing.
- (b) Notices to Members may be:
 - (i) delivered personally to the Member(s); or
 - (ii) sent by ordinary post or courier addressed to the Member(s) at the address of the Member appearing in the Register of Members; or
 - (iii) transmitted to the email address of the Member(s) appearing in the **Register of Members**; or
 - (iv) where the notice applies to the entire membership of the Society, published in an industry periodical.
- (c) Notices to the Society may be:
 - (i) delivered to the Society's registered office; or
 - (ii) sent by ordinary post or courier addressed to the Society at its registered office.
- (d) Notices to the Registrar must be:
 - (i) in the form prescribed and accompanied by any other information or documentation required by the Registrar, the Act or the Regulations;
 - (ii) within the timeframe set out in the Act or the Regulations.

17.2 **Deemed Delivery:** A notice is deemed to be given:

- (a) when delivered by hand, on delivery to the intended recipient if delivered before 5pm on a working day; or
- (b) when sent by post, 5 business days after the date of mailing; or
- (c) when sent by e-mail, one hour after the e-mail is sent, if sent prior to 5pm on a working day and unless a return e-mail is received by the sender within that one hour period stating that the e-mail address is wrong or that the message cannot be delivered; or

- (d) when published in an industry periodical insert eg one week after the date of publication,

and provided that any notice that is delivered by hand or sent by e-mail after 5pm on a working Day, or at any time on a non-working day, will be deemed received at 9 am on the next working day.

- 17.3 **Omission:** The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by any Member entitled to receive notice will not invalidate the proceedings at the meeting.

Schedule 1 – Dispute resolution process

Section references in this schedule refer to sections in the Incorporated Societies Act 2022
Incorporated Societies Act 2022 (as enacted) Schedule 2

1. Overview of this schedule

- (1) Section 39 requires the procedures in a society's constitution relating to disputes to be consistent with the rules of natural justice.
- (2) A society may choose (but is not required) to include the procedures in this schedule in its constitution.
- (3) The procedures in a society's constitution must be treated as being consistent with the rules of natural justice if those procedures consist of—
 - (a) all of the procedures in this schedule; and
 - (b) any additional procedures that are consistent with those procedures.

2. How complaint is made

- (1) A member or an officer may make a complaint by giving to the Board (or a complaints subcommittee) a notice in writing that—
 - (a) states that the member or officer is starting a procedure for resolving a dispute in accordance with the society's constitution; and
 - (b) sets out the allegation to which the dispute relates and whom the allegation is against; and
 - (c) sets out any other information reasonably required by the society.
- (2) The society may make a complaint involving an allegation against a member or an officer by giving to the member or officer a notice in writing that—
 - (a) states that the society is starting a procedure for resolving a dispute in accordance with the society's constitution; and
 - (b) sets out the allegation to which the dispute relates.
- (3) The information given under subclause (1)(b) or (2)(b) must be enough to ensure that a person against whom an allegation is made is fairly advised of the allegation concerning them, with sufficient details given to enable them to prepare a response.
- (4) A complaint may be made in any other reasonable manner permitted by the society's constitution.

3. Person who makes complaint has right to be heard

- (1) A member or an officer who makes a complaint has a right to be heard before the complaint is resolved or any outcome is determined.
- (2) If the society makes a complaint,—
 - (a) the society has a right to be heard before the complaint is resolved or any outcome is determined; and

- (b) an officer may exercise that right on behalf of the society.
- (3) Without limiting the manner in which the member, officer, or society may be given the right to be heard, they must be taken to have been given the right if—
 - (a) they have a reasonable opportunity to be heard in writing or at an oral hearing (if one is held); and
 - (b) an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing; and
 - (c) an oral hearing (if any) is held before the decision maker; and
 - (d) the member's, officer's, or society's written statement or submissions (if any) are considered by the decision maker.

4. Person who is subject of complaint has right to be heard

- (1) This clause applies if a complaint involves an allegation that a member, an officer, or the society (the **respondent**)—
 - (a) has engaged in misconduct; or
 - (b) has breached, or is likely to breach, a duty under the society's constitution or bylaws or this Act; or
 - (c) has damaged the rights or interests of a member or the rights or interests of members generally.
- (2) The respondent has a right to be heard before the complaint is resolved or any outcome is determined.
- (3) If the respondent is the society, an officer may exercise the right on behalf of the society.
- (4) Without limiting the manner in which a respondent may be given a right to be heard, a respondent must be taken to have been given the right if—
 - (a) the respondent is fairly advised of all allegations concerning the respondent, with sufficient details and time given to enable the respondent to prepare a response; and
 - (b) the respondent has a reasonable opportunity to be heard in writing or at an oral hearing (if one is held); and
 - (c) an oral hearing is held if the decision maker considers that an oral hearing is needed to ensure an adequate hearing; and
 - (d) an oral hearing (if any) is held before the decision maker; and
 - (e) the respondent's written statement or submissions (if any) are considered by the decision maker.

5. Investigating and determining dispute

- (1) A society must, as soon as is reasonably practicable after receiving or becoming aware of a complaint made in accordance with its constitution, ensure that the dispute is investigated and determined.

- (2) Disputes must be dealt with under the constitution in a fair, efficient, and effective manner.

6. Society may decide not to proceed further with complaint

Despite clause 5, a society may decide not to proceed further with a complaint if—

- (a) the complaint is trivial; or
- (b) the complaint does not appear to disclose or involve any allegation of the following kind:
 - (i) that a member or an officer has engaged in material misconduct;
 - (ii) that a member, an officer, or the society has materially breached, or is likely to materially breach, a duty under the society's constitution or bylaws or this Act;
 - (iii) that a member's rights or interests or members' rights or interests generally have been materially damaged;
- (c) the complaint appears to be without foundation or there is no apparent evidence to support it; or
- (d) the person who makes the complaint has an insignificant interest in the matter; or
- (e) the conduct, incident, event, or issue giving rise to the complaint has already been investigated and dealt with under the constitution; or
- (f) there has been an undue delay in making the complaint.

7. Society may refer complaint

- (1) A society may refer a complaint to—
 - (a) a subcommittee or an external person to investigate and report; or
 - (b) a subcommittee, an arbitral tribunal, or an external person to investigate and make a decision.
- (2) A society may, with the consent of all parties to a complaint, refer the complaint to any type of consensual dispute resolution (for example, mediation, facilitation, or a tikanga-based practice).

8. Decision makers

A person may not act as a decision maker in relation to a complaint if 2 or more members of the Board or a complaints subcommittee consider that there are reasonable grounds to believe that the person may not be—

- (a) impartial; or
- (b) able to consider the matter without a predetermined view.

Schedule 2 – Form of proxy voting form

Incorporated Societies Act 2022

Kiwifruit Vine Health Incorporated

PROXY VOTING FORM

Dear Member

This form has been provided together with a Notice of [Annual/Special] General Meeting of Members (**Meeting**) of Kiwifruit Vine Health Incorporated (**KVH**) dated [date]. The Meeting will be held at [insert time] on [insert day and date] at the [insert location].

If you are unable to attend the Meeting and would like to appoint a proxy to attend and vote on your behalf, please fill out, sign and return this form by [time] on [day and date] by email to [contact email address].

APPOINTMENT OF PROXY

I being a Member of KVH entitled to vote at the Special Meeting to be held on [day and date] appoint:

PROXY DETAILS

Name (full name):

.....

Address:

.....

Occupation:

.....

To be my proxy and exercise my vote at the Special Meeting of Members on [day and date]

Signed by:

Name:

.....

Signature:

.....

Dated:

.....

Schedule 3 – Qualifications of Officers

INCORPORATED SOCIETIES ACT 2022

47 Qualifications of officers

- (1) Every officer of a society must be a natural person.
- (2) A natural person who is not disqualified by subsection (3) may be elected or appointed as an officer of the society, so long as that person—
- (a) has consented in writing to be an officer; and
 - (b) certifies that they are not disqualified from being elected or appointed or otherwise holding office as an officer of the society.
- (3) The following persons are disqualified from being elected or appointed or otherwise holding office as an officer of a society:
- (a) a person who is under 16 years of age:
 - (b) a person who is an undischarged bankrupt:
 - (c) a person who is prohibited from being a director or promoter of, or being concerned or taking part in the management of, an incorporated or unincorporated body under the Companies Act 1993, the Financial Markets Conduct Act 2013, or the Takeovers Act 1993:
 - (d) a person who is disqualified from being an officer of a charitable entity under section 36C of the Charities Act 2005:
 - (e) a person who has been convicted of any of the following, and has been sentenced for the offence, within the last 7 years:
 - (i) an offence under subpart 6 of Part 4:
 - (ii) a crime involving dishonesty (within the meaning of section 2(1) of the Crimes Act 1961):
 - (iii) an offence under section 143B of the Tax Administration Act 1994:
 - (iv) an offence under section 22(2):
 - (v) an offence, in a country, State, or territory other than New Zealand, that is substantially similar to an offence specified in subparagraphs (i) to (iv):
 - (vi) a money laundering offence or an offence relating to the financing of terrorism, whether in New Zealand or elsewhere:
 - (f) a person who is subject to any of the following orders:
 - (i) a banning order under subpart 7 of Part 4:
 - (ii) an order under section 108 of the Credit Contracts and Consumer Finance Act 2003:
 - (iii) a forfeiture order under the Criminal Proceeds (Recovery) Act 2009:
 - (iv) a property order made under the Protection of Personal and Property Rights Act 1988, or whose property is managed by a trustee corporation under section 32 of that Act:
 - (g) a person who is subject to an order that is substantially similar to an order referred to in paragraph (f) under a law of a country, State, or territory outside New Zealand that is a country, State, or territory prescribed by the regulations:
 - (h) in relation to any particular society, a person who does not comply with any qualifications for officers contained in the society's constitution.
- (4) A natural person who is disqualified from being an officer but who acts as an officer is an officer for the purposes of a provision of this Act that imposes a duty or an obligation on an officer.

This document is the new Constitution of the Kiwifruit Vine Health Incorporated adopted by the Members of the Club at the Annual General Meeting held on _____ 2025 as authenticated by the following Members:

(Name)

(Signature)

(Name)

(Signature)

(Name)

(Signature)



My name is Dermott Malley, and I'm seeking your support for re-election as a grower-elected director of Kiwifruit Vine Health (KVH). It has been a privilege to represent you and work alongside the industry to strengthen our biosecurity.

As a grower myself, I understand the challenges and opportunities we face. My family and I run Onyx Capital Limited, a 37-hectare orchard in Northland where we grow kiwifruit, kiwiberries, and hydroponic berries. Horticulture has been in our family for decades, with past involvement in pipfruit and summerfruit production, exporting (Orchard Crisp NZ Co-operative), nursery operations, and horticultural media.

Since moving to Northland in 2011, I've been actively involved in both the local and national horticulture sector, including:

- Current KVH Director and member of the KVH Audit & Risk Management Committee
- Former Chair of the Zespri Taste Review Committee
- Northland Representative for New Zealand Kiwifruit Growers Inc (NZKGI)
- Chair of the BerryCo Grower Relationship Committee

Our business interests also extend to kiwifruit artificial pollen production (Northern Pollen), horticultural software development (Dataphyll Ltd), and a joint-venture blueberry and kiwiberry packing operation.

I bring a combination of practical grower experience, governance expertise, and a strong focus on biosecurity. Through my leadership roles in KVH and other industry bodies, I have supported efforts to strengthen our biosecurity systems and ensure we are prepared for emerging threats. My background in investment finance, treasury management, and strategic planning provides a sound foundation for good governance and decision-making. I also have hands-on experience developing horticultural technology and navigating export markets, both of which are vital for the industry's future success.

I am proud to contribute to KVH's important work protecting our orchards from pests and diseases. Biosecurity is not optional — it's our frontline defence to safeguard the industry's future.

I also bring a commitment to ongoing learning, currently completing a Master's in Agribusiness at Massey University, alongside holding an Honours Degree in Zoology and Botany, and qualifications in farm management and industry training.

Together, let's keep our orchards safe.

KVH plays a critical role in protecting what we grow. I would be honoured to continue working on your behalf to strengthen our biosecurity and ensure a sustainable, resilient future for all growers.

I ask for your vote in the KVH grower director election.

Thank you for your support.