



## THE TOWER CORPORATION ELECTION ORDER 1990

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PAUL REEVES, Governor-General

### ORDER IN COUNCIL

At Wellington this 11th day of June 1990

Present:

THE RIGHT HON. HELEN CLARK PRESIDING IN COUNCIL

PURSUANT to section 3 of the Tower Corporation Act 1987, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following order.

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### ORDER

**1. Title and commencement**—(1) This order may be cited as the Tower Corporation Election Order 1990.

(2) This order shall come into force on the day after the date of its notification in the *Gazette*.

**2. Interpretation**—In this order, unless the context otherwise requires,—

“The Act” means the Tower Corporation Act 1987:

“Corporation” means Tower Corporation established under the Act:

“Elected director” means a director of the Corporation elected under section 3 (3) (b) of the Act in accordance with this order:

“Policy” means a policy that is in force on the last date on which nominations for the position of elected director may be received; and includes a superannuation policy that is so in force:

“Policyholder” means the natural person or body corporate who or which is for the time being the legal holder of a policy issued by the Corporation, Tower Superannuation Management Limited, or Lighthouse Nominees Limited, or who or which is the assignor of such a policy which is held by a lender as security; but does not include a lender who, for security purposes, has been assigned a policy or who has been named in a policy as a beneficiary.

**3. Terms of office and qualifications of elected director of Corporation**—(1) The provisions of section 6 of the Act relating to terms of office and vacation of office apply to an elected director.

(2) A person is qualified to be an elected director only if—

(a) He or she is and remains a policyholder; and

(b) He or she is at least 18 years of age.

(3) A policyholder is disqualified from accepting nomination or holding office as an elected director if—

(a) The policyholder is an employee or contracted person of the Corporation (as defined in section 2 of the Act); or

(b) The policyholder is a director, attorney, consulting actuary, employee, auditor, officer, servant, or agent of, or consultant to, any firm, person, or company (or any company related to any such company) conducting the business of life insurance, life reinsurance or professional superannuation management in New Zealand; or

(c) The policyholder is disqualified from being a director under section 6 of the Act.

**4. Notice of vacancy in office of elected director**—(1) Except as provided in clause 5 of this order, if a vacancy exists or is imminent in the office of elected director, the Corporation shall call for nominations by placing a notice in a daily newspaper published in each of Auckland, Wellington, Christchurch, and Dunedin.

(2) Nominations must be received by the Corporation by noon on a date specified by the Corporation being not less than 28 days after the date of the last publication of the notice.

(3) If there is a single vacancy and one nomination is received the person nominated shall be declared elected. If there are 2 vacancies and 2 nominations are received the persons nominated shall be declared elected.

**5. Extraordinary vacancies**—(1) Where a vacancy occurs in the office of elected director within 12 months before the expiry of the term of office of that director, the vacancy shall be filled by the highest polling unsuccessful candidate at the previous election of a director or directors who is willing to accept the office.

(2) Any director who assumes office under subclause (1) of this clause shall hold office for the residue of the term of office of the director who vacated office.

(3) If no person is willing to accept office under subclause (1) of this clause, an election shall be held in accordance with this order as if the vacancy were not an extraordinary vacancy, and the director elected at the election shall hold office for the residue of the term of office of the director who vacated office.

**6. Nomination requirements**—(1) A candidate for the position of elected director must forward to the registered office of the Corporation, before the expiry of the period in which nominations may be made, the following documents:

- (a) A notice in writing of his or her candidature signed by him or her and containing—
    - (i) His or her full name (and any former name or names);
    - (ii) His or her usual residential address;
    - (iii) His or her professional and business occupations (if any);
    - (iv) The date of his or her birth;
    - (v) A statement that he or she is qualified in accordance with clause 3 of this order;
    - (vi) A statement in writing signed by him or her consenting to become a director;
  - (b) A statement supporting his or her candidature and signed by at least 2 other policyholders each of whom at the time of lodgement is qualified to be an elected director or is a body corporate;
  - (c) If he or she so wishes, a statement supporting his or her candidature not exceeding 1 page of A5 paper.
- (2) An elected director seeking re-election need not comply with subclause (1) (b) of this clause.

**7. Eligibility to vote**—(1) A policyholder that is a natural person and is 18 years of age or over is entitled to vote in the election of an elected director.

(2) A corporation that is a policyholder is entitled to vote in the election of an elected director.

(3) A policyholder has one vote for each \$100 or part of that amount of the aggregate of the annual premiums payable under all policies for which the policyholder is entitled to vote with a maximum of 400 votes.

(4) For the purposes of subclause (3) of this clause—

- (a) The records of the Corporation shall be final and conclusive for the purposes of calculating the annual premium;
- (b) The expression “annual premium” in relation to a policy means,—
  - (i) For single premium policies, one-tenth of the single premium;
  - (ii) For policies where a regular premium is payable by quarterly or more frequent instalments, the amount of regular premiums paid or payable during the 12 months prior to the date of publication of the final notice of the election;
  - (iii) In all other cases (and in any case specified in subparagraph (i) or subparagraph (ii) of this paragraph where the Returning Officer does not believe that either of those subparagraphs produce a fair estimation of the annual premium), the amount specified by the Returning Officer as being a fair estimation of the annual premium determined in accordance with a formula specified by the Returning Officer after consultation with the Corporation, the Corporation’s auditors, and an independent actuary.

(4) Where 2 or more persons are recorded as joint holders of a policy, the person whose name is entered first in the Corporation’s records in relation to the policy is alone entitled to vote.

**8. Conduct of election**—(1) If more than sufficient nominations are received, the Corporation shall arrange for an election in the following manner:

- (a) The Corporation shall place a notice of election in a daily newspaper published in each of Auckland, Wellington, Christchurch, and Dunedin, listing the candidates and their personal details as supplied with each nomination under clause 4 (1) of this order and containing a statement of the places where ballot papers may be obtained if they are not received by post:
- (b) The Corporation shall post to the last known address of each policyholder a ballot paper specifying the policy reference numbers and the number of votes to which the policyholder is entitled:
- (c) A policyholder is not entitled to vote for more candidates than there are vacancies:
- (d) A vote is not valid unless it is received by the Returning Officer before a date specified for the purpose in the ballot paper being not less than 28 days after the last publication of the notice of election referred to in paragraph (a) of this subclause:
- (e) The Corporation shall calculate the number of votes for each policyholder, and, following audit and confirmation by the Corporation's auditors, the Corporation's calculations shall be final and conclusive:
- (f) The vacancy or vacancies shall be filled by the candidate or candidates who receive the highest number of votes, and that candidate or, as the case may be, those candidates shall be declared to be elected:
- (g) If there is a tie in the voting for 2 or more candidates, the candidate or candidates that shall be declared elected shall be determined by lot conducted by the Returning Officer:
- (h) The Corporation shall publish the results of the election in a daily newspaper published in each of Auckland, Wellington, Christchurch, and Dunedin.

(2) An elected director shall assume office at the first meeting of the Corporation following the election.

**9. Returning Officer**—(1) The Returning Officer for any election under this order shall be a person nominated for the purpose by the Audit Office.

(2) The reasonable expenses of the Returning Officer shall be met by the Corporation.

**10. Procedures to be adopted by Returning Officer**—(1) The Returning Officer shall prescribe a statement of procedures for the security of ballot papers, verification of votes and voting entitlements, certification of results, destruction of ballot papers, and such other matters as are considered necessary or desirable for the proper conduct of the election.

(2) The Returning Officer shall obtain the approval of the Audit Office to the statement of procedures.

(3) Every election shall be conducted in accordance with the prescribed procedures.

**11. Matters to be included on ballot papers**—(1) Each ballot paper shall include statements in the following terms:

“A lender who, for security purposes, has been assigned a policy or who is named in a policy as a beneficiary is not entitled to vote in respect of that policy.”

“If a policy is held by more than one person, only the person whose name is entered first in the Corporation’s records is entitled to vote, unless all policyholders sign the ballot paper. You should contact the Corporation if you have any questions or are uncertain about this matter.”

(2) Every person voting shall include so much of the following information as is not already shown on the ballot paper and shall correct any such information that is incorrectly shown on the ballot paper:

- (a) The policyholder’s full name;
- (b) The policyholder’s address;
- (c) The policyholder’s date of birth (where applicable);
- (d) The policy reference numbers.

(3) Each ballot paper shall be accompanied by any statements provided by candidates under clause 6 (1) (c) of this order unless the Corporation considers that the statement contains material that is or may be defamatory of any person or is obscene.

**12. Signing of ballot papers**—(1) Every ballot paper shall be signed by the policyholder claiming to exercise the right to vote in respect of the policy or policies to which the ballot paper relates.

(2) Where a policyholder is a body corporate the ballot paper may be signed under seal or by a person acting on behalf of the body corporate.

(3) Where a policyholder is a trustee or group of trustees, not being a body corporate, the ballot paper may be signed by all trustees or by any number of trustees acting on behalf of all trustees.

(4) Where a ballot paper is signed on behalf of a body corporate or any group of trustees evidence of authority to do so shall be attached to the ballot paper.

**13. Publicity material by candidates**—(1) No candidate for the position of elected director shall distribute to policyholders, or permit the distribution to policyholders or permit the distribution generally of, any publicity material that—

- (a) Resembles a ballot paper; or
- (b) Bears the logo of the Corporation or gives the impression that it has been issued by or with the approval of the Corporation; or
- (c) Is misleading or deceptive or is likely to mislead or deceive.

(2) The Returning Officer may, if satisfied that a breach of subclause (1) of this clause is likely to have a material effect on the outcome of an election, by notice in writing to the candidate, declare the candidate responsible for the breach to be ineligible to be elected as an elected director at the election and in that event that person shall cease to be eligible for election.

**14. Revocation**—The Government Life Insurance Corporation Election Order 1987\* is hereby revoked.

MARIE SHROFF,  
Clerk of the Executive Council.

\*S.R. 1987/143

## EXPLANATORY NOTE

*This note is not part of the order, but is intended to indicate its general effect.*

This order, which comes into force on the day after the date of its notification in the *Gazette*, replaces the Government Life Insurance Corporation Election Order 1987.

The order prescribes the manner in which the election of directors of Tower Corporation (formerly the Government Life Insurance Corporation) by policyholders is to be conducted.

The principal changes from the previous order are that voting is to be by postal ballot instead of by means of ballot papers published in newspapers, the number of votes that may be cast (irrespective of the number of policies held) is reduced from 1000 to 400, and, in the event of a vacancy occurring within 12 months of the next election, the position can be filled by the highest polling unsuccessful candidate willing to accept office.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 14 June 1990.  
This order is administered in the Treasury.