

CONFIDENTIAL

MINUTES OF THE 45th ANNUAL GENERAL MEETING OF THE TRAVEL AGENTS ASSOCIATION OF NEW ZEALAND (INCORPORATED) HELD AT THE CROWNE PLAZA HOTEL, AUCKLAND, ON WEDNESDAY 19 SEPTEMBER 2007 AT 4.00PM

1. WELCOME

The President, Mr Peter Barlow welcomed 15 full members, 5 allied members and 7 non member delegates to the meeting. He recognised life members and Past Presidents Messrs Charles Spain and Bob Christey.

As the numbers present did not constitute a quorum the meeting was reconvened, under Rule 17 of the TAANZ Constitution & Rules, to 4.15pm at the same location with those present forming a quorum.

2. APOLOGIES

Fifty-four apologies were received and acknowledged as per the register.

3. APPROVAL OF PROXIES

The following proxies were given approval.

The President	Williment World Travel Limited	1
Mr Mark Abbot	House of Travel Holdings Limited	1
Mr Andrew Bowman	First Travel Group Limited	7
Mr Chris Paulsen	House of Travel Holdings Limited	71

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, THURSDAY 21 SEPTEMBER 2006

The Minutes of the 44th Annual General Meeting held at the Heritage Hotel, Auckland on Thursday 21 September 2006, having been circulated to members, were received, noted and approved.

Moved: Mr Ross Manson
Seconded: Mr Murray Tanner

Carried

6. MATTERS ARISING

There were no Matters Arising

7. PRESIDENT'S REPORT

The President Mr Peter Barlow presented his annual report and reviewed the year's activities.

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 2007

The Chairman of Finance Mr Mark Abbot presented the Annual Accounts for the year ended 31 May 2007 as stated in the Annual Report tabled at the meeting.

The surplus for the year under review was \$158,983 and accumulated funds now stood at \$876,730.

Mr Abbot presented the Bonding Scheme Financial Statements as at the end of the financial year to 31 May 2007, as stated in the annual report.

The Statement of Financial Performance showed a surplus for the current financial year of \$103,431. Accumulated funds stood at \$1,643,237.

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 Ross Manson

Carried

10. MEMBERSHIP FEES FOR THE 2007/08 FINANCIAL YEAR– NOTICE OF MOTION 1

The Chairman of Finance Mr Mark Abbot presented the Notice of Motion relating to membership fees for the 2007/08 financial year as approved by the TAANZ Board noting that fees for full members and branch locations be reduced.

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	\$ 750	(reduced from \$785)
Directory & Information Guide	\$ 25	

Branch Location

Entrance Fee	\$500	
Annual Subscription	\$700	(reduced from \$725)
Directory & Information Guide	\$ 25	

Discounts on branch membership will be applied as follows:

1 Office	\$700
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 Murray Tanner

Carried

**11. BUDGET FOR 2007/08 FINANCIAL YEAR
NOTICE OF MOTION 2**

The Chairman of Finance Mr Mark Abbot presented the Budget for the 2007/08 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 Ross Manson

Carried

**12. BONDING LEVIES FOR 2007/08 FINANCIAL YEAR –
NOTICE OF MOTION 3**

The Chairman of Finance Mr Mark Abbot presented the Notice of Motion relating to bonding levies for the 2007/08 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 2007/08 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: Mr Fairfax Moresby

Carried

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

The President presented the Notice of Motion relating to the President's Allowance and Directors Fee per meeting.

It was noted that the President's Allowance and Directors Fee would remain at the current levels.

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
 - Directors fee per meeting \$1,000 per day/\$500 per half day

It was noted that the President remains eligible for meeting fees in addition to the President's Allowance.

Moved: Mr Peter Barlow

Seconded: Mr Ross Manson

Carried

14. CODE OF ETHICS AND PRACTICE – CHANGE TO THE CONSTITUTION & RULES – NOTICE OF MOTION 5
--

The President presented the Notice of Motion relating to the proposed change to the Membership Criteria relating to the Code of Ethics.

Based on advice from the TAANZ Solicitor it was recommended that TAANZ should amend the Code of Ethics to simplify and update the current Code but retain the basic tenets of the original document.

It was resolved **that the new Code of Ethics should state –**

“Introduction

To operate as a travel agent in New Zealand it is not necessary to obtain any government licences. There is no specific legislation proscribing what travel agents may or may not do, or how travel agents are to conduct their businesses.

This is the case despite the fact that travel agents are involved in a complex, highly specialised dynamic industry with ever increasing alternatives in product and provider. Travel agents also handle large sums of money for customers and principals to whom they owe fiduciary duties.

The industry is in large measure self-regulated and TAANZ has taken the leading role in this regard by requiring that its members, which comprise the majority of New Zealand travel agents, meet and maintain high standards in terms of financial integrity, premises, qualified staff and ethical conduct.

It is vitally important to TAANZ and its membership that every TAANZ member maintains and promotes the reputation that TAANZ has as the organisation that represents professional, trust worthy, highly qualified, financially sound and bonded travel agents in New Zealand. To that end each is required as a condition of membership to commit to and each has agreed to be bound by this Code of Ethics. All TAANZ members are required and have committed to conducting their businesses in accordance with the principles and values set out herein.

Part I: TAANZ Members' Responsibilities to Customers and to the Public at Large

- 1.1 TAANZ members are to treat their customers' interests as paramount. TAANZ members must not allow the interests of principals, other parties, or their own interests to influence their duty to be objective in advising their customers of the options and alternatives that are relevant and available to satisfy the requirements of their customers. TAANZ members are to make reasonable endeavours to find out and to facilitate for their customers the best available services at the best available prices relevant to the specified needs of the customer.

- 1.2 It is the duty of all TAANZ members to keep themselves and their staff fully informed as to all aspects of domestic and international travel and associated services in order to be in a position to give their customers truly professional advice. As part of this responsibility TAANZ members are required to ascertain all pertinent facts concerning every tour, transportation, accommodation facility, or other travel service offered to their customers for which they accept an agency.
- 1.3 TAANZ members shall treat every transaction with a customer as strictly confidential.
- 1.4 TAANZ members shall treat their customers and the public with respect, consideration and courtesy.
- 1.5 It is the duty of all TAANZ members to:
 - (a) protect their customers and the public at large against dishonesty, fraud, misrepresentation and unethical practices in their own business and within the industry as a whole;
 - (b) comply with all statutes, regulations and common law rules insofar as they govern and regulate business generally and the business of a travel agent in particular;
 - (c) comply with the Constitution and Rules of the Association, the Membership and Bonding Criteria, the TAANZ Bonding Committee Regulations, this Code of Ethics and all agreements entered into by TAANZ on behalf of the individual members of TAANZ. In particular, it is the duty of all TAANZ members to properly receipt and account for moneys received from customers. Moneys received by TAANZ members from customers are to be held in trust for the customer and are only to be utilised by the TAANZ member for the purposes for which the customer has paid the TAANZ member such moneys. Once a TAANZ member has implemented contractual arrangements between a customer and a principal moneys received from the customer are to be held in trust for the principal.
- 1.6 TAANZ members shall advise their customers of the fees they charge prior to or at the time they undertake work on behalf of the customer including advice as to whether the customer will be required to pay a cancellation fee or charge in the event that a booking is changed or cancelled. When specifying cancellation fees that are applicable to a particular transaction the TAANZ member shall advise the customer as to what portion of the cancellation fee or charge is payable to the principal and what proportion of the cancellation fee or charge will be retained by the TAANZ member.
- 1.7 TAANZ members shall not when promoting or advertising their services or the services of their principals make false, misleading, deceptive or dishonest statements. This prohibition shall apply equally to direct communications to customers, to indirect communications to customers and the public at large, and to their advertising.

Part II: TAANZ Members' Responsibilities to Principals

- 2.1 TAANZ members shall fairly and responsibly represent the interests of all principals with which they have agency arrangements.

- 2.2 TAANZ members shall in their dealings with their principals honour the terms and conditions of their agency agreements. They shall fully acquaint themselves with the terms of their agency agreements and of their obligations thereunder.
- 2.3 TAANZ members shall familiarise themselves with the products of their principals and honestly and faithfully represent such products to their customers. TAANZ members shall not make any false, misleading, deceptive or dishonest statements concerning a principal or a principal's products or services.
- 2.4 TAANZ members shall be cognisant of and shall further the interests of their principals by releasing promptly all unsold space and returning cancelled bookings with a minimum of delay.
- 2.5 TAANZ members shall not improperly attempt to influence the employees of their principals for the purposes of securing preferential consideration in the assignment of space or for any other purpose.
- 2.6 TAANZ members shall take all reasonable steps to help bring about resolution of any complaint or grievance that a customer may have with a principal. TAANZ members will promptly advise any principal of any complaint or grievance expressed to a TAANZ member by a customer concerning the principal's product, facilities or services.

Part III: Responsibilities to TAANZ and TAANZ Members

- 3.1 TAANZ has established a reputation as the organisation that represents professional, trust worthy, highly qualified, financially sound and bonded travel agencies in New Zealand. To become a member of TAANZ an applicant must meet specified financial criteria, be bonded, have qualified staff and operate out of premises which meet specified standards. As such, TAANZ members owe TAANZ and their fellow TAANZ members a duty to uphold and maintain these standards both individually and collectively.
- 3.2 TAANZ members must at all times comply with the TAANZ Constitution and Rules, the TAANZ Membership and Bonding Criteria, the TAANZ Bonding Committee Regulations and with this Code of Ethics.
- 3.3 TAANZ members shall comply with and agree to be bound by the terms of the Hospitality Division Accommodation Agreement and any other collective agreement entered into by TAANZ on behalf of its membership.
- 3.4 TAANZ members in all dealings with other TAANZ members, with customers and with principals and in the conduct of their business generally shall not engage in unfair competitive practices.
- 3.5 TAANZ members shall treat each other with proper consideration and respect. They must not act in a manner that damages the reputation of TAANZ.
- 3.5 TAANZ members shall not seek to obtain any competitive advantage over another TAANZ member by simulating or copying any name, design or style, mark or pattern used by another TAANZ member or by a principal without first obtaining the written permission of the party in question.
- 3.6 TAANZ acknowledges that its members are free at law to deal with all travel agents irrespective of whether they are members of TAANZ or not and irrespective of whether they are bonded or not. However, if a TAANZ member

deals on any terms whatsoever involving payment of any commission or remuneration in lieu thereof in respect of international air services, or facilitates purchase on any terms whatsoever in respect of international air services, with persons holding themselves out as travel agents, who do not provide members of the public with protection by way of a bond based on turnover, or some other legitimate form of consumer protection, or, who are not approved passenger agents of the carriers with whom they are attempting to arrange travel on behalf of customers (as those words are defined in the Civil Aviation [Passenger Agents Commission Regime] Notice 1983 ("the Notice")), such conduct will be deemed by TAANZ to be contrary to the Notice and inconsistent with both this Code of Ethics and Practice and with the responsibilities that go with being a member of TAANZ. Members undertaking such conduct may, as a consequence, have their membership of TAANZ terminated pursuant to the Rules of the Association.

- 3.7 Should a dispute arise between two TAANZ members each will promptly respond to the reasonable requests of the other made with a view to resolving the dispute. If the dispute cannot be resolved, then, if both parties agree, the dispute shall be referred to the TAANZ Board for resolution. For a dispute to be referred to the TAANZ Board for resolution, both parties must agree that the decision of the TAANZ Board shall be final. The TAANZ Board shall, as appropriate, seek the advice or assistance of a solicitor in formulating its decision."

Moved: Mr Murray Tanner
Seconded: Mr Andrew Bowman

Carried

15. CHANGE OF OWNERSHIP – CHANGE TO THE CONSTITUTION & RULES – NOTICE OF MOTION 6

The President presented the Notice of Motion recommending that a new Rule 11A be added to the Constitution and Rules. This Rule clarifies the ability of the Board to set fees for processing Change of Ownership applications.

It was resolved **that the new Rule 11A state –**

"11A Where the TAANZ Membership and Bonding Criteria require that the consent or approval of TAANZ be obtained before a change of ownership of shares in a TAANZ member is effected or before a proposed change of ownership of a member's business takes effect, the TAANZ Board may fix and determine an appropriate charge or fee to be levied on an applicant to reimburse TAANZ for the costs and expenses implicit in the processing of the applications."

Moved: Mr Andrew Bowman
Seconded: Mr Fairfax Moresby

Carried

16. CHANGE OF OWNERSHIP – CHANGE TO THE MEMBERSHIP & BONDING CRITERIA – NOTICE OF MOTION 7

The President presented the Notice of Motion relating to the proposed change to the Membership & Bonding Criteria relating to Change of Ownership.

Based on advice from the TAANZ Solicitor it was recommended that TAANZ should amend clause 4 of the Membership & Bonding Criteria to clarify the ability of the Board to set fees for processing Change of Ownership applications.

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

"4. Provisions that are to apply where there is a change in the ownership of a full member or where the business of a full member is sold to an existing TAANZ member

4. 1 Change of ownership of shares in a full member company

4. 1. 1 Where there is a change of ownership of shares of a member company of less than 30 per cent of the capital of the company, notification of such change shall be given to TAANZ immediately the same comes into effect.

4.1.2 Where there is a proposed change of ownership of shares of a member company of 30 per cent or more of the capital of the company the approval of TAANZ is required before such change of ownership is effected. Application for approval of the new shareholders must be made on the form prescribed by TAANZ containing the same requirements as in an application for new membership and shall be accompanied by the relevant applicable—application fee. The fee shall be that determined from time to time by the Board pursuant to clause 11A of the Constitution.

4.1.3 A change in the Directors of a member company shall be immediately notified to TAANZ.

4.1.4 In every case where there is a change of ownership of shares of a member company all indemnities given in support of the member company's bond will remain in force and effect until alternative indemnities are accepted by TAANZ.

4.2 The sale of the business of a full member to another full member of TAANZ.

Where a full member proposes to sell or transfer its business to another full member of TAANZ there is a proposed change of ownership of a member's business the approval of TAANZ is required before settlement. The prior approval of TAANZ is required even if the new owner of the business is already a member of TAANZ. Failure to obtain such approval may mean that the business is not covered by the TAANZ Bonding Scheme. The application for approval must be made in the same manner as in an application for new membership and shall be accompanied by the relevant fee. The fee shall be that determined from time to time by the Board pursuant to clause 11A of the Constitution."

Moved: Mr Ross Manson

Seconded: Mr Mark Abbot

Carried

17. DISCIPLINARY POWERS – CHANGE TO THE CONSTITUTION & RULES – NOTICE OF MOTION 8
--

The President presented the Notice of Motion relating to the proposed change to the Constitution and Rules relating to Disciplinary Powers.

Based on advice from the TAANZ Solicitor it was recommended that TAANZ should amend Rule 36(d) of the Constitution and Rules. With the reduced size of the Board (as approved by postal vote in 2004) it is necessary to reduce the number of persons sitting on the judicial sub-committee to make sure that a committee from existing Board members can be convened if this is appropriate for a particular charge.

It was resolved **that the amended Rule 36(d) should state** (with the new word underlined and word to be deleted struck out):

“(d) Judicial sub-committee

Upon receipt by the Chief Executive of any written charges by the investigation sub-committee, the Chief Executive shall refer the charges for hearing before a judicial sub-committee to be appointed by the board of directors and to consist of not less than two ~~four~~ directors which shall not consist of any members who have been members of the investigation sub-committee. The judicial sub-committee shall convene a formal hearing and shall give the member concerned not less than fourteen days’ notice of the date, place and time of the hearing, together with full details of the charges laid. At the hearing the member concerned may be heard in defence of the charges, either in person or in writing, and he shall be entitled to representation at the hearing by an advocate who shall be another member. Evidence from either side may be heard by the judicial sub-committee who may require any member or invite any other person to appear before it and who may appoint counsel to advise or assist it or the member. The whole of the evidence shall be recorded either in writing or otherwise, and the judicial sub-committee shall be entitled to receive evidence by way of affidavit, deposition or declaration even though such evidence may not be admissible in a court of law.”

Moved: Mr Andrew Bowman

Seconded: Mr Murray Tanner

Carried

18. THE BOARD OF DIRECTORS – CHANGE TO THE CONSTITUTION & RULES – NOTICE OF MOTION 9

The President presented the Notice of Motion relating to the proposed change to the Constitution and Rules relating to the Board of Directors.

In June 2004, by way of a postal vote, it was agreed to reduce the size of the board. A number of rule changes (Rules 24, 25 and 26) were made to allow for a transitional process whereby three of the six directors stood down after one year to ensure a staggered rotation of board members in future years. Now that this has been achieved these amended rules are superfluous and to ensure clarity for the future the board recommends that the transitional elements of these rules be amended.

It was resolved **that the amended Rules 24, a5 and 26 should state** (with the 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 reelection.

~~(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.

Moved: Mr Ross Manson
Seconded: Mr Murray Tanner

Carried

19. ELECTION OF OFFICERS

It was noted that board members Messrs Mark Abbot, Ross Manson and Murray Tanner had stood down from the board, as per the Constitution and Rules.

It was noted that the following three members had been nominated for the three vacant positions on the board. An election was therefore unnecessary and the three nominees were duly appointed to the board for a period of two years.

Mr Mark Abbot	House of Travel Holdings	Christchurch
Mr Ross Manson	ITN Travel Group	Auckland
Mr Murray Tanner	Stella Travel Services	Auckland

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

Mr Peter Barlow	Williment Travel Group	Wellington
Mr Andrew Bowman	First Travel Group	Auckland
Ms Tracy Meade	Stella Travel Services	Auckland

20. APPOINTMENT OF AUDITOR

It was **resolved that Mr Robin Cathcart, Chartered Accountant of Wellington be elected auditor for TAANZ for the 2007/08 financial year.**

Moved: Mr Peter Barlow
Seconded: Mr Murray Tanner **Carried**

21. REMITS FOR DISCUSSION

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

22. GENERAL BUSINESS

There were no items raised.

**23. PRESENTATION OF THE ATTO TRAVEL EXCELLENCE IN
WORKPLACE TRAINING AWARD**

Ms Jane Tricklebank, Industry Training Team Leader (Travel) of the ATTO, introduced the Travel Excellence in Workplace Training Award.

Ms Tricklebank stated that the Award started in 2003 and previous winners were AMEX, Flight Centre, Go Holidays and Gullivers Travel Group.

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 winner for 2007 was announced as House of Travel and Natasha Macfarlane, Training Executive for House of Travel Wellington Limited accepted the trophy on behalf of her organisation.

24. CONCLUSION

The President acknowledged the work undertaken by the Secretariat and board and welcomed returning board members Mark Abbot, Ross Manson and Murray Tanner. 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.

As there was no further business, the meeting concluded at 5.10pm

.....
President

.....
Date