

INSTRUCTIONS TO APPLICANT FOR APPOINTMENT OF DIRECTOR OR OFFICER IN A COMPANY



PLEASE COMPLETE THE FOLLOWING

PAGE 1

1. Form 19

(to be completed by the current principal officer of the company)

2. Forms 2 and 2A

(to be completed by the person being applied for)

3. Form 2A

(is to be accompanied by a statement of your personal assets and liabilities either completed by a Chartered Accountant or by way of a statutory declaration)

PLEASE CONFIRM THE FOLLOWING IN WRITING

a) Is the application for a replacement Principal Officer of the company?

b) If so, is this person also to be a Director?

c) If so, is the current principal officer remaining as an additional Director?

d) Please confirm the current shareholding of the company and/or the shareholding that will be in place as a consequence of this application.

(Please refer to page 2 for further information)

4. **Send the following documents to:**

The Real Estate Agents Licensing Board,
P O Box 99881, Newmarket, AUCKLAND

a) Original of Forms 19, 2 and 2a

b) Application fee of \$56.25 (GST inclusive)

5. **Send a copy of the following documents to:**

The Real Estate Institute of NZ Inc, P O Box 5663, Parnell, AUCKLAND

Forms 19 and 2

For any further enquiries or assistance with your application please call
The Real Estate Agents Licensing Board on (09) 520 6949

FURTHER INFORMATION TO APPLICANT FOR APPOINTMENT OF DIRECTOR OR OFFICER IN A COMPANY



PAGE 2

1. **PLEASE NOTE THAT** if the application is for a replacement principal officer of the company and he/she is not the majority shareholder, the Real Estate Licensing Board will require an employment agreement, covering the issue of effective control.
 - a) The agreement needs to set out broadly the duties of the Principal Officer. While the following list is not exhaustive, the agreement should cover such matters as the engagement and dismissal of staff, control and conduct of the company's trust and trading accounts, review of company advertising, checking of sale and purchase agreements, dealing with complaints, etc. As well, there should be an acknowledgement by the company and shareholder(s) that the Principal Officer will have complete authority to personally supervise, manage, and control the conduct of the real estate agency business.
 - b) Your attention is drawn to the requirements of S. 54 (5) of the Real Estate Agents Act 1976. The company may also wish to include notice provisions in the agreement.
 - c) Other terms in the agreement are employment conditions between the company and the proposed principal officer, and are not matters for the Board. The Board's concern is to ensure that arrangements for effective control have been addressed, acknowledged by shareholders, and documented.

REAL ESTATE AGENTS ACT 1976:- EFFECTIVE CONTROL

2. The principal officer of the company must be in effective control of the principal place of business of the company (S. 54 (1)). "Effective control" means that the principal officer must personally supervise, manage and control the real estate agency business at the principal place of business, and he/she must work actively and substantially at or from that place (S. 2).
3. There are situations where the principal officer holds no shares or not sufficient shares to enable him/her to control the company. The Act does not prohibit such a share holding structure, but still places a clear obligation on the principal officer to maintain effective control of the real estate agency business. Evidence that the company, its shareholders and the principal officer recognise this obligation is normally provided to the Board by way of an employment agreement between the principal officer and the company, including an acknowledgement by the shareholders that effective control is vested in the principal officer.
4. **Be aware that** if a principal officer is found by the Board not to be in effective control of the real estate agency business, the company's licence may be cancelled and the business closed.

APPLICATION FOR CONSENT TO APPOINTMENT AS DIRECTOR OR OFFICER IN COMPANY

(Section 30, Real Estate Agents Act 1976)



APPLICATION FOR CONSENT

FORM 19

Application is made by
(name of applicant company)

of.....
(address of principal place of business)

Holder of licence No..... issued by the Real Estate Agents Licensing Board onday of20.....

For consent to appointment of.....
(full legal name)

.....
(residential address)

.....
(occupation)

as:.....
(position of appointment)

I have examined the above Act and to the best of my knowledge and belief he/she is not disqualified under section 17(2) of the Act from being granted a real estate agent's licence, and that he/she is a person of good character and fit to be a director or officer of the licensee company.

Dated at thisday of20

Signature.....
(principal officer/director of licensee company)

.....
(printed name of signatory)

REFEREES DETAILS TO BE PROVIDED

For the new director/officer of the company, please provide the name and address of two persons from whom we may seek references, who have know the person for at least twelve months and who are not related to him/her. One referee must be a current licence holder and member of the Real Estate Institute of New Zealand Incorporated

Name.....

Name.....

Address.....

Address.....

.....

.....

.....

.....

NOTE:

It is an offence against the Real Estate Agents Act 1976 Sec. 40, punishable by a maximum fine of \$1000 knowingly to give false or misleading information in any application for a licence or in any testimonial given or information supplied for the purpose of any such application.

FURTHER DECLARATION IN SUPPORT OF AN APPLICATION BY AN INDIVIDUAL FOR APPOINTMENT AS DIRECTOR OR OFFICER IN A COMPANY



DECLARATION

FORM 2A

I..... occupation.....
(full name)
of
(residential address)

solemnly and sincerely declare:

1. That after the payment of all my just and lawful debts I am worth not less than the sum of \$.....
as shown by the attached statement of my assets and liabilities marked "D" which I hereby declare to be true and correct
in every particular
2. a) I hereby consent to the disclosure by the New Zealand Police of any information they may have pursuant to this
application, to the Real Estate Agents Licensing Board.
b) I hereby consent to the disclosure by the Real Estate Agents Licensing Board to the Real Estate Institute
of New Zealand Incorporated of any information that has been received from the New Zealand Police
pursuant to this application.
c) I understand that any record of criminal convictions I might have will automatically be concealed if I meet
the eligibility criteria stipulated in Section 7 of the Criminal Records (Clean Slate) Act 2004.

AND I MAKE THIS SOLEMN DECLARATION conscientiously believing the same to be true and by virtue of the Oaths and
Declarations Act 1957.

DECLARED at)

this day of 20)

before me)

.....
*A Solicitor of the High Court of New Zealand, Justice of the Peace or other person
authorised to take statutory declarations*

.....
(Signature of person making declaration)

NOTE:

1. This declaration to be attached to Board copy of application only
2. Statement "D" must be attached to this declaration and must be
EITHER certified as correct by a chartered accountant or completed as a statutory declaration