

Minutes of the 27th Annual General Meeting

Tuesday 2 August 2011

The 27th Annual General Meeting of the New Zealand German Business Association was declared open at 4:40 pm.

President Erich Bachmann welcomed all members and confirmed that a quorum was present and declared the meeting open.

1. Apologies

Mr. Erich Bachmann advised that apologies from members were made available to the attendees on arrival. Additional apologies were recorded for Gregory Thwaite. The apologies were moved by Dean Sheed, seconder was John Robinson.. The apologies were carried by all.

2. Minutes of the 27th Annual General Meeting

Mr Erich Bachmann advised that the minutes of the 26th Annual General Meeting held on the 28th July 2010 were approved by the Executive Committee as a true and accurate record and were distributed to members. These minutes were uploaded to the NZGBA website (www.germantrade.co.nz) under events, for all members to read. There were no matters arising from these minutes.

3. President's Annual Report

Mr. Erich Bachmann presented the following report to the meeting which was also given to the attendees as a hand-out upon registration:

German Economy

In the recent report issued by head office, the DIHK, it is reported the upturn in the German economy is continuing. Companies are as confident, as far as their business prospects are concerned, as in the boom year of 2007 – the best ever value in the last 20 years.

Concerns about falls in demand in their domestic and foreign business are continuing to diminish. This provides further evidence that the German economy is on a stable growth path.

The optimism of industry is declining somewhat from its high level, but remains higher than in other branches of the economy. The dynamic export and investment development are now also being reflected in the expectations of the consumer economy.

The retail trade and the hotel and restaurant sector are more confident than ever. The domestic economy is increasingly taking over the support function of the economy from foreign business.

However, the good news in many areas is tempered somewhat by increasing energy and raw material prices as well as the on-going shortage of skilled employees.

A third of the companies continue to expect that their business situation will improve in the coming months through to the end of the third quarter of 2011. The share of companies fearing a deterioration continues to shrink, to just 9 %. The remaining 57% of the companies surveyed expect business conditions to remain unchanged. As a result, the gap between the optimists and the pessimists is 25 percentage points in favour of the optimists – the last time the gap was higher was more than 20 years ago.

All these factors combine to underpin the prognosis that the German economy will continue to grow strongly.

As has been reported in the papers - European leaders passed resolutions at the July 21 emergency summit on the euro crisis, which will have a lasting impact on how euro-zone countries deal with indebted countries.

Greek Bailout -Following Summary Courtesy of Spiegel- ***Lower Interest Rates and Extended Maturities***

Greece will receive additional loans through mid-2014 in the amount of €109 billion (\$157 billion). This official funding from the International Monetary Fund (IMF) and the European Financial Stability Facility (EFSF) will be divided into two parts. Some €54 billion will go directly to the Greek government, while the remaining €55 billion will serve to guarantee the voluntary participation of private-sector investors.

Interest rates on the loans to Greece will be lowered from 4.5 percent to approximately 3.5 percent. Maturities of future EFSF loans -- which are the intended vehicle for the next disbursement of loans for Greece -- will be extended from 7.5 to at least 15 years. These changes in interest rates and maturities

will also apply to Ireland and Portugal, which have also been bailed out by the EU and IMF.

Voluntary Contribution from the Private Sector

Banks and private investors are expected to take part in the bailout on a voluntary basis. Creditors can exchange Greek bonds for new securities with longer maturities. They can accept a discount by purchasing the new securities at 80 percent of their par value (their stated value), or they can accept future lower interest rates. The euro rescue fund will provide collateral for the new securities. Alternately, old bonds can be sold to the EFSF at a discounted rate.

The private sector is expected to contribute some €50 billion in total through mid-2014. Of this, €37 billion will likely come from bond swaps while €12.6 billion is anticipated to come from bond buybacks.

The involvement by private-sector creditors is an initiative uniquely planned to help Greece, and will not apply to Ireland or Portugal.

Increased Security against Future Crises

The EFSF and the European Stability Mechanism which will replace it from 2013 will have the option of buying up debt issued by crisis-hit countries from private creditors. Previously only the European Central Bank has played this role.

Precautionary lines of credit will be set up for euro-zone countries, which they can turn to in instances of need. Additionally, a country's banking sector will be supported through credit lines to the affected government.

Reaction from Berlin

The unification of the euro-zone countries on the multibillion euro aid package for Greece unites the Bundestag: Not only are the CDU/CSU and the FDP behind the decision. The opposition wants to support the Greece-rescue, it was said from Berlin. Chancellor Angela Merkel announced a "historic task" to, but also warned against excessive euphoria.

Chancellor Merkel has called the new billion dollar aid to Greece a worthwhile investment for Europe and Germany. "But the decisions were made, because we know it is our historic duty to protect the Euro

What we commit to now for Europe and the Euro, we will get back many times over. The euro is good for us; the euro is part of Germany's economic success. Europe without the Euro is simply inconceivable and it is worth every effort. And if we take this to heart, then so can we create a Europe that comes out stronger from this crisis than the Europe that entered into the Global crisis"

German - New Zealand Relations

So leaving European politics let's turn to **New Zealand being named Guest of Honour of the Frankfurt Book Fair 2012.**

In June this year Jürgen Boos, Director of the Frankfurt Book Fair, and Chief Executive of New Zealand's Ministry for Culture and Heritage, Lewis Holden signed a contract to this effect. Also present at the signing were the German Minister of Foreign Affairs Mr Guido Westerwelle and New Zealand's Minister of Arts, Christopher Finlayson.

"The Frankfurt Book Fair is the world's most prestigious and well attended international publishing event," Christopher Finlayson said. "As the Guest of Honour, New Zealand will significantly raise its profile not only in Germany, but also with over 110 exhibiting countries and the hundreds of thousands of visitors attending the fair." However, the international aspect of this event has not fully been appreciated by many.

As an expert in trade fairs as well as the New Zealand German trading relationship our CEO, Monique Surges, has been regularly attending advisory board meetings at the New Zealand Ministry for Culture & Heritage to ensure that every possible means of leverage is considered to make the most of this opportunity.

Planning will continue throughout the coming months until the Guest of Honour hand over at the 2011 Frankfurt Book fair in October – New Zealand then has 12 months to enjoy and utilise a heightened profile in Germany with the large New Zealand participation at the Book Fair 2012 as the grand finale.

New Zealand German Business Association Inc.

But what has happened at the New Zealand German Business Association in 2010 and what can be expected from 2011?

Results for the Association were better than in the previous year but still show a slight deficit of \$1, 316 for the year ended 31 December 2010.

This loss cannot be attributed to one particular item but is made up of a number of factors such as unavoidable bad debts, maintenance of aging computer hardware, and a slight increase in salaries due to an increased number of employees. The Association now has 4 full time staff members, one part timer and one intern placement.

In terms of **membership numbers**, the Association welcomed 38 new members. This compares with 28 new members in 2009. With resignations at only 28 for the 2010 year we are pleased to report membership numbers are again on the increase, so that the Association continues to have the strongest membership base amongst the EU organizations here in New Zealand with over 200 members which is a very healthy state of affairs.

Members have been kept informed throughout the year via our electronic newsletters and received the annual publication Double the Vision. The NZGBA is presently working on this year's issue which will be published within the third quarter of 2011.

The year 2010 was packed with **events**, too numerous to list tonight unless of course you mind sitting here for the next hour, so let me highlight a few.

Two events with an EU focus the NZGBA was deeply involved with were the EU Trade Conference with a delegation from the European Union led by senior trade negotiator Mauro Petriccione and later on in the year the Europe Day Lunch with guest speaker John Allen, CEO of the NZ Ministry of Foreign Affairs and Trade.

H.E. Ambassador Thomas Meister again made himself available at a breakfast gathering of members in Auckland. We are very grateful for the positive contribution the German Embassy and especially the ambassador has made over the past year.

Numerous workshops were run all over the country in the 2nd and 3rd quarters of 2010 for exporters interested in the German market. And of course our Oktoberfest in 2010 was ear-marked as "one of the best".

We also welcomed a delegation of German companies in the Energy Efficiency sector in the first week of November and we finished the year with an excellent gathering at Volkswagen with wines provided by Schubert wines.

The 2011 year certainly started impressively. As President of the NZGBA I was invited to accompany our CEO to the 150th anniversary of the head office of the German Chamber of Commerce network, the DIHK. The programme included meetings with the Minister of Foreign Affairs and the Minister of Trade, as well as a speech given by the President of Germany Christian Wulff at the Jubilee Ceremony at which 700 guests attended.

In June this year the NZGBA successfully re-launched a service to members that has not been done for some years – organising a German pavilion at a New Zealand trade fair. Build NZ was chosen as an appropriate trade fair and 11 companies were profiled at the Pavilion.

With the success of this event the NZGBA has plans to expand this service to other trade fairs such as EMEX & Fine Food in 2012. Members are encouraged to participate and also inform the team of other events they think we should consider.

I take this opportunity to thank all our sponsors for their generous support of the NZGBA's events throughout the year. None of these events could have taken place without our sponsors. Your on-going assistance is certainly very much appreciated.

I would also like to thank my fellow colleagues on the Executive Committee for their time commitment over the past year, with a special thanks to Robert Knox for his constructive input as Treasurer.

Finally, I would like to extend a big thank to all members of the NZGBA team, ably led by our CEO, Monique Surges, for their dedication and hard work throughout 2010 and beyond.

There were no further discussions; the President's report was moved by Tracy Hickmann, seconded by Dean Sheed.

4. Adoption of the annual accounts

The financial statements for the year ended 31 December 2010 have been made available prior to the AGM via a hyperlink on the invitation and on the

website itself. Copies were also made available during the event, upon request.

The treasurer Mr. Robert Knox was unavailable for the AGM due to an injury. The annual accounts were therefore briefly presented by Mr Erich Bachmann who suggested that arising questions may be sent via email and will be answered accordingly.

There being no questions at the meeting, Mr. Erich Bachmann moved for the adoption of the New Zealand German Business Association's financial statements for the year ended 31 December 2010 duly audited by WHK Gosling Chapman. This decision was seconded by Grant Bevin and carried by all.

5. Appointment of auditor

On behalf of the Treasurer, Mr Bachmann moved that WHK Gosling Chapman be appointed as auditors for the year 2011. This motion was seconded by Mr. Jim Bibby and agreed by all.

6. Membership Subscriptions

Mr. Erich Bachmann informed members that the NZGBA executive committee has felt it necessary to make a slight upward adjustment and proposed that the membership subscriptions should be increased by around 5% for the coming year. This would be in line with member's request for gradual increases rather than one-off large increases.

Individuals:	\$280 to \$294
1-30 employees:	\$380 to \$399
Over 30 employees:	\$520 to \$546
EURO based members:	€200 to €210

The proposed subscription rates were accepted by all; no discussion followed this suggestion.

This decision to increase membership subscriptions was seconded by Dean Sheed and carried by all.

7. Election of Committee and Officers

The chair was passed to the Chief Executive Officer, Mrs. Monique Surges, to conduct this section of the meeting.

Mrs. Monique Surges advised that in accordance with the rules of the New Zealand German Business Association, a number of nominations were received in writing.

Before reading these out Monique Surges formally thanked the committee for the fantastic job they did, giving their time and support over the past year.

She also informed those present that the entire Executive Committee indicated a willingness to stand again and that one new nomination had been received this year for Mr. Stephen Diver (SDR Ltd).

All nominations were accepted and the 2011/2012 Executive Committee was confirmed as follows:

Erich Bachmann, Hesketh Henry, as President
Robert Knox, BDO Spicers, as Treasurer
Grant Bevin, Business World Travel, as Vice President
Dean Sheed, Volkswagen - European Motors
Jim Bibby, Stihl NZ Ltd
Joanne Hand, Realtech NZ Ltd
John Robinson, Wallenius Wilhelmsen Lines
Mark Gilbert, BMW NZ Ltd
Oliver Boehm, Schenker NZ Ltd
Paul McPadden, KPMG
Paul Ravlich, Siemens NZ Ltd
Stephen Diver, SDR Ltd
Monique Surges, as Executive Director

8. General Business

The NZGBA received no notice of any general business for consideration at the meeting.

Mr. Erich Bachmann expressed his sincere thanks to the Auckland Council for hosting the AGM in the Auckland Town Hall.

Mr. Bachmann declared the 27th Annual General Meeting closed at 5:01pm.

A short speech followed by guest speaker Councillor Anae who emphasized the importance of the relationship between Auckland and Germany and in general New Zealand to Germany. He pointed out to the audience that Germany is New Zealand's 7th largest bilateral trading partner and a strategic alliance with the city of Hamburg has been in place since 2007. The Auckland Council is also pleased to be a member of the NZGBA and would like to thank the Association for their contribution to Auckland.