

## **UNIFORM SHOP AGREEMENT**

between

Nelson College Board of Trustees

and

Nelson College Parent Teacher

Association Incorporated

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PITT & MOORE

NELSON

# Uniform Shop Agreement

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Date:

12th Decem

2002

## Parties

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1. **NELSON COLLEGE BOARD OF TRUSTEES** (the "BOT")
2. **NELSON COLLEGE PARENT TEACHER ASSOCIATION INCORPORATED** (the "PTA")

## Definitions

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In this agreement the following definitions are used:

- |                |  |
|----------------|--|
| "the College"  | shall mean Nelson College  |
| "the BOT"      | shall mean the Board of Trustees of Nelson College                                 |
| "the PTA"      | shall mean the Parent Teacher Association Incorporated of Nelson College           |
| "the Shop"     | shall mean the Nelson College PTA Uniform Shop                                     |
| "the Proceeds" | shall mean any and all excess over expenditures from the sale of items at the Shop |

## Background

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1. **Background**
  - 1.1 The BOT and the PTA previously entered into an Agreement permitting the PTA to establish and run a Shop to sell school uniforms items on the College premises. The duration of that Agreement is from 1 August 1998 to 21 July 2003, subject to termination by the BOT and variation in writing by both parties.
  - 1.2 In accordance with the Agreement, the PTA set up the Shop at the College; the BOT having advanced moneys to the PTA to set up the Shop and purchase its first items of stock.
  - 1.3 The Shop is now well-established and the PTA has paid back in full all moneys advanced by the BOT.
  - 1.4 The PTA and the BOT believe that the Shop would be best owned by the College but would continue to benefit from having the PTA oversee and manage the Shop, and that such an arrangement would be both an appropriate and an effective arrangement that would be in the best interests of the College.
  - 1.5 The PTA wishes to continue to operate the Shop for the College and to designate how the proceeds will be spent within the College in accordance with the PTA Rules and Regulations.
  - 1.6 The Parties therefore wish to terminate their previous Agreement and replace it with this Agreement.

## Agreement

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2. **Agreement**
  - 2.1 The BOT and the PTA agree that:

- a. the term of this agreement shall be from the date of this Agreement until terminated by either party giving the other party 6 months notice in writing;
  - b. the PTA will continue to manage the Shop for the BOT (who are the owners) pursuant to the provisions set forth in this Agreement;
  - c. the purpose of the PTA running the Shop is not principally to raise funds, but rather to provide good quality uniform items and goods at reasonable prices to College students;
  - d. the net profits from the operation of the Shop (Proceeds) will be disbursed to the College, in accordance with PTA Rules and Regulations;
  - e. all moneys from the Shop shall be held in a separate account and shall not be mixed for any reason with other moneys held by the College or the PTA. The College is not to withdraw, use or commit any of the moneys in the account without prior approval of the PTA;
  - f. moneys expended by the College as set out in paragraph b of Schedule A shall be reimbursed to the College from the Uniform Account as a priority payment. Other expenses incurred by either the College or the PTA incidental to the operation of the Shop shall be approved by the PTA;
  - g. prior to disbursing proceeds back to the College, the PTA shall ensure that it holds what it considers to be a sufficient amount of funds in its account to cover reasonable future inventory purchases, as well as operating expenses and bill payments.
- 2.2 In addition to funds achieved in f and g above the BOT may make advances to the Shop account to enable the PTA to purchase its uniform stock on the following conditions:
- a. The advances shall be repayable to the BOT from the Shop account to the BOT by the BOT giving the PTA seven days notice in writing to its usual address;
  - b. Pending demand from the BOT, the PTA shall pay the BOT interest on such sums advanced from time to time at a rate which will compensate the BOT for any loss of earnings on funds advanced which would otherwise have been invested.
- 2.3 The Shop shall have exclusive right to sell uniforms in the College grounds. The Shop may sell merchandise other than uniform items from time to time, only as agreed to by both parties.
- 2.4 The obligations of both parties are set out in Schedule A, which from time to time may be changed upon agreement of both Parties.
- 2.5 The Parties have agreed to the process for new items of uniform as set out in Schedule B, which from time to time may be changed upon agreement by the Parties.
- 2.6 This Agreement is binding on the successors and assigns of both parties.
- 3. Termination/Default**
- 3.1 In the event that the PTA defaults in the performance of the Agreement (and the default continues for a period of 30 days after the BOT has given the PTA notice of default) or if the BOT considers upon review in its sole discretion that the operation is in jeopardy, the BOT may close the Shop and take possession of all stock and plant.

#### 4. VARIATION

4.1 This agreement may be varied in writing by the parties at any time.

#### 5. MEDIATION ARBITRATION CLAUSE


5.1 If any dispute or difference arises in any way out of or in connection with this agreement the parties agree to discuss the matter fully in the spirit of goodwill and co-operation with a view to reaching a resolution, for the purposes of which either party may require the other to enter mediation in the manner adopted by LEADR or any equivalent facility for alternative dispute resolution available in New Zealand. If the parties cannot resolve any such dispute or difference, and such dispute cannot be resolved through mediation, either party may require the matter to be referred to the arbitration of a single arbitrator on the following terms:-

- a. the arbitrator is to be jointly agreed upon by the parties;
- b. if the parties fail to agree upon an arbitrator within 7 days of the issue being submitted to them any party may require the president of the Nelson District Law Society to nominate an arbitrator and that nomination will then bind the parties;
- c. the reference is reference to arbitration under the Arbitration Act 1996;
- d. the arbitration decision is final and binding and may include:
  - i. an order for costs;
  - ii. an order for enforcement;
  - iii. interest on moneys payable.

Signed for and on behalf of **NELSON COLLEGE BOARD OF TRUSTEES:**

  
 \_\_\_\_\_  
 Nelson College Board of Trustees

  
 \_\_\_\_\_  
 Signature of witness

  
 \_\_\_\_\_  
 Name of witness

  
 \_\_\_\_\_  
 Occupation

  
 \_\_\_\_\_  
 Address

Signed for and on behalf of **NELSON COLLEGE PARENT TEACHER ASSOCIATION:**

*[Handwritten Signature]*  
Nelson College Parent Teacher Association

*[Handwritten Signature]*

Signature of witness

*Bill Ramsey*

Name of witness

*lawyer*

Occupation

*Nelson*

Address

## **SCHEDULE A**

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### **Responsibilities of Parties**

- A. Obligations of the PTA:
- a. PTA agrees to effectively and efficiently manage the Shop in accordance with industry standards and this Agreement.
  - b. To ensure that the Shop is open sufficient hours to maintain an effective service to students and parents including opening at times of special events or occasions where all future students may be likely to purchase uniform requirements noting in particular the requirements of boarders whose parents may only be available to visit the College on limited occasions.
  - c. To employ and to pay Shop employees as a cost to the Shop.
  - d. To operate a mail order service for sale of uniforms from the Shop.
  - e. To use an EFTPOS facility at the Shop.
  - f. To complete indent stocktake once a term and a full stocktake once a year; and to deliver a copy of same to the College Financial Manager within an agreed upon time frame in order for him to include it in his quarterly report on the Shop to the BOT and PTA.
  - g. To ensure that it holds sufficient funds in its account to cover reasonable future inventory purchases, as well as operating expenses and bill payments.
  - h. To consult with the BOT or College staff any issues related to the financial performance of the Shop.
- B. Obligations of the BOT:
- a. To provide and maintain suitable premises on the College grounds, including fixtures and fittings, for the Shop.
  - b. To provide insurance coverage for stock and premises.
  - c. When a change in an item of uniform is agreed in accordance with Schedule B to consult with the Shop in a timely manner as to the number of items to be discontinued that are currently in stock before determining the time for the introduction of the new item.
  - d. To allow the PTA to limit access to the Shop to persons authorised by the PTA subject to Health & Safety and security requirements only.

**SCHEDULE B****PROCESS FOR NEW ITEMS OF UNIFORM (INCLUDING SPORTS UNIFORM)**

1. All new items of clothing are brought to the Management Team.
2. Management Team can dismiss the item outright or decide to consult various groups.
3. Consultative process occurs canvassing Board of Trustees, student groups, staff, PTA, for their views.
4. All views returned to Management Team and Management Team makes the decision if the item of clothing will become uniform or not.
5. Uniform Shop is informed that this new item of clothing is now part of the uniform.
6. Uniform Shop given an appropriate time to clear old stock and to decide upon the most suitable supplier for the new item (taking quality, price, etc into account as per the Uniform Shop policy).

**Two key points emerged and should be remembered in future:**

1. The Management Team decides on the item of uniform, after consultation.
2. The PTA decides on the supplier, after consultation.