

(2) **Interpretation:** In this scheme, if not otherwise inconsistent with the context,—

(a) "The Act" means the Gaming Act 1908 and any amendments thereto and any other Act passed in lieu thereof or in consolidation thereof or in substitution thereof.

"The Board" means the Totalisator Agency Board established by the Act.

"The club" means a racing, or a trotting, or a hunt club.

"The conferences" means the New Zealand Racing Conference and the New Zealand Trotting Conference.

"The course" means the place where a race meeting is held.

"The Minister" means the Minister of Internal Affairs.

"Race meeting" means any race meeting for which investments are accepted by the Board.

"Rules of racing" means the New Zealand Rules of Racing and includes the New Zealand Rules of Trotting or otherwise the rules of racing which are declared by the Board to apply to the race or race meeting.

"Totalisator agency" means a totalisator agency as defined by the Act.

"Race" includes a trotting race and "racing" includes trotting.

(b) All definitions contained in the New Zealand Rules of Racing relating to the operation of the totalisators on the course, or in the regulations relating to the doubles totalisator and any amendments or modifications thereto, shall apply unless inconsistent with the context to any reference in this scheme to investments at race meetings or on horse races made off course.

(3) (a) This scheme shall come into force on the day following that on which the Minister signifies his approval of the scheme.

(b) On the coming into force of this scheme the previous scheme and amendments thereto shall be deemed to be revoked.

(4) **Object of the Scheme:** The object of the scheme is to set forth the method by which investments at race meetings or on horse races may be made off course at totalisator agencies established or controlled by the Board.

(5) **Limitations of the Scheme:** While the scheme sets forth the fundamental basis for the establishment and operation of totalisator agencies, it is considered impracticable and unwise to attempt to include in the scheme many matters of detail relating to investments made off course. The operation of the scheme, therefore, is being implemented in practice by rules and regulations made pursuant to the authority of the Act.

(6) **Saving Clause:** Nothing in this scheme or in any rules of the Board is intended to or shall impose on the Board or any of its servants or agents any obligation rendered unenforceable or invalid by the Act or any other statutory provision.

PART II: CONSTITUTION, FUNCTIONS AND POWERS OF THE BOARD

(1) The Board shall have a membership of not less than six nor more than eight of whom:

(a) Two shall be *ex officio* members and shall be the presidents for the time being of the New Zealand Racing Conference and of the New Zealand Trotting Conference for so long as they hold office as presidents of such conferences;

(b) Two shall be members of clubs affiliated to the New Zealand Racing Conference who shall be appointed by the Executive Committee of the New Zealand Racing Conference and who shall hold office only while members of a club affiliated to the New Zealand Racing Conference;

(c) Two shall be members of clubs affiliated to the New Zealand Trotting Conference who shall be appointed by the Executive of the New Zealand Trotting Conference and who shall hold office only while members of a club affiliated to the New Zealand Trotting Conference;

(d) The Board may from time to time by resolution increase the number of members of the Board to eight for such period as the Board shall think fit, and may from time to time by resolution reduce the number of members to six. The two vacant positions so created shall be filled by the appointment by the respective executive committees of two persons, one of whom shall be a member of a club affiliated to the New Zealand Racing Conference and one of whom shall be a member of a club affiliated to the New Zealand Trotting Conference and such appointed members shall, until the Board shall decide to reduce the membership of the Board to six, be deemed to be regular members of the Board subject to retirement in rotation and with the rights and liabilities of the other members of the Board. On the retirement of any such appointed member by rotation his place shall be filled by the executive committee of the conference to which his club is affiliated and such retiring member shall be eligible for reappointment;

(e) The members of the Board in office at the time this scheme is approved by the Minister shall continue in office and be deemed to be validly appointed as members of the Board. At the annual general meeting of the Board in each year one of the members appointed by the Executive Com-

mittee of the New Zealand Racing Conference and one of the members appointed by the Executive of the New Zealand Trotting Conference shall retire from office as a member of the Board but shall be eligible for reappointment. The member to retire in each case shall be the member who has been longest in office since his last appointment or reappointment as a member of the Board but between members of equal service the member to retire shall be selected by lot. In the event of no person being appointed by the executive committee of either conference to fill a vacancy on the Board occasioned by the retirement by rotation of one of its members the retiring member shall if willing to act be deemed to be reappointed for a further year. If the retiring member shall be unwilling to act a casual vacancy shall be deemed to have occurred;

(f) Casual vacancies on the Board shall be filled by the executive committee by which the person causing the casual vacancy shall have been appointed, but no person shall be eligible for appointment to the Board who is not a member of a club affiliated to either conference, and any member appointed to fill a casual vacancy shall be subject to retirement at the same time as if he had been appointed on the day on which the member in whose place he is appointed was last appointed a member of the Board, but shall be eligible for reappointment. If the executive committee of either conference entitled to fill a casual vacancy on the Board fails for a period of four months after being notified of the vacancy to appoint a member to fill the vacancy the Board may fill the casual vacancy by the appointment of any person who is qualified for appointment by the executive committee of the conference entitled to fill such casual vacancy;

(g) The remuneration of the chairman and members of the Board shall be such sum as shall be fixed by the Board from time to time with the approval of both the executive committees of the two conferences and, until otherwise fixed, shall be at the rate of 800 dollars per year for the chairman of the Board and 600 dollars per year for each member of the Board;

(h) All members of the Board shall be entitled to be paid by the Board their travelling expenses reasonably incurred in attending meetings of the Board and the Board may award to any member any additional remuneration for any special work undertaken by that member at the request and on behalf of the Board.

(2) Powers and Functions of the Board

(a) The Board may exercise all the powers conferred upon the Board by the Act and by the scheme from time to time in force and all such other powers, being not inconsistent with the powers conferred by the Act, as are conferred on the Board by regulations or by any rules hereinafter made by the Board;

(b) The constitution, powers and functions of the Board as provided in this Part may be altered at any time and from time to time by the Board by a resolution of the Board passed by a majority of three-fourths of the members of the Board voting on the resolution and subsequently approved by the executive committees of the New Zealand Racing Conference and the New Zealand Trotting Conference, but so that no such alterations shall be in any way inconsistent with the provisions of the Act and of any scheme from time to time approved by the Minister in pursuance of the Act;

(c) The Board shall cause minutes to be made in books provided for the purpose:

(i) Of all appointments of officers made by the Board;

(ii) Of the names of the members present at each meeting of the Board;

(iii) Of all resolutions and proceedings at all meetings of the Board and of committees of the Board;

(d) The Board shall adopt a common seal and make rules for the custody of the same. The seal shall have the name of the Board engraved or otherwise permanently marked thereon in legible characters. The seal shall not be fixed to any document except in pursuance of a resolution of the Board and in the presence of two members of the Board or of one member of the Board and the secretary or general manager or assistant general manager of the Board and such two members or such member and secretary or general manager or assistant general manager as the case may be shall sign every document to which the seal of the Board is so affixed in their presence;

(e) The Board shall establish a registered office at which all notices and processes required to be served on the Board may be served. The Minister shall be notified of every change in the office of the Board;

(f) At the annual general meeting in each year the Board shall appoint an auditor or auditors for the ensuing year and the remuneration of such auditor or auditors and the conditions of the audit shall be from time to time settled by the Board. Any auditor appointed by the Board shall be a public accountant practising in New Zealand. The Board shall in each year cause to be prepared and presented to the annual general meeting of the Board a report of the operations of the Board for the preceding year and a balance sheet and profit and loss account certified by the auditor or auditors of the Board, and such annual report, balance sheet and profit and loss account shall be laid before the Board at the annual general meeting in each year. Copies of such reports, balance sheets and profit and loss accounts shall be sent to the Minister and to the two conferences immediately on the conclusion of each annual general meeting.