

CONFIDENTIAL

MINUTES OF THE 44th ANNUAL GENERAL MEETING OF THE TRAVEL AGENTS ASSOCIATION OF NEW ZEALAND (INCORPORATED) HELD AT THE HERITAGE HOTEL, AUCKLAND, ON THURSDAY 21 SEPTEMBER 2006 AT 4.00PM

1. WELCOME

The President, Mr James Langton welcomed 30 full members, 7 allied members and 8 non member delegates to the meeting. He recognised life members Messrs Tim Tapper, Charles Spain and Duncan Hamilton and Past Presidents Tim Tapper and Charles Spain.

2. APOLOGIES

Twenty-eight apologies were received and acknowledged as per the register.

3. APPROVAL OF PROXIES

The following proxies were given approval.

| | | |
|------------------|----------------------------------|----|
| Mr Andrew Bowman | First Travel Group Limited | 2 |
| Mr Tim Tapper | First Travel Group Limited | 20 |
| The President | Global Travel Management Limited | 1 |
| Mr Murray Tanner | Gullivers Pacific Group | 33 |
| Mr Ross Manson | Meledy Travel Limited | 4 |
| Mr Chris Paulsen | House of Travel Holdings | 77 |

4. APPROVAL OF PROCEEDINGS AT GENERAL MEETINGS - STANDING ORDERS

The proceedings at General Meetings - Standing Orders, as tabled, were approved.

5. CONFIRMATION OF MINUTES OF ANNUAL GENERAL MEETING HELD IN AUCKLAND, SATURDAY 01 OCTOBER 2005

The Minutes of the 43rd Annual General Meeting held at the SkyCity Convention Centre, Auckland on Saturday 01 October 2005, having been circulated to members, were received, noted and approved.

Moved: Mr Mark Abbot
Seconded: Mr Murray Tanner

Carried

6. MATTERS ARISING

There were no Matters Arising

7. PRESIDENT'S REPORT

The President Mr James Langton presented his annual report and reviewed the year's activities. He noted that after six years as President and ten years on the board it was time to step down to allow others to lead the organisation forward.

8. PRESENTATION OF ANNUAL REPORT AND THE YEAR AHEAD

The Chief Executive presented his annual report and outlined trends and activities for the year ahead.

9. PRESENTATION OF ANNUAL ACCOUNTS TO 31 MAY 2006

The Chairman of Finance Mr Mark Abbot presented the Annual Accounts for the year ended 31 May 2006 as stated in the Annual Report tabled at the meeting.

The surplus for the year under review was \$58,222 and accumulated funds now stood at \$717,747.

Mr Abbot presented the Bonding Scheme Financial Statements as at the end of the financial year to 31 May 2006, as stated in the annual report.

The Statement of Financial Performance showed a deficit for the current financial year of \$100,393. Accumulated funds stood at \$1,539,806.

It was resolved that the Statements of Financial Position and Statements of Financial Performance for the TAANZ and the TAANZ Bonding Scheme accounts, together with the Auditor's Report, as included in the Annual Report, be approved.

Moved: Mr Mark Abbot

Seconded: Mr Tim Tapper

Carried

10. MEMBERSHIP FEES FOR THE 2006/07 FINANCIAL YEAR– NOTICE OF MOTION 1

The Chairman of Finance Mr Mark Abbot presented the Notice of Motion relating to membership fees for the 2006/07 financial year as approved by the TAANZ Board noting that these fees be held at current levels.

There was no discussion and it was resolved **that the membership fees, as stated in the Notice of Motion, be approved as follows:**

Full Member

| | |
|-------------------------------|--------|
| Entrance Fee | \$2000 |
| Annual Subscription | \$ 785 |
| Directory & Information Guide | \$ 25 |

Branch Location

| | |
|-------------------------------|-------|
| Entrance Fee | \$500 |
| Annual Subscription | \$725 |
| Directory & Information Guide | \$ 25 |

Discounts on branch membership will be applied as follows:

| | |
|----------------|-------------------|
| 1 Office | \$725 |
| 2 – 5 Offices | Less 20% discount |
| 6 plus Offices | Less 30% discount |

Allied Supplier Member

| | |
|-------------------------------|-------|
| Entrance Fee | \$100 |
| Annual Subscription | \$490 |
| Directory & Information Guide | \$25 |

Note: The above subscriptions are subject to GST.

Moved: Mr Mark Abbot
Seconded: Mr Bill Mabey

Carried

**11. BUDGET FOR 2006/07 FINANCIAL YEAR
NOTICE OF MOTION 2**

The Chairman of Finance Mr Mark Abbot presented the Budget for the 2006/07 financial year, as tabled and included in the Notices of Motion, which had been approved by the board.

It was resolved **that the Budget, as tabled, be approved.**

Moved: Mr Mark Abbot
Seconded: Mr Roger Glynan

Carried

**12. BONDING LEVIES FOR 2006/07 FINANCIAL YEAR –
NOTICE OF MOTION 3**

The Chairman of Finance Mr Mark Abbot presented the Notice of Motion relating to bonding levies for the 2005/06 financial year as approved by the TAANZ Board.

It was noted that the levies would remain at the current levels.

It was resolved **that the following bonding levies recommended by the board for the 2006/07 financial year, be approved.**

- \$25 per selling staff - full members and branch locations
- \$4000 establishment levy for new members
- \$100 establishment bonding levy per approved salespersons
- \$100 annual fee per approved salesperson

(The above levies are subject to GST)

Moved: Mr Mark Abbot
Seconded: Ms Nicola Thomas

Carried

13. PRESIDENTS ANNUAL ALLOWANCE AND DIRECTORS FEE PER MEETING – NOTICE OF MOTION 4

The President presented the Notice of Motion relating to the Presidents allowance and Directors fee per meeting.

It was noted that the President's Allowance and Directors Fee be amended from a per meeting fee (irrespective of time involved) to a per meeting fee based on either a half day or day rate, and that the President be eligible for meeting fees in addition to the President's Allowance.

It was resolved **that the President's allowance and Director's fee per meeting, as tabled, be approved.**

- President's Allowance \$25,000 per annum (unchanged)
- Directors fee per meeting \$1,000 per day/\$500 per half day (previously \$500 per meeting)

Moved: Mr James Langton
Seconded: Ms Tracy Meade

Carried

14. LIFE MEMBERSHIP – CHANGE TO THE CONSTITUTION & RULES – NOTICE OF MOTION 5

The President presented the Notice of Motion relating to the proposed change to the Constitution and Rules relating to Life Membership.

Based on advice from the TAANZ Solicitor it was recommended that TAANZ should amend the Life Membership rule as when this was changed in September 1996 several words were left out of the Rule and it currently reads inappropriately.

It was resolved **that Rule 9 of the Constitution and Rules should correctly state (missing words underlined) –**

"Rule 9: On the recommendation of the Board of Directors any individual may be elected a Life Member at any general meeting of the Association (notice of the proposal for such election having been given in the notice convening the meeting) in recognition of outstanding services to the Association or the travel and tourism industry in New Zealand or elsewhere. The election of a Life Member shall require a three fourths majority vote of Members present at the meeting and entitled to vote. A life member shall be entitled to all the privileges of membership except voting, without payment of any subscription or other sum payable by ordinary Members."

Moved: Mr James Langton
Seconded: Mr Mark Abbot

Carried

15. LIFE MEMBERSHIP – PETER LOWRY – NOTICE OF MOTION 6

The President presented the Notice of Motion relating to the proposed election of Peter Lowry as a Life Member in recognition of outstanding services to the Association.

No addition to or alteration of the not for profit aims, personal benefit rule or the winding up rule shall be approved without referring the same to the Inland Revenue Department. The Inland Revenue Department is to be given notice of any change, addition or alteration to the following rules:

- i) the rules which specify the not for profit aims of the Association,
- ii) the rules which deal with personal benefit to members;
- iii) the rules which deal with the winding up of the Association;
- iv) this rule relating to the Amendment of Rules."

Moved: Mr James Langton

Seconded: Mr David Graham

Carried

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| 18. POWERS OF BOARD OF DIRECTORS – CHANGE TO THE CONSTITUTION & RULES – NOTICE OF MOTION 9 |
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The President presented the Notice of Motion relating to the proposed change to the Constitution and Rules relating to Powers of Board of Directors.

Based on advice from the TAANZ Solicitor it was recommended that TAANZ should alter existing Rules 35(j) and 35(k) – Powers of Board of Directors – to increase the amount of the allowable fine from \$500 to ‘up to \$1,000’ to provide a wider sliding scale of fines that can be levied.

It was also recommended to add a new rule to allow TAANZ to impose a fine where a member fails to satisfactorily and timeously respond to written requests from the Bonding Authority for further information relevant to Bonding requirements for such a member.

It was resolved **that the amended Rule 35(j) and 35(k) should state** (change underlined):

“Powers of Board of Directors

Without in any way restricting the generality of the powers conferred by these rules on the board of directors, the board may from time to time:

35 (j) To impose a fine of up to \$1,000 or such greater sum as shall be approved by the Annual General Meeting from time to time on any member who fails to submit his annual accounts to the Bonding Authority within four months of his annual balance date. Such power shall be exercisable in addition to the disciplinary powers set out in rule 36 of these rules.

35 (k) To impose a fine of up to \$1,000 or such greater sum as shall be approved by the Annual General Meeting from time to time on any member who fails to submit his application to the executive director for approval to have a branch travel location within one month of opening such branch travel location.”

It was also resolved **that a new Rule 35(l) should state:**

“35 (l) To impose a fine of up to \$1,000 or such greater sum as shall be approved by the Annual General Meeting from time to time on any member who fails to satisfactorily and timeously respond to written requests from the Bonding Authority for the provision of further information relevant to the Bonding requirements of such

a member. In reaching its decision to impose a fine on any member under this provision and in determining the amount of the fine the Board shall take into account the facts relevant to the failure as presented to it by the Bonding Authority. The decision of the Board shall be final and binding on the member. The power to impose a fine under this provision shall be in addition to the power to impose a fine under Rule 35(j) hereof and in addition to the powers to terminate membership pursuant to Rule 10(b)(vii) hereof."

Moved: Mr James Langton

Seconded: Mr Peter Barlow

Carried

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| 19. THE BOARD OF DIRECTORS – CHANGE TO THE CONSTITUTION & RULES – NOTICE OF MOTION 10 |
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The President presented the Notice of Motion relating to the proposed change to the Constitution and Rules relating to The Board of Directors.

Based on advice from the TAANZ Solicitor it was recommended that TAANZ should delete in its entirety existing Rule 26A – The Board of Directors – as this rule is now out of synchronisation with the requirements that are set out in the previous Rules 24, 25 and 26. It was also recommended that Rule 26(e) be amended so that it is also in synchronisation.

It was resolved **that Rule 26A – The of Board of Directors – be deleted in its entirety.**

It was also resolved **that the amended Rule 26(e) should state** (with the new words underlined and words to be deleted struck out):

"The Board of Directors

24 The management of the affairs of the Association shall be vested in a Board of Directors, which shall comprise:

- (a) A President who shall be elected by the board from the elected members of the Board;
- (b) A Vice President who shall be elected by the Board from the elected members of the Board;
- (c) Not more than six (6) members of the Association (which expression where used in this Rule shall be deemed to extend to and include persons appointed to represent a Corporation which is a member of the Association) all of whom shall be elected at an Annual General Meeting of the Association. Subject to the qualification referred to in Rule 25(2) hereof which is to apply only to those Board members elected at the 2004 Annual General Meeting, Board members shall be elected for and shall hold office (subject to Rule 28 hereof) for a term of two (2) years. Each year, one of the members so elected shall be elected by the board to be the President of the Association and one of the members so elected shall be elected by the Board to be a Vice President of the Association.
- (d) The Immediate Past President of the Association shall be an ex officio member of the Board of Directors.

25 (i) Subject to the transitional provisions set out in Rule 25(ii) hereof, at the Annual General Meeting in every year all members of the Board of Directors who have served a term of two (2) years shall retire from office but every such member shall be eligible for re-election.

(ii) Notwithstanding the provisions of Rule 25(i) hereof and by way of a transitional provision three (3) of the six (6) Board members to be elected at the Annual General Meeting in 2004 shall resign at the Annual General Meeting in 2005. If the Board members are not able to agree between themselves as to which three of their number are to resign at the Annual General Meeting in 2005 then the Board members who are to resign at that Annual General Meeting shall be determined by the drawing of lots.

26 (a) Nominations for members of the Board of Directors to replace those members who have resigned or become ineligible to hold office pursuant to Rule 25(ii) or Rule 28 hereof, or, who have served a term of two (2) years and who are required to retire pursuant to Rule 25(i) hereof, shall be signed by at least two members and deposited at the registered office of the Association not less than 20 days before the date fixed for the Annual General Meeting. In the event of the number of nominations exceeding the appropriate vacancies, an election shall be held at the Annual General Meeting.

(b) The Board of Directors shall include in the Notice of the Annual General Meeting to be given to members, the names of those nominated for the position of a member of the Board of Directors.

(c) If an election is necessary for the position of a member of the Board of Directors that election will take place at the Annual General Meeting.

(d) In the event of there being an equality of votes for candidates for the position of a member of the Board of Directors, the Chairman of the Annual General Meeting shall have the casting vote.

(e) In the event of there being less than six (6) nominations for membership of the Board of Directors than there are vacancies then additional nominations shall be accepted from the floor of the meeting and if as a result of these additional nominations from the floor of the meeting there are more candidates nominated than positions which are required to be filled, an election shall take place.

~~26A If an election is necessary to determine the composition of the Board of Directors, only ballot papers on which a member has voted for a minimum of six different candidates for election as Board members shall be accepted and be counted as valid votes. If a member does not vote for six different candidates that member's vote shall not be counted but shall be treated as an invalid vote and disregarded. The ballot papers shall include a notation to this effect on them and shall be set out in such a manner as is designed to make it clear to voters that they must vote for six candidates if their vote is to count as a valid vote."~~

Moved: Mr James Langton

Seconded: Mr Tim Tapper

Carried

20. ELECTION OF OFFICERS

It was noted that board members Messrs Peter Barlow, Grant Bevin and James Langton had stood down from the board, as per the Constitution and Rules.

It was noted that the following four members had been nominated for three vacant positions on the board.

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|----------------------------|---|------------|
| Mr Peter Barlow MNZITT | Director Williment Travel Group | Wellington |
| Mr Andrew Bowman MNZITT | Managing Director First Travel Group Ltd | Auckland |

TAANZ Annual General Meeting, 21 September 2006

| | | |
|--------------------------|-------------------------------------|----------|
| Ms Tracy Meade | Chief Executive BTI NZ Ltd | Auckland |
| Ms Maria Nowak MNZITT | Managing Director Green Lite Ltd | Auckland |

The President provided biographical information on each of the nominated candidates.

Voting took place as per the Constitution and Rules based on full members present and proxies held. Following the election the President announced that the following members had been elected to the board for a period of two years:

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|----------------------------|---|------------|
| Mr Peter Barlow MNZITT | Director Williment Travel Group | Wellington |
| Mr Andrew Bowman MNZITT | Managing Director First Travel Group Ltd | Auckland |
| Ms Tracy Meade | Chief Executive BTI NZ Ltd | Auckland |

It was noted that they would join the existing members who had one year remaining in their current term of office:

| | | |
|-------------------------|--|--------------|
| Mr Mark Abbot MNZITT | Director Representing House of Travel Holdings Ltd | Christchurch |
| Mr Ross Manson | Managing Director ITN Group | Rotorua |
| Mr Murray Tanner | Legal Consultant Gullivers Pacific Group | Auckland |

21. APPOINTMENT OF AUDITOR

It was **resolved that Mr Robin Cathcart, Chartered Accountant of Wellington be elected auditor for TAANZ for the 2006/07 financial year.**

Moved: Mr James Langton
Seconded: Mr Tim Tapper **Carried**

22. REMITS FOR DISCUSSION

The Chief Executive advised that he had received no remits for discussion.

23. GENERAL BUSINESS

Mr David Graham noted that the accumulated funds were at a reasonably satisfactory level and enquired as to whether consideration had been given to reducing membership fees.

The President advised that proposed changes to the TAANZ Airline Agreement that were currently under negotiation could conceivably lead to savings for the organisation that could, after a period of a few years, provide a future board with

various budgetary opportunities. However it was too soon to make firm predictions and it was important that TAANZ remained in a strong financial state to cover any unexpected contingencies.

Mr Abbot referred to the need to retain funds for issues including the 'fighting fund', legal issues and marketing and research.

**24. PRESENTATION OF THE ATTTO TRAVEL EXCELLENCE IN
WORKPLACE TRAINING AWARD**

Mrs Gayle Sheridan, Chief Executive of the ATTTO, introduced the Travel Excellence in Workplace Training Award.

Mrs Sheridan stated that the Award started in 2003 and previous winners were AMEX, Flight Centre and Go Holidays.

The video on the ATTTO Outstanding Achievement Award for 2006, in recognition of excellence in workplace training, was shown to members.

The criteria for the Award included encouraging in-house training that was based on national qualifications, innovation in training and support given to trainees.

The four finalists for 2006 were:

- Air New Zealand Financial Shared Services
- Gullivers Travel Group - Holiday Shoppe & United Travel
- House of Travel –Wellington
- TQ3 Navigant, now trading as Carlson Wagonlit Travel

The winner for 2006 was announced as Gullivers Travel Group - Holiday Shoppe & United Travel and Caryn Young Training Manager for Gullivers Pacific accepted the trophy on behalf of her organisation.

25. CONCLUSION

The President acknowledged the work undertaken by the Secretariat and board and thanked retiring board member Grant Bevin. He also welcomed returning board member Peter Barlow and new board members Tracy Meade and Andrew Bowman. He advised that the board would meet immediately following the AGM to elect a new President.

The President also thanked Telecom for their major sponsorship of TAANZ conferences over many years.

The outgoing Vice President, Mr Peter Barlow thanked Mr Langton for his immense contribution to TAANZ and the industry over many years and also retiring board member Grant Bevin.

As there was no further business, the meeting concluded at 5.30pm

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President

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Date