

A close-up photograph of a woven basket, likely made of bamboo or similar natural fibers, showing a complex diagonal weave pattern. Inside the basket, a small, elongated object with a vibrant blue and white marbled pattern is visible. The background is a soft, textured gradient of teal and light green, suggesting a natural or outdoor setting.

TEMPLATE FOR HAPU CHARITABLE LEGAL ENTITIES

INTRODUCTION



- This is a template to begin discussions amongst Hapu members;
- It is flexible in parts so can be amended to meet Hapu needs;
- Hapu may want to have a mihi or korero before the background commences which you are free to do so; and
- The text in **CAPS** and **BOLD** in this presentation are where changes can be made to the Deed once members have decided following korero at hui.

PARTIES

- Once the Trustees are agreed upon the following information will be needed for each Trustee:
 - Full Name;
 - Full Residential Address;
 - City of Residence;
 - Occupation;
 - Inland Revenue Numbers – For IRD Number for Trust; and
 - Date of Birth for Charitable Trust Incorporation.
- Under Parties Section you put each Trustees name, City of Residence and Occupation.

NAME OF TRUST – CLAUSE 1

- **MEMBERS NEED TO AGREE THE NAME OF THE TRUST**
e.g. Ngati Mairehau Hapu Charitable Trust etc;

OFFICE – CLAUSE 2

- **JUST NEED AN ADDRESS.** This could be the Chairs home address for example or the Secretary as thats where all correspondence will go.

AIMS AND OBJECTIVES OF TRUST – CLAUSE 3

- **THERE ARE THREE OPTIONS SO EACH HAPU NEEDS TO CHOOSE WHAT OPTION THEY WOULD LIKE**, i.e. Short objectives e.g. Option 1, or more detailed ones i.e. Options 2 or 3;

AIMS AND OBJECTIVES – CLAUSE 3

- The 3 options are to ensure the Trust can achieve Charitable status so one of the 3 options is required; and
- **MEMBERS MAY ADD MORE OBJECTIVES THEY WOULD LIKE THEIR HAPU TO PURSUE IF THEY WISH.**

LIMITATION ON OBJECT – CLAUSE 3

- Trust can only carry on Charitable objectives; and cannot carry on Non-Charitable ones.

MEMBERSHIP – CLAUSE 5

- Membership is as of right by natural descent to the hapu;
- Can also be a member through adoption or by whangai;
- Can be a member if reside in NZ or Overseas;
- Register of Members is to be maintained;
- Through membership can vote if 18 and over;

MEMBERSHIP – CLAUSE 5

- Other rights to participate in benefits from activities of Trust;
- One shall cease to be a member if one resigns or dies; and
- To become a member one completes the benrol application form. The application is approved by the hapu whakapapa committee.

TRUSTEES – CLAUSE 6

- **ITS UP TO EACH HAPU TO CHOOSE HOW MANY TRUSTEES THEY WANT.** Need to balance representation vs manageable number of Trustees to enable the Trust to function.

TRUSTEES

- **ITS UP TO MEMBERS TO DETERMINE THE ELECTION PROCESS FOR TRUSTEES.** The process can either be spelt out in the Trust or a policy developed which becomes Appendix 2 to the Trust;

TRUSTEES – CLAUSE 6

- **IT S UP TO MEMBERS TO DETERMINE HOW LONG A TRUSTEE HOLDS OFFICE E.G. 1,2,3 OR MORE YEARS;**
- Trustees are eligible for re-election when their term expires;
- Where Trustee numbers fall below the minimum number, need to appoint new Trustees to fill the vacancy;
- To be a Trustee need to be a descendant, whangai or adopted into the whanau of a descendant of the hapu and have skills to meet objectives of the Trust; and
- **MAY TAKE OUT 6.3 (a) IF WISH TO.**

CEASE TO BE A TRUSTEE - CLAUSE 7

- Resign, absent from 12 Board Meetings in a row (**CAN CHANGE NUMBER IF WANT TO**) or can no longer act as a Trustee.

DUTIES/FUNCTIONS OF BOARD – CLAUSE 8

- Board to act transparently/in an open manner;
- Board sets programme to achieve objectives of Trust in consultation with members;
- Board monitors Trust Activities to ensure accountability of Funds of Trust; and
- Sets how Trust funds are to be used i.e. towards Trust objectives.

MEETINGS OF THE BOARD – CLAUSE 9

- At first Board meeting Trustees elect Chair, Secretary and Treasurer;
- Determine how long Trustees will hold office for need to reflect this in Clause 9.1 as well;
- Presently Trustees hold office for 2 years. See Clause 6, slide 7 comments;
- Quorum for meetings – Majority of Trustees. **MAY WANT TO AMEND TO LESS OR MORE;** May use Proxy process for special reasons for Trustee voting; and
- Presently Trustees must hold a meeting quarterly for first two years and then after that as Trustees determine. **MAY WANT TO CHANGE THIS.**

MEETINGS OF THE BOARD – CLAUSE 10

- Any 3 or more Trust Members or Trustees can call a special meeting. **MAY WANT TO DECREASE OR INCREASE NUMBERS;**
- Notice of reason for meeting must be sent to Chair;
- Secretary then gives notice to members of reason for hui;
- Quorum presently one third. **MAY WANT TO CHANGE TO LESS OR MORE;** and
- Voting at a special hui may be by hand, orally or by ballot as advised by Chair. Two members can ask for voting by ballot.

MANAGEMENT OF THE TRUST – CLAUSE 11

- Option for the Trust to establish a management committee if it wishes to not compulsory;
- If it does, powers as determined by the Trust are delegated to the Committee;
- Trustees can disband Committees or remove members of a Committee by notice; and
- All Committees bound by Charitable Terms of the Trust.

POWERS – CLAUSE 12

- Standard clauses around powers of Trustees e.g. Raise Funds, receive gifts, publications, make payments, obtain loans, deal with property, undertake trading activities, provide guarantees, invest funds etc.

BANK ACCOUNTS AND PROPERTY – CLAUSE 13



- Must open a bank account;
- Access requires 2 Board members as does signing of cheques;
- One of signatories must be the Chair or Treasurer; and
- Chair and Secretary can give receipts for funds received.

EXECUTION OF DOCUMENTS - CLAUSE 14

- Where not Incorporated, documents must be signed by 2 Trustees, 1 must be the Chair; and
- Where Incorporated documented to be executed under the Trusts seal.

INCORPORATION – CLAUSE 15

- Once Trust established must apply for Incorporation under Charitable Trusts Act.

ACCOUNTS – CLAUSE 16

- Accounts have to be kept;
- Annual Accounts have to be prepared by an Accountant;
- Accounts are available for inspection by members; and
- Accounts to be audited each year by independent auditor.

TAX RETURNS – CLAUSE 17

- Trust to file necessary Tax Returns.

DECLARATIONS OF INTERESTS – CLAUSE 18

- Trustee shall declare interests; and
- Trustees shall not vote on matters they have an interest in.

REMUNERATION OF TRUSTEES – CLAUSE 19



- No Trustee is to be remunerated for being a Trustee;
- May be reimbursed for expenses e.g. Travel if resolution made by Trustees;
and
- Trustee may be paid for professional services, e.g. Is a Lawyer and gives legal advice to the Board. Such remuneration to be approved by Board and Trustee to be paid cannot participate in remuneration discussion or voting.

NO PRIVATE PECUNIARY PROFIT – CLAUSE 20

- Trust can only act for benefit of Trust and the Trusts objectives; and
- Cannot conduct business for benefit of any individual.

LIABILITY OF TRUSTEES – CLAUSE 21

- Trustee will not be liable if they act honestly, do not wilfully commit a breach of the Trust Constitution, omit to do an act knowingly; and
- Trust may take out liability insurance for Trustees if it likes.

ALTERATION OF RULES – CLAUSE 22

- Members can alter Deed if they have 75% vote of members to do so; and
- Any changes cannot affect Charitable status of Trust.

WINDING UP – CLAUSE 23

- All members must unanimously agree to winding up; and
- Process to be followed for winding up.

DISPOSITION OF SURPLUS ASSETS – CLAUSE 24

- If Trust wound up, Assets left have to go to another Charitable Entity.

HAPU BENEFICIARY APPLICATION

APPENDIX 1

- Only a suggested template; and
- **AMEND AS MEMBERS WISH TO.**

