



DEED OF TRUST

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July 2013

WEL ENERGY TRUST
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WEL ENERGY TRUST

DEED OF TRUST

Being a Trust established pursuant to a share allocation plan prepared by the Waikato Electricity Authority and approved by the Minister of Energy under the Energy Companies Act 1992 to receive shares in WEL Energy Group Limited and other assets and obligations held by the Waikato Electricity Authority and to hold them in accordance with the terms of this Deed of Trust.

1.0 DATE OF DEED: 26 May 1993

2.0 PARTIES:

2.1 WAIKATO ELECTRICITY AUTHORITY a body corporate constituted by section 5 of the Waikato Electricity Authority Act 1988 (the SETTLOR)

IAN JAMES DRABBLE)
MARGARET ANNE EVANS) the INITIAL TRUSTEES
IAN GEORGE KIMPTON)
STANLEY VICTOR HAZELDEAN KNIGHT)
DAVID CHARLES McGUIRE)
DOUGLAS FRANK PRICE)
MAY NAUMAI WOODCOCK)

3.0 DEFINITIONS:

3.1 In this deed unless the context otherwise requires:

- (a) **ACT** means the Energy Companies Act 1992.
- (b) **BALANCE DATE** means 31 March.

[This clause amended 25 November 2003 - See Register of Amendments]

- (c) **BANK** means any bank listed in the register of registered banks under section 69 of the Reserve Bank of New Zealand Act 1989.
- (ca) **CONFIDENTIAL INFORMATION** means information which is by express classification or by its nature confidential to the TRUST and which has not been released into the public domain by reason of:
 - (i) The proper discharge in good faith by the TRUST of duties and obligations created by the TRUST.
 - (ii) The proper discharge in good faith by a TRUSTEE with the express authority or express consent of the TRUST of duties and obligations created by the TRUST.
 - (iii) The order or direction of any lawful or regulatory authority.

[This clause added 12 July 1994 - See Register of Amendments]

- (d) **COMPANY** means WEL Energy Group Limited and any company which is a successor to it or a subsidiary of it.
- (e) **CUSTOMER** means a PERSON who from time to time is determined by the TRUSTEES to be connected to the electricity lines network of the COMPANY within the DISTRICT. Where two or more PERSONS jointly have a connection with the COMPANY, those PERSONS will be deemed to be one CUSTOMER.

[This clause amended 21 April 1999 & 9 April 2002 - See Register of Amendments]

- (f) **COMMUNITY** means the PERSONS who are RESIDENT within the DISTRICT.
- (g) **DIRECTORS** means the directors for the time being of the COMPANY.
- (h) **DISTRICT** means the geographical area that comprised the former supply districts of the Hamilton City Council and the Central Waikato Electric Power Board.

[This clause amended 24 March 1999 - See Register of Amendments]

- (i) **FINANCIAL YEAR** means any year or other accounting period ending on the BALANCE DATE.
- (j) **GUIDING PRINCIPLES** means:
- (i) **Accountability:**
- ◆ By monitoring performance against clear objectives.
- (ii) **Investment philosophy:**
- ◆ By encouraging the COMPANY to concentrate on its core energy business as defined from time to time in its STRATEGIC DIRECTION, TARGETS AND MEASURES document.

[This clause amended 22 May 2007 – See Register of Amendments]

- (iii) **Transparency:**
- ◆ By operating in a manner which is comprehensible and open to the COMMUNITY.
 - ◆ By adequately informing the COMMUNITY about the activities of the TRUST.
 - ◆ By establishing clear objectives for all of the activities and policies of the TRUST.
 - ◆ By preparing an annual plan and annual report to the COMMUNITY.
 - ◆ By consulting with the COMMUNITY as required by this deed.
- (iv) **Efficiency:**
- ◆ By allocating resources effectively and efficiently.
 - ◆ By fostering policies, including investment in research and development, that encourage energy efficiency and conservation.
- (v) **Equity and equality:**
- ◆ By strictly complying with all legislation from time to time that protects or advances the rights of citizens including but not limited to:
 - ◆ New Zealand Bill of Rights Act 1990

- ◆ The Treaty of Waitangi
- ◆ Human Rights Act 1993.

[This clause amended 23 July 2013– See Register of Amendments]

- (k) **PERSON** includes an individual, a firm, a partnership, a body corporate, an unincorporated body, a local authority, and a government authority.
- (ka) **PROFESSIONAL ADVISOR** means:
 - (i) A person holding a practising certificate under the Lawyers and Conveyancers Act 2006
 - (ii) A person holding a certificate of public practice under the New Zealand Institute of Chartered Accountants Act 1996 .

[This clause amended 24 March 1999 and July23 2013 - See Register of Amendments]

- (iii) A person or organisation (including partnership or company) as may be approved by the TRUST from time to time.
- (l) **PUBLIC CONSULTATIVE PROCEDURE** has the meaning prescribed by and means the procedure set out in this section.
- A Definitions: The following definitions only apply in the interpretation of this section:
 - A1 **CAPITAL BENEFICIARY CONSULTATION** means the following procedure:
 - A1.1 In respect of each PROPOSED ACTION the TRUST will prepare and deliver to each TERRITORIAL AUTHORITY:
 - (a) a CAPITAL BENEFICIARY TIMETABLE; and
 - (b) an INFORMATION MEMORANDUM; and
 - (c) the PROPOSED ACTION.
 - A1.2 Consultation by the TRUST with each TERRITORIAL AUTHORITY in respect of the PROPOSED ACTION will be in the context of the INFORMATION MEMORANDUM and in accordance with the CAPITAL BENEFICIARY TIMETABLE.
 - A1.3 In addition to the process in A1.2 the TRUST in its absolute discretion may seek such views in any other form from a TERRITORIAL

AUTHORITY and from any PERSON who is not a TERRITORIAL AUTHORITY.

A2 **CAPITAL BENEFICIARY TIMETABLE** means a consultation timetable and procedure which the TRUST determines in its absolute discretion will provide each TERRITORIAL AUTHORITY with a reasonable time period in which to consider the INFORMATION MEMORANDUM and PROPOSED ACTION and respond to the TRUST with its views.

A3 **ELECTOR(S)** means either an "ELECTOR" as defined in rule 1.1 of the Schedule or a "CUSTOMER" as defined in clause 3.1(e).

A4 **ELECTOR CONSULTATION** means the following procedure:

A4.1 In respect of each PROPOSED ACTION the TRUST will prepare and deliver to each ELECTOR:

- (a) an ELECTOR TIMETABLE; and
- (b) an INFORMATION MEMORANDUM; and
- (c) the PROPOSED ACTION.

A4.2 Consultation by the TRUST with ELECTORS in respect of the PROPOSED ACTION will be in the context of the INFORMATION MEMORANDUM and in accordance with the ELECTOR TIMETABLE.

A4.3 In addition to the process in A4.2 the TRUST in its absolute discretion may seek such views in any other form from ELECTORS and from any PERSON who is not an ELECTOR.

A4.4 The failure of the TRUST to deliver material pursuant to clause A4.1 to any particular ELECTOR or to receive back from or consider the response from any particular ELECTOR will not invalidate the process in this clause A4.

A5 **ELECTOR TIMETABLE** means a consultation timetable and procedure involving both:

A5.1 PUBLIC CONSULTATION; and

A5.2 POLL PROCEDURE,

which the TRUST determines in its absolute discretion will provide ELECTORS with a reasonable time period in which to consider the INFORMATION MEMORANDUM and PROPOSED ACTION and respond to the TRUST with their views.

- A6 **INFORMATION MEMORANDUM** means an information memorandum prepared in the absolute discretion of the TRUST having due regard to issues of confidentiality and commercial sensitivity and setting out the general background to the Proposed Action and detailing the Proposed Action in summary form.
- A7 **POLL PROCEDURE** means the questioning of ELECTORS in order to estimate the trend of popular opinion in respect of a PROPOSED ACTION and whereby:
- A7.1 for convenience the procedure for the triennial TRUST elections will be followed but subject to such modification, deletion or substitution as to content and/or application as the TRUST in its absolute discretion determines is appropriate.
- A8 **PROPOSED ACTION** means a summary of the proposed course of action by the TRUST that requires the TRUST to carry out the Public Consultation Procedure defined in this section.
- A9 **PUBLIC CONSULTATION** means a procedure for public consultation based on public submissions and hearings adopted by the TRUSTEES and taken from the same principal objectives as the procedure set out in section 83 of the Local Government Act 2002, but subject to the TRUST in its absolute discretion:

[This clause amended 23 July 2013– See Register of Amendments]

- A9.1 being able to depart from aspects of such adopted procedure as may be necessary to give adequate protection to issues of confidentiality and commercial sensitivity; and
- A9.2 otherwise being the final determinant of such adopted procedure.
- B Public Consultative Procedure for the purposes of clause 18(c) means only the public submission and hearing procedure of ELECTORS and in the discretion of the TRUST any other PERSON following PUBLIC CONSULTATION in order to estimate the trend of popular opinion in respect of the PROPOSED ACTION.
- C Public Consultative Procedure for the purposes of clauses 8.3 and 10.1 and 13.8 means only CAPITAL BENEFICIARY CONSULTATION and ELECTOR CONSULTATION.

[This clause amended 18 April 2002 See Register of Amendments]

- (m) **PUBLIC NOTIFICATION** means:
- (i) Not less than two notices or advertisements in a newspaper or newspapers circulating in the DISTRICT; plus

- (ii) Email or postal delivery to each TERRITORIAL AUTHORITY; together with
- (iii) Such other public notice as is thought desirable in the circumstances.

[This clause amended 23 July 2013– See Register of Amendments]

- (n) **RESIDENCE** means the place of residence determined in accordance with the rules in section 72 of the Electoral Act 1993 and "reside" and "resident" each have a corresponding meaning.

[This clause amended 24 April 2007 – See Register of Amendments]

- (o) **RESOLUTION OF THE TRUSTEES** means a resolution that is approved by a simple majority of the TRUSTEES who are entitled to vote and who do vote on the question.
- (p) **SELL** includes a sale, transfer or disposition with or without consideration, and "sale" and "sold" each have a corresponding meaning.
- (q) **SHARES** means the voting equity securities in the COMPANY.
- (r) **SHARE DISTRIBUTION MONITORING COMMITTEE** means the committee established in accordance with the share allocation plan prepared as required by section 71 of the ACT.
- (s) **SPECIAL RESOLUTION** means a resolution which has been approved by not less than 75% in number of the TRUSTEES who are entitled to vote on the question.
- (t) **STRATEGIC DIRECTION, TARGETS AND MEASURES** means a statement of direction and conduct (if any) that the DIRECTORS are required to comply with from time to time.

[This clause amended 24 March 1999 & May 2007- See Register of Amendments]

- (u) **SUCCESSFUL BUSINESS** means a business which is:
 - (i) As profitable and efficient as comparable businesses that are not owned by the Crown; and
 - (ii) A good employer; and
 - (iii) An organisation that exhibits a sense of social responsibility by having regard to the interests of the COMMUNITY and by endeavouring to accommodate or encourage those interests when able to do so.
- (v) **TERMINATION DATE** means the earlier of:

- (i) 80 years from the date of this deed; or
 - (ii) The date when the TRUSTEES hold, as a result of a SALE, less than 10% of the SHARES issued by the COMPANY; or
 - (iii) The date to which the TRUSTEES have brought forward the TERMINATION DATE in accordance with clause 10.1.
- (w) **TERRITORIAL AUTHORITY** means any one or more of the Hamilton City Council, Waikato District Council and Waipa District Council and their successors.
- (x) **TRUST** means the Trust established by this deed.
- (y) **TRUSTEES** means the INITIAL TRUSTEES or the TRUSTEES for the time being of the TRUST as the case may be.
- (ya) **TRUSTEESHIP PROTOCOL** means the standard of conduct required of a TRUSTEE in the following areas:
- (i) **Confidentiality:**
 - ◆ A TRUSTEE must keep confidential and secret CONFIDENTIAL INFORMATION (and its existence) which has been provided to or become available to either the TRUST or a TRUSTEE.
 - ◆ A TRUSTEE must not make any copies of, or record any extracts from CONFIDENTIAL INFORMATION and must use best endeavours to ensure that to the extent possible by law no other person does so.
 - ◆ A TRUSTEE must not use CONFIDENTIAL INFORMATION other than for the purpose of the proper discharge in good faith of duties and obligations created by the TRUST with the exception of CONFIDENTIAL INFORMATION provided in confidence to a PROFESSIONAL ADVISOR of the TRUST or to a TRUSTEE for the purposes of the obtaining of advice as to the discharge in good faith of duties and obligations created by the TRUST and with the further expectation of compliance with an order or determination made by any Court or lawful authority.
 - (ii) **Conflict of Interest:**
 - ◆ A TRUSTEE must disclose any material interest whether held directly or indirectly which is or may be in conflict with the interests of the TRUST from time to time.

- ◆ A TRUSTEE must not vote on any resolution before the TRUST that is subject to declaration of conflict of interest by that TRUSTEE without the unanimous vote of the other TRUSTEES present and any such vote in breach of this requirement will be void.
- ◆ Questions as to materiality of interest will be determined by the procedure set out in clause 20.3.
- ◆ The TRUST may by unanimous vote of the other TRUSTEES rule that a TRUSTEE subject to a disclosure of conflict of interest will be excluded from such part of meetings and such information as relate to the subject matter of the conflict of interest where such exclusion is justified on grounds of importance and relevance.
- ◆ For the purposes of this clause "conflict of interest" means conflict which at the relevant time remains live and unextinguished.

[This clause added 12 July 1994 - See Register of Amendments]

- (z) **TRUST FUND** means:
 - (i) All assets at any time held, transferred or paid to the TRUSTEES; and
 - (ii) All money, investments and property from time to time representing those assets; and
 - (iii) All income derived by the TRUSTEES from the assets of the TRUST FUND; and
 - (iv) All undertakings obligations or liabilities assumed by the TRUSTEES to be held and assumed by the TRUSTEES upon the Trusts declared in this deed.
 - (aa) **VESTING DATE** means the date appointed by the Governor General by Order in Council under section 76 of the ACT.
- 3.2 (a) Headings to clauses have been inserted for convenience and are not an aid to construction.
- (b) The schedule to this deed forms part of the deed.
- (c) Words and phrases defined in the ACT must be given the same meaning in this deed unless the context otherwise requires.

- (d) Where not inconsistent with the context the singular includes the plural and vice versa.
- (e) References to specific legislation contained in this Deed are deemed to be replaced by references to any legislation that modifies, substitutes for, or succeeds that legislation.

[This clause (e) added 23 July 2013- See Register of Amendments]

4.0 VESTING OF ASSETS:

4.1 In accordance with the provisions of the SETTLOR'S share allocation plan which has been approved by the Minister pursuant to section 72 of the ACT the SETTLOR will, after having allocated SHARES to other entities, have retained:

- (a) 6,000,000 SHARES; and
- (b) The money and other debt securities that were part of the undertaking of the SETTLOR which, on the VESTING DATE will be transferred to the TRUSTEES to be held by them upon the Trusts stated in this deed.

5.0 DECLARATION OF TRUST:

5.1 The SETTLOR directs, and the TRUSTEES acknowledge and declare, that the TRUSTEES hold the TRUST FUND on the TRUSTS and with the powers stated in this deed.

6.0 NAME OF THE TRUST:

6.1 **WEL ENERGY TRUST** is the name by which the TRUST will be known.

7.0 PURPOSES OF THE TRUST:

7.1 **Without limiting the following purposes and objects for which the TRUST is established it is recorded that the primary purpose of the TRUST is for the TRUSTEES to hold SHARES in the COMPANY for the benefit of the PERSONS and for the objects described in clauses 9 and 10 and for the TRUSTEES to exercise their rights as shareholders in the COMPANY to ensure that the COMPANY operates as a SUCCESSFUL BUSINESS.**

7.2 **SHARES IN COMPANY:** On the VESTING DATE to receive SHARES and other assets vested in the TRUSTEES by an Order in Council made in accordance with section 76 of the ACT.

7.3 **ACQUISITION OF FURTHER SHARES:** If the TRUSTEES so elect to subscribe for, purchase or otherwise acquire additional SHARES and other assets.

7.4 **HOLDING SHARES:** Subject to clause 8 to retain and hold the SHARES until such time

as following a review under clause 8, the SHARES or a portion of them are SOLD.

- 7.5 **PROCEEDS OF SALE OR DISPOSITION:** In the event of any SALE of SHARES following a review under clause 8 to hold the proceeds of any such SALE upon the Trusts of capital in accordance with clause 10.
- 7.6 **DIVIDENDS:** To receive dividends and to deal with them as income in the manner provided in clause 9.
- 7.7 **CAPITAL:** On the TERMINATION DATE to pay and apply the capital of the TRUST FUND in the manner provided in clause 10.
- 7.8 **JOINT VENTURE:** To assume the rights and responsibilities of the SETTLOR under joint venture and other like contracts subsisting at the VESTING DATE.
- 7.9 **PRINCIPAL OBJECTIVE:** To encourage and facilitate the COMPANY in meeting its principal objective of being a SUCCESSFUL BUSINESS.

8.0 INVESTMENT IN THE COMPANY:

- 8.1 Without limiting their powers of investment under clause 14 and their duties under clause 16 the TRUSTEES will regularly review their investment in the COMPANY.
- 8.2 In every regular review the TRUSTEES must have regard to:
- ◆ The need to maximise the value of the investment.
 - ◆ The interests of the COMPANY.
 - ◆ The TRUSTEES' obligations under the Trustee Act 1956 but subject to clauses 14.2 and 14.3.

8.3 Notwithstanding the provisions of clauses 8.1 and 8.2 the TRUSTEES must not SELL any of the SHARES or make any change to the voting rights pertaining to those SHARES without first implementing a PUBLIC CONSULTATIVE PROCEDURE.

8.4 For the sake of clarity it is recorded that no PUBLIC CONSULTATIVE PROCEDURE is required in the case of an increase in the capital of the COMPANY and the waiving by the TRUSTEES of any rights in respect of the increased capital.

9.0 TRUSTS OF INCOME UNTIL TERMINATION DATE:

The TRUSTEES shall stand possessed of the income arising from the TRUST FUND upon the following TRUSTS and with and subject to the following powers:

- 9.1 **EXPENSES:** The TRUSTEES will from the annual income pay the following expenses:
- (a) The cost of administering the TRUST, including the costs of elections and carrying out PUBLIC CONSULTATIVE PROCEDURES.

- (b) Remuneration and allowances payable to TRUSTEES, and expenses incurred in pursuance of their duties.
- (c) The costs incurred by the SHARE DISTRIBUTION MONITORING COMMITTEE in carrying out its objects.

9.2 **RESORT TO CAPITAL:** If, in extraordinary circumstances arising otherwise than as a result of the default or negligence of the TRUSTEES, the annual income of the TRUST is insufficient to pay the costs mentioned in paragraph 9.1 the TRUSTEES may resort to capital to pay the amount of the insufficiency.

9.3 **REMAINING INCOME:** After paying, or allowing for the payment of, the expenses referred to in clause 9.1 the remaining income of the TRUST **may** be paid or applied to or for such one or more of the following purposes, consistent with the GUIDING PRINCIPLES, as the TRUSTEES think fit:

[This clause amended 23 July 2013 - See Register of Amendments]

- (a) Investment in the COMPANY as a means of assisting it in its growth and prosperity.
- (b) The CUSTOMERS at the time of payment or application (by cash, rebates or otherwise), equally or unequally or in proportion to the consumption of energy purchased from the COMPANY by a CUSTOMER.
- (c) Investment in, or sponsorship of, or grant to, other energy related projects which are projects inappropriate or unable to be funded by the COMPANY.

[This clause amended 9 April 1996 & 23 July 2013- See Register of Amendments]

- (d) Regional or COMMUNITY projects which are approved in accordance with clause 9.5, including but not limited to any or all of the administration, operational, or implementation costs associated with the particular project that the TRUSTEES think fit to fund.

[This clause amended 23 July 2013 - See Register of Amendments]

- (e) Charitable or Not for Profit Organisations providing benefit to the COMMUNITY, provided that if the TRUSTEES decide that the organisation receiving funds under this clause must hold the funds as a capital sum, then the payment must be made subject to the condition that the funds are not spent and must be repaid to the TRUST prior to the TERMINATION DATE

[This clause added 23 July 2013 - See Register of Amendments]

9.4 **ENERGY RELATED PROJECTS:** The energy related projects mentioned in clause 9.3(c) may be managed by the TRUSTEES, or their management may be delegated to the

COMPANY or the appropriate TERRITORIAL AUTHORITY.

- 9.5 **REGIONAL OR COMMUNITY PROJECTS OR GRANTS:** The The TRUSTEES in making decisions on projects or grants in accordance with clauses 9.3(d) and 9.3(e), will take into account the recommendations of the relevant TERRITORIAL AUTHORITIES but the TRUSTEES have the overall responsibility for approving projects or grants and their decision will be final. It is intended that, in relation to considering projects under clause 9.3(d), the TRUST rely on the established mechanisms of the TERRITORIAL AUTHORITIES, including their annual plan and consultative processes to help establish the needs of the COMMUNITY. Where appropriate, responsibility for managing projects may be delegated to the relevant TERRITORIAL AUTHORITY or other PERSON. For the sake of clarity it is recorded that distributions are intended to supplement local and central Government responsibilities rather than replace them.

[This clause amended 23 July 2013 - See Register of Amendments]

- 9.6 **ACCUMULATION:** Any surplus part of the income of the TRUST not paid or applied for the purposes of the TRUST must be accumulated and held by the TRUSTEES upon the same TRUSTS and with the same powers declared in respect of the income from the TRUST FUND, and so that the TRUSTEES may at any time or times resort to the accumulated income and pay or apply the whole or any part of the accumulation (as if it were income of the TRUST FUND) to or for the benefit of the purposes stated in clause 9.3.
- 9.7 **ACCUMULATED INCOME AT TERMINATION DATE:** Any accumulated income existing as such at the TERMINATION DATE must then be distributed as capital of the TRUST FUND.
- 9.8 **TRUSTEES NOT DISQUALIFIED:** Each TRUSTEE in his/her capacity as a CUSTOMER will, notwithstanding the provisions of this deed or any applicable rule of law or equity, be entitled to receive all benefits for which he/she qualifies in that capacity.

10.0 TRUSTS OF CAPITAL:

- 10.1 **TRUSTS PRIOR TO TERMINATION DATE:** If, after having carried out a PUBLIC CONSULTATIVE PROCEDURE, the TRUSTEES are of the opinion that the regulatory environment in the energy sector is adequate to protect the interests of CUSTOMERS, the TRUSTEES may:
- (a) Distribute part of the TRUST FUND to the TERRITORIAL AUTHORITIES in the specified proportions; or
 - (b) Bring forward the TERMINATION DATE.
- 10.2 **TRUSTS ON TERMINATION DATE:** On the TERMINATION DATE the TRUSTEES will distribute or appropriate the TRUST FUND to the TERRITORIAL AUTHORITIES in the specified proportions.

10.3 **SPECIFIED PROPORTIONS:** The specified proportions mentioned in paragraphs 10.1 and 10.2 are as follows:

- ◆ Hamilton City Council - 63%
- ◆ Waikato District Council - 35%
- ◆ Waipa District Council - 2%

10.4 **NOT FOR GENERAL PURPOSES:** The TERRITORIAL AUTHORITIES must use the specified proportions of the TRUST FUND for specific projects of a regional or community nature.

10.5 **FRANKLIN AND MATAMATA-PIAKO DISTRICT COUNCILS:** The TRUSTEES will, as soon as practicable after the VESTING DATE pay to the Franklin District Council and the Matamata-Piako District Council a cash settlement in recognition of the fact that those local authorities are not included in the definition of TERRITORIAL AUTHORITIES. The cash settlement for the Franklin District Council will be calculated in accordance with the following formula:

$$\frac{A}{B} \times C$$

- where A is the number (as determined by the TRUSTEES whose decision is final) of CUSTOMERS as at midnight on 25 November 1992 within the boundary of the Franklin District Council; and
- where B is the total number of CUSTOMERS as at midnight on 25 November 1992; and
- where C is the value of the COMPANY in accordance with the offer made by UtiliCorp United Inc i.e. \$77,750,000.

The cash settlement for the Matamata-Piako District Council will be calculated using the same formula. Those cash settlements will be paid out of the capital of the TRUST FUND and will be in full and final settlement of all obligations of the TRUSTEES to those local authorities.

11.0 **ELECTION, APPOINTMENT, RETIREMENT AND PROCEEDINGS OF TRUSTEES:**

The rules set out in the schedule (as amended from time to time) shall upon the execution of this deed govern the election, appointment, retirement and proceedings of the TRUSTEES and associated matters.

12.0 GENERAL POWERS:

The TRUSTEES may, except where otherwise specified in this deed, exercise the powers, authorities, and discretions conferred by this deed in addition to, and not by way of limitation, of the powers, authorities and discretions conferred upon the TRUSTEES generally by the Trustee Act 1956. The TRUSTEES have no power to manage the COMPANY. In exercising the powers conferred by this clause and clause 13 the TRUSTEES are restricted to exercising their rights as a shareholder subject always to the provisions of this deed and in particular to clause 8.

13.0 SPECIFIC POWERS:

The TRUSTEES have and may exercise either alone or together with any other person or persons the following powers, authorities and discretions:

- 13.1 **TO APPOINT DIRECTORS:** To appoint and remove DIRECTORS as they think fit.
- 13.2 **TO APPOINT A SECRETARY:** To appoint and pay any PERSON, who is not a TRUSTEE, as secretary or executive officer of the TRUST and to remove that person and appoint a replacement as they think fit.
- 13.3 **TO EMPLOY:** To employ and pay any PERSON, to do any act relating to the TRUST including the receipt and payment of money.
- 13.4 **TO APPOINT CUSTODIAN TRUSTEE:** To exercise the powers conferred by section 50 of the Trustee Act 1956 to appoint any corporation to be a custodian trustee of the TRUST FUND.
- 13.5 **BANK ACCOUNTS:** To open an account or accounts at any time or times in the name of the TRUST at any BANK (and to overdraw any such account with or without giving any security) and in addition to the powers conferred by section 81 of the Trustee Act to make arrangements with any BANK for the TRUSTEES or any two or more of the TRUSTEES named in writing by all of the TRUSTEES, or the Executive Officer of the TRUST for the time being if so authorised by the TRUSTEES in writing, to operate upon any account from time to time opened or subsisting at that BANK.

[This clause amended 23 July 2013 - See Register of Amendments]

- 13.6 **CAPITAL, INCOME, AND BLENDED FUNDS:** To determine whether any money for the purposes of this deed is to be considered as income or capital and what expenses ought to be paid out of income and capital respectively, and also to apportion payments, and every such determination or apportionment shall be final and binding on all PERSONS.
- 13.7 **EXERCISE OF VOTING POWERS:** Subject to the provisions of this deed, to exercise as the TRUSTEES in their discretion think fit all the voting powers attaching to any shares.

- 13.8 **REORGANISATION, RECONSTRUCTION, MERGER ETC:** To consider any recommendations made by the DIRECTORS on any proposal relating to any reconstruction or amalgamation or merger of the COMPANY or any modification of the rights of shareholders or any reduction of capital or any other dealing with the SHARES and after giving due consideration to the recommendations of the DIRECTORS to make a decision in respect of any such proposal as the TRUSTEES in their absolute discretion consider to be for the benefit of or in the interests of the TRUST **provided that the TRUSTEES must comply with the provisions of clause 8.3** where any such proposal involves a SALE of any of the SHARES or a change to the voting rights pertaining to the SHARES.
- 13.9 **INCREASE IN CAPITAL:** To consider any recommendations made by the DIRECTORS on any proposal to increase the capital of the COMPANY.
- 13.10 **TO BORROW:** To borrow money whether or not charged against the TRUST FUND.
- 13.11 **DETERMINING QUESTIONS:** To determine all questions and matters of doubt which may arise in the course of the trusteeship of the TRUST.
- 13.12 **FORMATION OF SUBSIDIARY:** To incorporate and hold shares in a company.
- 13.13 **CHARGE ASSETS INCLUDING SHARES:** To grant a mortgage, charge or other security interest in favour of any third party over any of the assets of the TRUST FUND including without limitation any SHARES held by the TRUST.
- 13.14 **GUARANTEES AND INDEMNITIES:** To give credit to and/or guarantee the payment of money, the performance of covenants, obligations and engagements of, or become surety for or financially assist, any company, estate, trust or person whatsoever and to authorise any company in which they hold shares to enter into guarantees or any other arrangement whatever which they deem to be in the best interests of the TRUST FUND or any beneficiary **AND** in support of any such guarantee to give security over the TRUST FUND or over any real or personal property comprised therein.

[This clause added 1 September 1998 - See Register of Amendments]

14.0 POWERS OF INVESTMENT:

14.1 **INVESTMENTS:** The TRUSTEES have the power to invest conferred on TRUSTEES by section 13A of the Trustee Act 1956.

14.2 **TRUSTEES TO ACT AS PRUDENT PERSONS OF BUSINESS:** It is hereby declared that the care, diligence and skill to be exercised by the TRUSTEES in exercising any power of investment will **not** be that required by section 13C of the Trustee Act 1956 but must at all times be the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.

14.3 **NO REQUIREMENT TO DIVERSIFY:** For so long as the principal investment of the TRUST is SHARES no TRUSTEE will be liable for any breach of trust in respect of any duty to exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others merely because the investments of the TRUST FUND are not diversified.

15.0 ADVICE OF COUNSEL:

Without derogating from the generality of the foregoing powers, the TRUSTEES are empowered to take and act upon the opinion of any barrister of the High Court of New Zealand of not less than seven years' standing whether in relation to the interpretation of this deed or any other document or any statute or as to the administration of the TRUST without being liable to any PERSON in respect of any act done in accordance with that opinion **provided that** nothing in this clause prohibits the TRUSTEES from applying to the Court should the TRUSTEES think fit.

16.0 DUTIES OF TRUSTEES:

The TRUSTEES must:

16.1 **AS TRUSTEES:** **Enhance** their ability to administer the TRUST by taking timely and competent advice.

16.2 **AS SHAREHOLDERS:** Subject to clause 12, **act** as a diligent shareholder and in particular monitor the performance of the DIRECTORS of the COMPANY with respect to the COMPANY'S STRATEGIC DIRECTION, TARGETS AND MEASURES document, and exercise the rights of shareholders for the benefit of the TRUST FUND and with due regard to the principal objective of the COMPANY to be a SUCCESSFUL BUSINESS.

[This clause amended 24 April 2007 – See Register of Amendments]

16.3 **AS SUCCESSORS TO THE SETTLOR:** **Assume** the rights and responsibilities of the SETTLOR under joint venture and other like contracts subsisting at the VESTING DATE and, unless in the TRUSTEES' opinion it is inappropriate, maintain the TRUST'S proportionate share in the COMPANY.

- 16.4 **GUIDING PRINCIPLES:** At all times and in all matters:
- (a) **Act** in accordance with the primary purpose of the TRUST set out in clause 7.1 and comply with the GUIDING PRINCIPLES in relation to the TRUST; and
 - (b) **Encourage** and facilitate the DIRECTORS to act in accordance with the GUIDING PRINCIPLES.
- 16.5 **DIRECTORS: Appoint** as DIRECTORS persons who, in the opinion of the TRUSTEES, are qualified to ensure that the COMPANY operates as a SUCCESSFUL BUSINESS. Without limiting the matters which the TRUSTEES may take into account, the TRUSTEES must have regard to the following matters in making, or voting on, appointments:
- (a) That the board of DIRECTORS has the necessary balance of skills. Those skills include industry knowledge, finance, law, industrial and personal relations, social and community awareness; and
 - (b) That DIRECTORS have:
 - (i) Sound business experience.
 - (ii) The necessary time available to devote to the affairs of the COMPANY.
- 16.6 **RECORDS: Ensure** that full and correct accounts of all the financial transactions of the TRUST and its assets and liabilities are kept.
- 16.7 **ACCOUNTS:** Within three months after the end of each FINANCIAL YEAR, **cause** to be prepared financial statements including a balance sheet and income and expenditure account and notes to those accounts giving a true and fair view of the financial affairs of the TRUST for that FINANCIAL YEAR in accordance with accepted accounting standards.
- 16.8 **AUDITOR:** At each annual general meeting or as required, **appoint** an auditor of the Trust in compliance with sections 101 – 103 of the Electricity Industry Act 2010.
- [This clause amended 24 September 2002 & 23 July 2013- See Register of Amendments]***
- 16.9 **AUDIT: Ensure** that the financial statements are audited every year and at such other times as the TRUSTEES require.
- 16.10 **PUBLICATION OF FINANCIAL STATEMENTS:** Immediately upon completion of the audit of the financial statements, **give** PUBLIC NOTIFICATION that the statements are available for public inspection at the office of the TRUSTEES.
- 16.11 **MEETING PROCEDURE:** Adopt and follow a meeting procedure that complies with

the GUIDING PRINCIPLES to the extent of Accountability and Transparency.

[This clause amended 27 July 1994 - See Register of Amendments]

16.12 **ANNUAL GENERAL MEETING:** Within four months after the end of each FINANCIAL YEAR of the TRUST, **hold** an annual general meeting and at that meeting report on the operation of the TRUST during that preceding FINANCIAL YEAR and on the financial statements of the TRUST for that year.

16.13 **NOTICE OF ANNUAL GENERAL MEETING:** Give not less than fourteen days' PUBLIC NOTIFICATION of the holding of the annual general meeting.

16.14 **ANNUAL PLAN:**

(a) To prepare an annual plan to the public concerning its plans in particular for the FINANCIAL YEAR to which the plan relates, and in general for the following FINANCIAL YEAR including the TRUSTEES' intentions in respect of distributions from the TRUST for the FINANCIAL YEAR to which the plan relates.

(b) The TRUSTEES will issue an annual plan in draft form and invite and consider public submissions on the draft before issuing the annual plan in final form.

[This clause amended 18 July 1994 - See Register of Amendments]

16.15 **ANNUAL PERFORMANCE REPORT:** The TRUSTEES will, based on the procedure prescribed by section 98 of the Local Government Act 2002, **prepare** an annual report to the public assessing their performances and stating the results of the TRUSTEES' review of the TRUST'S investment in the COMPANY and whether or not there have been any changes to the TRUST DEED.

[This clause amended 22 March 2005 - See Register of Amendments]

16.16 **COMMENT ON STRATEGIC DIRECTION, TARGETS AND MEASURES:** In respect of the STRATEGIC DIRECTION, TARGETS AND MEASURES document delivered to the TRUSTEES by the COMPANY, **comment** on it to the DIRECTORS within two months from the date of delivery by the COMPANY to the TRUSTEES.

[This clause amended 24 April 2007 – See Register of Amendments]

16.17 **COMMENT ON COMPANY'S COMPLIANCE WITH STRATEGIC DIRECTION, TARGETS AND MEASURES:** At the annual general meeting, **comment** on the COMPANY'S compliance with its STRATEGIC DIRECTION, TARGETS AND MEASURES document for the corresponding year.

[This clause amended 24 April 2007 – See Register of Amendments]

16.18 **ARTICLES OF ASSOCIATION:** Within two months from the date of the first election, **comment** to the DIRECTORS on the articles of association of the COMPANY.

16.19 **INDEMNITY COVER:** To the extent that insurance against loss or damage is available, **maintain** appropriate indemnity covers.

16.20 *[This clause amended 22 February 1995 - See Register of Amendments]*

16.21 **PRE-ELECTION REPORT TO THE PUBLIC:**

- (a) Not earlier than nine (9) months and no later than three (3) months prior to every election, **review** the purposes of the TRUST and report publicly, as if it were an annual performance report, the results of the **review**.

[This clause amended 22 February 1995 - See Register of Amendments]

[This clause amended 25 November 1998 - See Register of Amendments]

- (b) In making that review, **consider** whether the rules and policies of the TRUST provide adequate protection for CUSTOMERS, whether the TRUST should continue in its existing form or be amended or whether the TRUST should be wound up.

16.22 **STANDARDS OF CONDUCT:**

- (a) In addition to the obligations and duties either expressly imposed upon TRUSTEES by this deed or imposed by implication of law, TRUSTEES will comply with TRUSTEESHIP PROTOCOL.
- (b) TRUSTEES acknowledge that a breach of the TRUSTEESHIP PROTOCOL dealing with confidentiality and conflicts of interest may amount to a breach of trust of such a serious nature as to justify an expectation of resignation by the TRUSTEE failing which action by the TRUST for removal from office may be proper.

[This clause added 12 July 1994 - See Register of Amendments]

16.23 **PUBLIC CONSULTATIVE PROCEDURE:**

- (a) The TRUSTEES will comply with the PUBLIC CONSULTATIVE PROCEDURE.
- (b) The TRUST will in its absolute discretion be the final determinant of the form, content and methodology by which the TRUST carries out and evaluates the PUBLIC CONSULTATIVE PROCEDURE.

- (c) The PUBLIC CONSULTATIVE PROCEDURE is non-binding on the TRUST and subject to the requirement to substantially carry out the applicable processes, the outcome of the relevant consultative procedure(s) will not limit or in any way impinge upon or otherwise prejudice the discretion of the TRUSTEES in respect of the PROPOSED ACTION or any related, linked, indirect or consequential resolution, act, omission or other outcome of the TRUST.

[This clause added 18 April 2002 - See Register of Amendments]

17.0 RATIFICATION:

The TRUSTEES by entering into this deed:

- (a) Ratify the decisions and actions of the SETTLOR made by the SETTLOR prior to the date of this deed as **agent** for the TRUSTEES; and
- (b) Adopt those decisions and actions as if they were made by the TRUSTEES themselves.

18.0 VARIATION TO TRUST DEED:

- (a) This clause and clause 7 cannot be amended.
- (b) Subject to paragraph (a) of this clause this deed, including the provisions of the schedule, may be amended by a SPECIAL RESOLUTION.
- (c) If the amendment is one which relates to clauses 8.3, 9, 10 or 11 or rules 2, 3 or 4 then a PUBLIC CONSULTATIVE PROCEDURE must first be implemented.
- (d) Every amendment when made, must be the subject of PUBLIC NOTIFICATION.

19.0 WINDING UP OF TRUST:

- 19.1 **DISTRIBUTION:** On the winding up of the TRUST, all surplus assets after the payment of all costs, debts and liabilities shall be paid, applied or appropriated in accordance with clause 10.2.

20.0 INTERESTED TRUSTEES:

- 20.1 **DISCLOSURE:** A TRUSTEE who in any way, whether directly or indirectly, has a material interest in any contract, proposed contract, arrangement or dealing with the TRUST (other than as a CUSTOMER or as a member, officer or employee of any firm, company or organisation that is a CUSTOMER) must disclose the nature of that interest at a meeting of the TRUSTEES and that disclosure must be recorded in the minutes of the meeting.

- 20.2 **VOTING:** A TRUSTEE required to disclose an interest may be counted in a quorum

present at a meeting but must not vote in respect of the matter in which the TRUSTEE is interested (and if the TRUSTEE does vote it must not be counted) **provided that** the TRUSTEE may be expressly permitted to vote by a unanimous vote of the other TRUSTEES present, given after the disclosure of the interest.

20.3 QUESTIONS AS TO MATERIALITY OF INTEREST: If any question arises at any meeting as to the materiality of a TRUSTEE'S interest or as to the entitlement of any TRUSTEE to vote and such question is not resolved by the TRUSTEE voluntarily agreeing to abstain from voting, the question must be referred to the chairperson of the meeting and his or her ruling in relation to any such TRUSTEE shall be final and conclusive. For the sake of clarity it is recorded that a TRUSTEE who is an elected member of a TERRITORIAL AUTHORITY has a material interest in any contract, proposed contract, arrangement or dealing with that TERRITORIAL AUTHORITY.

21.0 INDEMNITY:

The TRUSTEES shall have no liability for and shall be absolutely indemnified by and out of the TRUST FUND in respect of any loss or liability sustained while acting in good faith and this indemnity shall be in addition to and not in limitation of any other rights, indemnities, or limitations of liabilities.

THE COMMON SEAL OF)
WAIKATO ELECTRICITY AUTHORITY) **L.S.**
 was hereunto annexed in the)
 presence of: *Beattie Rickman - Secretary*
May Woodcock – Chairman

SIGNED by)
IAN JAMES DRABBLE) *Ian James Drabble*
 as a trustee in the)
 presence of:)
D M Shirley - Solicitor
Hamilton

SIGNED by)
MARGARET ANNE EVANS) *Margaret Anne Evans*
 as a trustee in the)
 presence of:)
D M Shirley - Solicitor
Hamilton

SIGNED by)
IAN GEORGE KIMPTON) *Ian George Kimpton*
 as a trustee in the)
 presence of:)
 D M Shirley - Solicitor
 Hamilton

SIGNED by **STANLEY VICTOR**)
HAZELDEAN KNIGHT) *Stanley Victor Hazeldean Knight*
 as a trustee in the)
 presence of:)
 D M Shirley - Solicitor
 Hamilton

SIGNED by)
DAVID CHARLES MCGUIRE) *David Charles McGuire*
 as a trustee in the)
 presence of:)
 D M Shirley - Solicitor
 Hamilton

SIGNED by)
DOUGLAS FRANK PRICE) *Douglas Frank Price*
 as a trustee in the)
 presence of:)
 D M Shirley - Solicitor
 Hamilton

SIGNED by)
MAY NAUMAI WOODCOCK) *May Naumai Woodcock*
 as a trustee in the)
 presence of:)
 D M Shirley - Solicitor
 Hamilton

SCHEDULE

RULES GOVERNING THE APPOINTMENT, RETIREMENT AND PROCEEDINGS OF THE TRUSTEES

1.0 INTERPRETATION

These rules are those referred to in clause 11 of the deed.

- 1.1 'CANDIDATE(S)' means a nominated candidate or candidates, standing for election as a TRUSTEE of the TRUST.
- 1.2 ELECTOR for the purposes of these rules, means, at the TRUSTEES' election (i) a PERSON who RESIDES in the DISTRICT and who in relation to the DISTRICT is an 'elector' as defined in the Electoral Act 1993, (ii) a CUSTOMER as defined in clause 3.1(e), or (iii) such other group of PERSONs that the TRUSTEES determine in their discretion are representative of the COMPANY's or the TRUST's stakeholders, provided that, in each case, the COMPANY is "consumer-owned" as that term is defined in section 54D of the Commerce Act 1986 or any successor section.

[Previous amendment 22 March 2011 - See Register of Amendments]

- 1.3 **Terms** in these rules to which are given special meanings in the deed have the meanings so given to them, unless otherwise stated or the context otherwise requires.
- 1.4 TERRITORIAL AUTHORITY ROLL means the electoral roll prepared for each of the TERRITORIAL AUTHORITIES or their successors which are all or partly in the DISTRICT referred to in clause 3.1(h) of the Deed (modified as necessary by the Electoral Officer to comply with the boundaries of the DISTRICT), or such other roll compiled to reflect the ELECTORS.

[Previous amendments 22 February 1995, 14 May 1996 and 22 March 2011 - See Register of Amendments]

- 1.5 **These** rules shall be construed subject to the provision of the deed, and in the case of conflict between the provisions of these rules and those of the deed the provisions of the deed must prevail.

2.0 APPOINTMENT AND ELECTION OF TRUSTEES

- 2.1 **Number:**

- (a) The number of TRUSTEES shall be seven (7).
- (b) If at any time the number of TRUSTEES falls below seven (7) and is not less than five (5) the remaining TRUSTEES may, but are not required to, appoint a person or persons to fill the vacancy or vacancies within six (6) months of the vacancy occurring.
- (c) If the number of TRUSTEES is less than five (5), the remaining TRUSTEES must hold an election in accordance with rules 2.12 to 2.29 inclusive to elect a person or persons as TRUSTEES, so that the number of TRUSTEES is at least five (5). If an election date for the election of TRUSTEES required by this clause (c) is within 12 months of the next scheduled triennial election, the TRUSTEES may resolve that the next scheduled triennial election be brought forward, with the rules in this Schedule applying to that election. No change to the date of the next scheduled triennial election under this clause will affect the date of any subsequent election.

[Previous amendments 8 December 2009 and 28 September 2010 – See Register of Amendments]

2.2 **Eligibility:** The following persons are not eligible for election or appointment as a TRUSTEE and may not hold office as a TRUSTEE:

- (a) **Bankrupt:** A bankrupt who has not obtained a final order of discharge, has been suspended for a term not yet expired, or is subject to a condition not yet fulfilled or to any order under section 299 of the Insolvency Act 2006.

[This clause amended 23 July 2013 – See Register of Amendments]

- (b) **Conviction:** A person who has been convicted of any offence punishable by a term of imprisonment of 2 or more years unless that person has obtained a pardon or has served the sentence or otherwise suffered the sentence imposed upon that person.
- (c) **Imprisonment:** A person who has been sentenced to imprisonment for any offence unless that person has obtained a pardon or has served the sentence.
- (d) **Prohibition Order:** A person to whom an order made under sections 382, 383, or 385 of the Companies Act 1993 applies.

[Previous amendment 21 April 1999 – See Register of Amendments]

- (e) **Mentally Disordered:** A person who is mentally disordered within the meaning of the Mental Health (Compulsory Assessment and Treatment) Act 1992.

- (f) **Property Order:** A person who is subject to a property order made under section 30 or section 31 of the Protection of Personal and Property Rights Act 1988.
- (g) **Parliamentary Elector:** A person who is not a parliamentary elector for the purposes of the Electoral Act 1993.
- (h) **Director or Employee of Company or any other Electricity Distribution or Supply Company:** A person who currently holds office as a Director of, or is employed by, the COMPANY or any other electricity distribution or supply company.

[Previous amendment 21 April 1999 - See Register of Amendments]

- (i) **Substantial Shareholder or Officer or Employee:** A person who holds or has a relevant interest in more than 5% of the voting equity securities issued by the COMPANY or any other energy company, or who is an office holder, or is employed by, a shareholder who holds such an interest. For the purpose of this paragraph 'relevant interest' has the meaning given to it by section 5 of the Securities Markets Act 1988.
- (j) **Not a Resident and Customer:** A person who is not both a RESIDENT within the DISTRICT and a CUSTOMER.

[Previous amendment 14 May 1996 - See Register of Amendments]

2.3 The Disqualification From Trusteeship Will Not Take Effect Until:

- (a) In any case to which rule 2.2(b) applies the expiration of the time for appealing against the conviction and, in the event of an appeal against conviction, until the appeal has been determined;
- (b) In any case to which rule 2.2(c) applies the expiration of the time for appealing against the sentence of imprisonment and, in the event of an appeal, until the appeal has been determined.

2.4 First Trustees: The first TRUSTEES of the TRUST shall be the INITIAL TRUSTEES.

2.5 Election of Trustees: Subject to rule 2.1 all subsequent TRUSTEES shall be elected by the ELECTORS pursuant to these rules.

2.5A Election System:

- (a) Not less than six months before an Election Date the TRUSTEES may resolve by SPECIAL RESOLUTION that the next election of TRUSTEES, and any associated election, will be held using a specified electoral system other than that used for the previous election.
- (b) A SPECIAL RESOLUTION under this rule: -
 - (i) Takes effect from the next election; and
 - (ii) Continues in effect until a further SPECIAL RESOLUTION under this rule takes effect.
- (c) An 'associated election' means any election to fill a vacancy in the Trustees in accordance with rule 2.1
- (d) "electoral system" means any electoral system defined by that term from time to time by the Local Electoral Act 2001 or any amended or substituted enactment.

2.5B **Voting Method:**

- (a) Every election may be conducted using one or more voting methods adopted by SPECIAL RESOLUTION of the TRUSTEES in the same manner and with the same effect as contained in rule 2.5A.
- (b) "Voting Method" shall have the meaning given to that term by section 5 of the Local Electoral Act 2001 or any amended or substituted enactment in force and includes any of the following: -
 - (i) The method of voting commonly known as booth voting;
 - (ii) The method of voting commonly known as postal voting;
 - (iii) Any form of electronic voting;
 - (iv) Any method of voting involving a combination of more than one of the methods of voting referred to in subparagraphs (i) to (iii);
 - (v) Any other method of voting, however described.
- (c) If an election is to be held and there is no applicable resolution under sub-rule (a), that election must be conducted by postal voting.

2.6 **Election Date:** The first election of TRUSTEES must be held before 30 June 1993 and subsequent elections must be held in every subsequent third year not later than 30 June, as set by resolution of the Trust.

[Previous amendments 22 February 1995 and 25 October 1995 - See Register of Amendments]

2.7 **Rotation of Trustees:**

- (a) At the first election all INITIAL TRUSTEES will retire.
- (b) At the second and subsequent elections all TRUSTEES (including for the avoidance of doubt any TRUSTEE appointed under clause 2.1 to fill a vacancy) will retire.
- (c) In accordance with rule 3 all TRUSTEES retiring may offer themselves for re-election.

[Previous amendment 12 March 1996 - See Register of Amendments]

2.8 **Electoral Officer:** An Electoral Officer for each election must be appointed by the TRUSTEES not less than six (6) months before the Election Date. A TRUSTEE, a director of the COMPANY, or the principal administrative officer of the TRUST or the person fulfilling that role must not be an Electoral Officer, unless the TRUST is satisfied that no other course of action is reasonably practicable in the circumstances.

[Previous amendment 22 February 1995 - See Register of Amendments]

2.9 **Substitute Electoral Officer:** In the event of the death or incapacity of the Electoral Officer a substitute Electoral Officer may be appointed in the manner provided in rule 2.8.

2.10A **Guideline Summary for Candidates:** The Electoral Officer must prior to every election provide every candidate with a guideline summary of their responsibilities and obligations as TRUSTEES and under the Trustee Act 1956.

[Previous amendments 22 February 1995 and 9 March 1999 – See Register of Amendments]

2.10B **Functions of Electoral Officer:** The Electoral Officer must conduct the election of TRUSTEES. Where no procedure is prescribed by these rules the Electoral Officer is entitled to specify the procedure and act accordingly but the Electoral Officer will be guided by the relevant provisions of the Local Electoral Act 2001 and the Local Electoral Regulations 2001 but shall have no authority to decide on any Election System or Voting Method to be used for an election, which decisions shall be made by the Trustees under rules 2.5A and 2.5B. The Electoral Officer is entitled to use the services of persons and companies as the Electoral Officer deems appropriate, and to receive payment from the TRUST FUND for those services. In the event of doubt or dispute as to any matter affecting the election, the Electoral Officer will be entitled to resolve such doubt or dispute, and the decision of the Electoral Officer will be final and conclusive.

2.11 **Payment of Electoral Officer:** The Electoral Officer will be entitled to receive such reasonable remuneration and payment of expenses as the TRUSTEES determine after

consultation with the Electoral Officer.

2.12 **Preparation of Roll of Electors:**

- (a) Not later than one (1) month before the Election Date (such date to be the closure of the roll for the purposes of these rules) the Electoral Officer must establish a roll of ELECTORS containing the names and addresses of all ELECTORS as at a date which is 43 days prior to the Election Date.
- (b) The Electoral Officer shall adopt the TERRITORIAL AUTHORITY ROLL and shall be entitled to add or remove the name and address of any ELECTOR that the Electoral Officer is satisfied should be included or omitted from the roll. The decision of the Electoral Officer as to the addition or not of a name or address shall be final and conclusive. That roll of ELECTORS (subject to any addition that the Electoral Officer may make) will, for all purposes relating to the election, be the electoral roll for the election.
- (c) For the purposes of determining the names and other details of ELECTORS to be included in the electoral roll, the Electoral Officer may obtain from the Chief Registrar of Electors under section 113 of the Electoral Act 1993 a computer-compiled list containing relevant information in respect of ELECTORS appearing to reside within the DISTRICT.
- (d) Roll to be available for public inspection –
 - (i) A copy of an electoral roll must be kept at the principal office of the TRUST and may also be kept at any other place approved by the Electoral Officer.
 - (ii) The Electoral Officer must give public notice of the place or places where the roll is kept.
 - (iii) The Electoral Officer must ensure that the copy of the roll kept at the principal office of the TRUST, is open for public inspection at all reasonable hours during a period of not less than 28 days before the closing of the roll in the year in which the roll is compiled.
 - (iv) The copy or copies of the roll kept at any other place must be open for public inspection whenever that place is open to members of the public.

[Previous amendments 22 February 1995 and 9 March 1999 - See Register of Amendments]

2.13 **Advertising of Elections and Calling for Nominations:** Not later than seventy (70) clear days before the Election Date the Electoral Officer shall:

- (a) Give PUBLIC NOTIFICATION of the election:

- (i) Stating the date of the election; and
 - (ii) Identifying the DISTRICT in respect of which the election is to be held; and
 - (iii) Identifying the Electoral Officer who will be responsible for conducting the election; and
 - (iv) Stating the electoral system to be used for the election; and
 - (v) Stating the voting method or voting methods to be used for the election.
 - (vi) Advising ELECTORS of –
 - (1) The day and time when the electoral roll closes; and
 - (2) When and how the electoral roll may be inspected; and
 - (3) When and how persons may enrol or amend enrolment details; and
 - (4) The day and time by which nominations must be received; and
 - (5) The requirement that a CANDIDATE must submit a candidate profile statement and a passport sized photograph and the manner in which it may be submitted; and
 - (6) The manner in which nominations must be made; and
 - (7) The number of vacancies to be filled.
 - (vii) Stating that voting documents may be processed during the voting period; and
 - (viii) Containing any other information that the Electoral Officer may include as being required or allowed to be included in the notice by regulations made under the Local Electoral Act 2001.
- (b) The Electoral Officer who gives public notice under this rule must send a copy of that notice to any other assistant electoral officer involved in the conduct of the election.

[Previous amendment 22 February 1995 – See Register of Amendments]

2.14 Nominations: Every nomination of a CANDIDATE must be in writing.

All CANDIDATES must be nominated and each nomination must be seconded. No deposit will be required. Nomination of CANDIDATES must be in accordance with and comply with the following procedural requirements, and in the event of dispute the decision of the Electoral Officer will be final and conclusive;

- (a) The Electoral Officer will decide the form and content of the CANDIDATE nomination forms;
- (b) Nomination of CANDIDATES must be made by any two ELECTORS;
- (c) A person who is nominated must be qualified to be a CANDIDATE in the election;
- (d) The nomination must be made in the manner prescribed by the Electoral Officer in rule 2.14(a); and made before the closure of nominations in accordance with rule 2.16.
- (e) The Electoral Officer must not accept the nomination of a CANDIDATE unless –
 - (i) The person nominated, by notice in writing, consents to the nomination and certifies that he or she is qualified to be a CANDIDATE and will not on Election Date be disqualified under rule 2.2; and
 - (ii) The person nominated is qualified to be a CANDIDATE; and
 - (iii) The person(s) who nominated the CANDIDATE are ELECTORS; and
 - (iv) The CANDIDATE submits a written statement not in excess of 150 words in support of his or her nomination, together with a recent passport sized photograph of the CANDIDATE; and
 - (v) The CANDIDATE submits a written statement that he or she is aware of the responsibilities and obligations as a TRUSTEE under the Deed of Trust dated 26 May 1993 and under the Trustees Act 1956; and
 - (vi) The Electoral Officer has reasonable grounds or good cause to believe that the nomination otherwise complies with this rule 2.14.
- (f) The consent and certification required by rule 2.14(e)(i) –
 - (i) Need not be given at the time when the nomination paper is lodged but, if given separately from the nomination paper, must be given before the closure of nominations; and
 - (ii) May be given in a manner other than in writing that is approved by the Electoral Officer, if the person concerned is outside New Zealand.

- (g) A nomination under this rule 2.14 must state –
- (i) The name under which the CANDIDATE is seeking election;
 - (ii) Any organisation or group with which the CANDIDATE claims to be affiliated for the purposes of identifying that affiliation in the voting documents at the election;
 - (iii) Whether or not a CANDIDATE who does not claim any affiliation referred to in sub-rule (ii) above wishes to be identified in the voting documents at the election as an independent CANDIDATE.
- (h) Any person may inspect any nomination or consent without payment of any fee at any time during ordinary office hours at the offices of the TRUST.
- (i) The Electoral Officer must not accept the nomination of a CANDIDATE if the Electoral Officer is not satisfied by the evidence (if any) that the Electoral Officer requires, that the name under which the CANDIDATE is nominated is –
- (i) The name under which the CANDIDATE's birth was registered; or
 - (ii) The name which the CANDIDATE adopted by deed poll or by statutory declaration under section 21A of the Births, Deaths and Marriages and Relationships Registration Act 1995, at least six (6) months before the closure of nominations; or
- [This clause amended 23 July 2013 – See Register of Amendments]***
- (iii) The name by which the CANDIDATE was commonly known during the six (6) months before the closure of nominations not being a name that –
 - (1) Might cause offence to a reasonable person; or
 - (2) Is unreasonably long; or
 - (3) Is, or includes, or resembles an official title or rank; or
 - (4) Is likely to cause confusion or to mislead ELECTORS.
- (j) If the Electoral Officer is in any doubt about a CANDIDATE's eligibility to claim an affiliation, the Electoral Officer may require the CANDIDATE to provide evidence sufficient to satisfy the Electoral Officer of the CANDIDATE's eligibility to claim that affiliation.

- (k) If the Electoral Officer considers that the CANDIDATE is not eligible to claim an affiliation or that the affiliation claimed might cause offence to a reasonable person or is likely to cause confusion or to mislead ELECTORS;
 - (i) The Electoral Officer must, after consultation with the CANDIDATE, allow the affiliation that the Electoral Officer and the CANDIDATE agree on to appear on voting documents in place of the affiliation specified in the notice of nomination; or
 - (ii) If the consultation referred to in sub-rule (i) above does not result in agreement or is not reasonably practicable to undertake, the Electoral Officer must not allow any affiliation in respect of that CANDIDATE to appear on voting documents.
- (l) In this rule 2.14, an affiliation is an endorsement by any organisation or group (whether incorporated or unincorporated).
- (m) A CANDIDATE's official title or rank will not be recognised or published by the Electoral Officer in any electoral matter or material other than the CANDIDATE's statement.

[Previous amendments 22 February 1995, 12 March 1996 and 14 May 1996 – See Register of Amendments]

2.15 Withdrawal, Retirement, Death, Incapacity or Ineligibility:

- (a) The nomination of a CANDIDATE will be deemed to have never been made and the CANDIDATE will be ineligible for election, if:
 - (i) The nominator withdraws the nomination by notice received by the Electoral Officer before the closure of nominations.
 - (ii) The CANDIDATE withdraws by notice received by the Electoral Officer before the closure of nominations.
 - (iii) The Electoral Officer receives advice before the closure of nominations that a CANDIDATE has died.
 - (iv) The Electoral Officer receives advice before the closure of nominations that a CANDIDATE is, or has become, incapable under any statute, regulation or these rules of holding the office of TRUSTEE for which he or she is a CANDIDATE.
 - (v) After closure of nominations a CANDIDATE delivers to the Electoral Officer a notice in writing indicating that he or she wishes to retire –

- (1) If an election is required to be held, at any time after the closure of nominations and before polling day; or
 - (2) If an election is not required to be held, at any time before a declaration has been made that the number of CANDIDATES does not exceed the number of vacancies, and that the nominated CANDIDATES are elected.
- (vi) The Electoral Officer becomes aware, after the closure of nominations but before the close of voting, that a CANDIDATE –
- (1) Has died; or
 - (2) Has become incapable under any statute, regulation or these rules of holding the office of TRUSTEE for which the CANDIDATE was nominated; or
 - (3) Was not validly nominated; or
 - (4) Was not qualified to be nominated as a CANDIDATE.
- (vii) The Candidate becomes disqualified by virtue of rule 2.2 before a result is declared.
- (b) If it is practicable to do so before polling day, the Electoral Officer must give public notice of the retirement, death, incapacity, or the invalid nomination of the CANDIDATE.
- (c) The Electoral Officer must take such steps as are practicable to ensure that ELECTORS do not vote for a CANDIDATE in ignorance of the retirement, death, incapacity, or invalid nomination of that CANDIDATE.
- (d) Any failure by the Electoral Officer to ensure that an ELECTOR or ELECTORS do not vote for a CANDIDATE in ignorance of the retirement, death, incapacity, or invalid nomination of the CANDIDATE does not invalidate an election.
- (e) Any vote cast for a retired, deceased, or incapacitated CANDIDATE, or for a CANDIDATE whose nomination is invalid, is void.

2.16 Closure of Nominations:

Nominations will close at noon on the forty-third (43rd) day before the Election Date ('Closure of Nominations'). The Electoral Officer will give PUBLIC NOTIFICATION of all valid nominations.

[Previous amendments 22 February 1995 and 14 May 1996 – See Register of Amendments]

2.17 Circumstances Where No Election Necessary:

- (a) If by the time of Closure of Nominations there are nominations equal to the number of vacancies the Electoral Officer must forthwith declare those CANDIDATES duly elected, and no election will then be held. If, by that time, there are less nominations than vacancies the Electoral Officer must forthwith declare those nominated to be duly elected, and the TRUSTEES will then fill the vacancy or vacancies by appointment. A declaration of the Electoral Officer pursuant to this clause will be deemed to be a Declaration of Result.
- (b) If sub-rule (a) above applies, the votes in the election must not be counted, but all other provisions of these rules and the Local Electoral Act 2001 and the Local Electoral Regulations 2001 (as applicable) relating to the secrecy of the vote and security of election records apply in respect of that election.

2.18 Eligibility to Vote: The following provisions shall apply:

- (a) Every ELECTOR on the Roll will be entitled to participate in the voting.
- (b) If First Past the Post is the electoral system selected by the TRUSTEES for the election, voters will have one vote for each unfilled position.

[Previous amendments 9 March 1999 and 28 September 2010 - See Register of Amendments]

2.19A Election: Not later than eighteen (18) days before an Election Date (this period being the voting period for the purposes of these Election Rules) the Electoral Officer must forward by post addressed to each ELECTOR at the address shown against that ELECTOR'S name on the roll:

- (a) A printed voting paper containing:
 - (a) Names of all CANDIDATES validly nominated in alphabetical order of their surname;
 - (b) Appropriate provision for voting;
 - (c) Each CANDIDATE'S written statement and photograph pursuant to rule 2.14(e)(iv).
- (b) Notification (which may be on the voting paper) as to the date and time the poll closes.
- (c) A postage paid return addressed envelope.

2.19B Candidates Material:

- (a) By accepting nomination a CANDIDATE authorises the inclusion of their candidate statement and photograph in the envelope containing the matters required by rule 2.19A(a).
- (b) The Electoral Officer shall have full control (including but not limited to form and content) over the subject matter of material posted to ELECTORS pursuant to rule 2.19A(a) and the decision of the Electoral Officer shall be final and conclusive.

[Previous amendment 12 March 1996 - See Register of Amendments]

- (c) Subject to sub-rule (b) above the Electoral Officer shall notify a CANDIDATE of any proposed alteration to the content of his or her candidate statement with a view to providing the CANDIDATE with the opportunity to comment prior to such alteration becoming final.

[Previous amendment 26 March 1996 - See Register of Amendments]

2.20 Closure of Poll: A vote is invalid, and cannot be counted, unless:

- (a) The Electoral Officer receives the voting paper not later than noon on the Election Date, or
- (b) For votes sent by post, the voting envelope is post-marked prior to noon on the Election Date and is received by the Electoral Officer not later than noon on the sixth day after the Election Date

(in each case, 'Closure of the Poll').

[Previous amendment 28 September 2010 - See Register of Amendments]

2.21 Invalid Votes: A vote is invalid and shall not be counted if:

- (a) It is received after Closure of the Poll;
- (b) It is made by a person who is not eligible to vote;
- (c) The Electoral Officer determines following a scrutiny of the roll substantially in accordance with section 83 of the Local Electoral Act 2001 that the ELECTOR has voted more than once;
- (d) The ELECTOR votes for more CANDIDATES than there are TRUSTEES to be elected;
- (e) In the opinion of the Electoral Officer, the voting paper does not indicate clearly enough the CANDIDATE or CANDIDATES for whom the ELECTOR intended to vote;

- (f) The Electoral Officer believes, on reasonable grounds, that the voting paper was not issued to the ELECTOR by the Electoral Officer.

2.21A Early Processing of Votes:

- (a) The voting documents in an election are to be processed during the voting period. The Electoral Officer must ensure that voting documents received before the close of voting are processed in a manner that to the applicable extent is substantially in compliance with the Local Electoral Act 2001 and the Local Electoral Regulations 2001.
- (b) Sub-rule (a) above does not require the Electoral Officer to ensure the taking of any particular step (whether prescribed under the Local Electoral Act 2001 or the Local Electoral Regulations 2001 or otherwise) in relation to the processing of a voting document during the voting period if the Electoral Officer decides, on reasonable grounds, that it is not efficient to take that step in relation to that voting document in that period.
- (c) Any step that, in relation to a voting document, is started but not completed at the close of voting must be completed after the close of voting in a manner that to the applicable extent is substantially in compliance with the Local Electoral Act 2001 and the Local Electoral Regulations 2001.
- (d) If the processing of a voting document is not completed at the close of voting, the processing of the voting document must be completed after the close of voting.

2.22 Counting of Votes:

- (a) Without limiting the application of sub-rule (b) the Electoral Officer must as soon as practicable after the Election Date but in any event not later than fourteen (14) days after the Election Date, arrange for the counting of the valid votes cast for each CANDIDATE and ascertain the CANDIDATES elected being the highest polling CANDIDATES required to fill the number of vacancies.
- (b) The Electoral Officer may arrange for counting of the valid votes to be processed during the voting period of 18 days referred to in rule 2.19A in addition to the period described in sub-rule (a).
- (c) In arranging the counting of votes the Electoral Officer may delegate the counting process in accordance with rule 2.10B.

2.22A Scrutineers:

- (a) Every CANDIDATE may appoint, by notice in writing to the Electoral Officer, one (1) scrutineer who may be present only as permitted by this rule.

- (b) The appointment of a scrutineer is not valid unless a copy of the notice of appointment is delivered by the CANDIDATE, to the Electoral Officer not less than 7 days before the commencement of the voting period at the election.
 - (c) A person appointed as a scrutineer must not act in that capacity until he or she has made a declaration containing the matters prescribed in sub-rule (d).
 - (d) A person must not be appointed as a scrutineer if he or she is –
 - (i) A CANDIDATE; or
 - (ii) A member or employee of the TRUST; or
 - (iii) Under the age of 18 years
 - (e) A scrutineer may be present only after the Closure of the Poll as defined in rule 2.20 and may not be present while any step referred to in rule 2.21A or rule 2.22b is taking place.
 - (f) The Electoral Officer must appoint at least one Justice of the Peace, and may appoint as many additional Justices as the Electoral Officer considers necessary, to observe the processing and counting of voting documents under rules 2.21A and 2.22.
 - (g) At least one Justice so appointed must be present when any step referred to in rules 2.21A and 2.22 is being taken during the voting period or is being completed after the Closure of the Poll.
 - (h) Every Justice so appointed must give a certificate to the Electoral Officer stating whether or not the Justice is satisfied that rules 2.21A and 2.22 were complied with while the Justice was observing the processing and counting of voting documents.
 - (i) A Justice who gives a certificate stating that he or she is not satisfied that rules 2.21A and 2.22 were complied with must attach a report to the certificate setting out any way in which those rules, or either of them, were not complied with.
- 2.23 **Tied Poll:** Where, because two (2) or more CANDIDATES have received the same number of valid votes, the Electoral Officer cannot determine which of them has been elected, the Electoral Officer must decide which of them is elected, by lot drawn by those CANDIDATES in the presence of the Electoral Officer and such other person or persons (if any) as the Electoral Officer may decide.
- 2.24 **Declaration of Result:**
- (a) As soon as practicable after ascertaining which candidates have been elected, the Electoral Officer must declare the names of the TRUSTEES so elected

('Declaration of Result'), and must arrange PUBLIC NOTIFICATION of those names.

- (b) The Electoral Officer may make the Declaration of Result on either a provisional or final basis having regard to these rules and the provisions of the Local Electoral Act 2001.

[Previous amendment 22 February 1995 - See Register of Amendments]

- 2.25 **Destruction of Voting Papers:** After the Declaration of Result, the Electoral Officer must decide when to destroy the voting papers being not earlier than twenty one (21) days after the Declaration of Result.
- 2.26 **General Duties of Electoral Officer:** The Electoral Officer and every person assisting the Electoral Officer must faithfully and impartially perform the duties of that office, and must not, directly or indirectly;
- (a) Before the Declaration of Result make known the state of the poll, or give or pretend to give any information by which the state of the poll might be known;
 - (b) Make known for which CANDIDATE or CANDIDATES any person has voted.
 - (c) Give any person any information likely to defeat the secrecy of the election.
- 2.27 **Change of Trustees:** Notwithstanding any other provision in the deed or these rules, retiring TRUSTEES will remain in office until the Electoral Officer has made a Declaration of Result pursuant to rule 2.17 or rule 2.24. Upon the Declaration of Result the CANDIDATES declared elected will assume office in place of the retiring TRUSTEES on the day after the day upon which the CANDIDATES are declared to be elected.
- 2.28 **Calculation of Time:** If any day or days specified in the rules upon or by which any step is to be taken shall fall on a day that is not a working day then the date of performance shall be deemed to be the working day next following.
- 2.29 **Local Electoral Act 2001 and Local Electoral Regulations 2001:** The provisions of the Local Electoral Act 2001 and Local Electoral Regulations 2001 will regulate the election procedure to be adopted by the TRUST of each election subject to the following provisos:
- (a) The Local Electoral Act 2001 and Local Electoral Regulations 2001 shall not apply to the extent of inconsistency with this deed or these rules and in the event of any conflict between the rules and this schedule and the Local Electoral Act 2001 and the Local Electoral Regulations 2001 then these rules shall prevail;

- (b) The TRUST may determine from time to time that any provision or provisions of the Local Electoral Act 2001 and Local Electoral Regulations 2001 not otherwise adopted or endorsed by this deed or these rules shall either not apply or shall apply with modified effect where the TRUST is satisfied that such non or modified compliance will not be materially adverse to the integrity of the final election procedure adopted by the TRUST;
- (c) For the purposes of this deed no part of the provisions of Sections 111 and 113 of the Local Electoral Act 2001 (relating to maximum amount of electoral expenses and advertising) shall be deemed to apply unless adopted, whether in the form contained in the Local Electoral Act 2001 or in a modified form, by the TRUST from time to time.
- (d) For the purposes of this rule 2.29:
 - (i) Rule 2.10B shall not be treated as having adopted or endorsed any provision or provisions of the Local Electoral Act 2001 and Local Electoral Regulations 2001; and
 - (ii) Rule 2.10B shall be treated as being subsidiary to and not inconsistent with this rule 2.29.

[Previous amendment 12 March 1996 - See Register of Amendments]

2.30 **First Election:** For the first election all time periods referred to in these rules may be abridged by the TRUSTEES or the Returning Officer at their discretion so as to ensure that the first election is held by 30 June 1993.

[Rules 1 & 2 amended in entirety 26 October 2004 - See Register of Amendments]

3.0 TERM OF OFFICE

3.1 TRUSTEES (including the INITIAL TRUSTEES) will hold office for a term from the date of their appointment or election until the Declaration of Result of the next election. A TRUSTEE may seek re-election without restriction on the number of subsequent terms (including part terms) that a TRUSTEE may serve.

[This rule amended 12 March 1996 - See Register of Amendments]

3.2 If any of the INITIAL TRUSTEES offer themselves for re-election and at the first election are successful then their respective periods in office as members of the SETTLOR or as INITIAL TRUSTEES up to the date of the first election will be disregarded.

4.0 CESSATION OF TRUSTEESHIP

A TRUSTEE will cease to hold office if the TRUSTEE:

- (a) **Expiry of Term:** Has served the term for which the TRUSTEE was elected.

[Previous amendment 12 March 1996 - See Register of Amendments]

- (b) **Resignation:** Resigns his/her office by notice in writing to the secretary/executive officer or, if there is no secretary/executive officer, to the chairperson.
- (c) **Refuses to Act:** Refuses to act as a TRUSTEE.
- (d) **Eligibility:** No longer meets the eligibility requirements of rule 2.2.
- (e) **Is absent** from three consecutive meetings without the leave of the TRUSTEES.

5.0 RECORDING OF CHANGE OF TRUSTEES

Upon every appointment, reappointment, retirement or cessation of office of any TRUSTEE the TRUSTEES must ensure that the appropriate entry is made in the minute book of the TRUST and PUBLIC NOTIFICATION is effected.

6.0 REMUNERATION AND EXPENSES OF TRUSTEES

- 6.1 **Remuneration:** The TRUSTEES will be entitled in each FINANCIAL YEAR to such remuneration, allowances and expenses as may be reasonable having regard to their duties and responsibilities in a manner based on the Fees and Travelling Allowances Act 1951 and the Local Government Act 2002.

[This clause amended 23 July 2013 – See Register of Amendments]

- 6.2 **Expenses:** The TRUSTEES shall be entitled to be indemnified by and reimbursed for any expenses incurred by them in the exercise of their powers and duties.
- 6.3 **Payments to be made from TRUST FUNDS:** The payments of remuneration and expenses to the TRUSTEES pursuant to rules 6.1 and 6.2 shall be paid out of the TRUST FUND.

7.0 NON-DELEGATION BY TRUSTEES

No TRUSTEE may delegate his or her duties or powers as a TRUSTEE.

8.0 ORDINARY MEETINGS

The TRUSTEES must meet at such intervals as they deem appropriate to the conduct of the affairs of the TRUST.

9.0 SPECIAL MEETINGS

Four TRUSTEES may at any time summon a special meeting of the TRUSTEES.

- 9A **Extraordinary Meetings:** The TRUSTEES may hold emergency meetings which may be called by not less than four TRUSTEES to deal with matters specified by the requesting TRUSTEES being matters that require a meeting to be held at shorter notice than can be given or arranged under clause 10.0 of this deed.

Notice of the time and place of the emergency meeting and of the matters in respect of which the meeting is being called shall be given by whatever means is reasonable in the circumstances, to every TRUSTEE and to the executive officer at least 24 hours before the time appointed for the meeting.

[This rule added 28 September 1993 - See Register of Amendments]

10.0 NOTICE OF MEETINGS

Notice in writing of every meeting whether ordinary or special must be delivered or sent by email or other electronic means as deemed appropriate to each TRUSTEE by the secretary (or other person acting under the direction of the TRUSTEES) or (in the case of a special meeting) by or under the direction of the persons summoning the meeting at least 7 days before the date of the meeting. No notice will be necessary for adjourned meetings except to TRUSTEES not present when the meeting was adjourned. Notice of any general or special meeting may be abridged or waived if all the TRUSTEES who are for the time being in New Zealand consent in writing to the abridgement or waiver.

[This clause amended 23 July 2013– See Register of Amendments]

11.0 CONTENT OF NOTICE

Every notice of meeting must state the place, day, and hour of the meeting, and every notice of a special meeting must state the matters to be discussed at that meeting.

12.0 MEETINGS TO BE PUBLIC

Subject to rule 13 every meeting of the TRUSTEES must be:

- (a) Adequately notified to the public in advance;
- (b) Conducted in public;
- (c) Recorded in minutes available to the public (subject to such reasonable cost recovery as the TRUSTEES may determine from time to time).

[Previous amendment 27 July 1994 - See Register of Amendments]

13.0 EXCLUSION OF PUBLIC

The TRUSTEES may to the extent that the TRUSTEES determine that reasonable and

established grounds exist exclude the public from all or part of a meeting.

[Previous amendment 27 July 1994 - See Register of Amendments]

14.0 MEETINGS BY TELECOMMUNICATION DEVICE

14.1 Notwithstanding any other provision in the Deed or these rules, a TRUSTEE or TRUSTEES will be deemed to be present at a meeting of the TRUSTEES or a committee of the TRUSTEES so long as the following conditions are met:

- (a) Any such TRUSTEE is connected to the meeting by telephone or other telecommunication device that permits all TRUSTEES present at the meeting to simultaneously hear each other throughout the meeting (a "Telecommunication Device");
- (b) At the commencement of the meeting each TRUSTEE must acknowledge his or her presence for the purpose of such meeting to all the others taking part;
- (c) A TRUSTEE may not leave the meeting by disconnecting his or her Telecommunication Device without having previously obtained the express consent of the Chairperson of the meeting and shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting **provided that** if a TRUSTEE obtains the express consent of the Chairperson to leave the meeting as aforesaid, such TRUSTEE will no longer form part of the quorum for the meeting;
- (d) All documentation considered and/or tabled at the meeting must be made available to all participants either prior to or at the commencement of the meeting.

14.2 Each TRUSTEE can only avail themselves of this facility twice a year, other than for extraordinary meetings under rule 9A.

14.3 Minutes of the proceedings at such meeting by Telecommunication Device shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as correct by the Chairperson of the meeting.

[This rule added 8 December 2009 - See Register of Amendments]

15.0 CHAIRPERSON AND DEPUTY CHAIRPERSON

The TRUSTEES must in each year elect one of their number as chairperson and determine the period for which the chairperson is to hold office. The chairperson must take the chair at all meetings of the TRUSTEES and will have a deliberative vote only and no casting vote. The TRUSTEES may elect a deputy chairperson to act in the place of the chairperson either for a specific period or generally during the chairperson's absence or inability to act from time to time and may revoke such appointment.

16.0 QUORUM

A quorum at meetings of the TRUSTEES will comprise four (4) TRUSTEES.

[Previous amendment 28 September 2010 - See Register of Amendments]

17.0 VALIDITY OF PROCEEDINGS

All acts done by a meeting of TRUSTEES or of a committee of TRUSTEES or by any person acting as a TRUSTEE will (notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such TRUSTEE or person acting or that they or any of them were for any reason disqualified) be as valid as if that person had been duly appointed and was qualified to be a TRUSTEE.

18.0 RESCISSION OR VARIATION OF RESOLUTIONS

Any resolution of the TRUSTEES may be rescinded or varied by the TRUSTEES at any ordinary or special meeting in the notice of which the proposed motion is stated.

19.0 ADJOURNMENT

If a quorum is not present within thirty minutes after the time appointed for any meeting the TRUSTEE or TRUSTEES present may adjourn the meeting. Any meeting may be adjourned by the chairperson upon the adoption of a resolution for its adjournment.

20.0 COMMITTEES

The TRUSTEES may from time to time appoint any one or more of their members to be a committee for making any inquiry, for supervising or transacting any business of the TRUST, for the investment and management of the TRUST FUND, or for the performance of any duty or function which in the opinion of the TRUSTEES will further the purposes and objects of the TRUST. Subject to these rules and to any directions from time to time given by the TRUSTEES every committee may regulate its own procedure and a quorum, at any meeting of the committee will comprise a majority of its members for the time being.

21.0 MINUTES

21.1 **Minute Book:** A minute book must be provided and kept by the TRUSTEES and all proceedings of the TRUSTEES must be entered in the minute book.

21.2 **Evidence of Proceedings:** Any minute if purporting to be signed by the chairperson of the meeting at which the proceedings were held, or by the chairperson of the next succeeding meeting, will be evidence of the proceedings.

21.3 Meetings Deemed to be Regular: Minutes of the proceedings at every meeting of TRUSTEES will, until the contrary is proved, be evidence that the meeting was duly held and that all proceedings at the meeting were properly recorded.

22.0 RESOLUTIONS IN WRITING

A resolution in writing signed by all the TRUSTEES or by all the members of a committee will be as effective for all purposes as a resolution passed at a meeting of the TRUSTEES or of the committee, as the case may be, properly convened and held.

Such resolution may consist of several documents all having the same wording and each signed by one or more of the TRUSTEES or members of the committee, as the case may be.

23.0 BANK ACCOUNTS

Bank accounts in the name of the TRUST must be opened and kept with a BANK or BANKS to be from time to time selected by the TRUSTEES. All money received on account of the TRUST must be forthwith paid into one or more of the bank accounts unless otherwise expressly ordered by the TRUSTEES. All negotiable instruments and all receipts for money paid to the TRUST will be signed, drawn, accepted, endorsed or otherwise executed in such manner as the TRUSTEES from time to time decide.

24.0 EXECUTION OF DOCUMENTS

24.1 The TRUSTEES must obtain and maintain a common seal.

24.2 All documents required to be executed by the TRUSTEES will be deemed to have been validly executed and binding on the TRUST if the documents have been entered into and executed by the authority of the TRUSTEES previously given and have had the common seal affixed in the presence of at least two TRUSTEES and the secretary or any other person, including a TRUSTEE, previously approved by the TRUSTEES for the purpose.

25.0 STANDING ORDERS

The TRUSTEES may adopt standing orders governing the conduct of meetings.

26.0 GENERAL POWERS

Subject to the provisions of the deed and of these rules the TRUSTEES will have the power to do all acts and things which they consider proper or advantageous for accomplishing the purposes and objects of the TRUST.

LIST OF TRUSTEES HOLDING OFFICE

<u>July 1993</u>	FIRST ELECTED TRUST
	G Yates (Chairman) Trustees M Woodcock, D Bethune, S Dooley, B Farrell, L Livingston, P Neagle, C Tait
October 1993	Trustee C Tait resigns
December 1993	Trustee M Roblin appointed
April 1994	Trustee S Dooley resigns
August 1994	Trustee W Parsonson appointed
<u>July 1996</u>	SECOND ELECTED TRUST
	D Bethune (Chairman) R Rimmington (Deputy Chairman) Trustees B Farrell, P Neagle, M Evans, J Gallagher, G Yates, E Wilson
September 1996	Trustee E Wilson resigns Trustee M Roblin appointed
<u>July 1999</u>	THIRD ELECTED TRUST
	D Bethune (Chairman) R Rimmington (Deputy Chairman) Trustees B Farrell, P Neagle, M Evans, J Gallagher, G Yates, M Roblin
October 2000	R Rimmington (Chairman) D Bethune (Deputy Chairman)
<u>July 2002</u>	FOURTH ELECTED TRUST
	G Mallett (Chairman) T Hennebry (Deputy Chairperson) Trustees B Chibnall, J Easto, M Evans, J Gallagher, D Laird, E Wilson
October 2003	E Wilson – appointment a nullity under Rule 2.2 (d) of the Trust Deed Trustee M Bunting appointed

July 2005**FIFTH ELECTED TRUST**

G Mallett (Chairman)

T Hennebry (Deputy Chairperson)

Trustees M Bunting, B Chibnall, J Easto, D Kneebone, S McLennan, M West

July 2008**SIXTH ELECTED TRUST**

D Currie (Chairman)

T Hennebry (Deputy Chairperson)

Trustees M Bunting, B Chibnall, J Easto, R Hamill, D Harding, M Ingle

July 2009

Trustee D Currie resigns

T Hennebry (Chairperson)

M Ingle (Deputy Chairman)

February 2010

Trustee T Hennebry resigns

M Ingle (Chair)

D Harding (Deputy Chairperson)

July 2011**SEVENTH ELECTED TRUST**

M Ingle (Chair)

D Harding (Deputy Chair)

Trustees M Bunting, B Chibnall, R Hamill, D Kneebone, K Williams

July 2014**EIGHTH ELECTED TRUST**

M Ingle (Chair)

D Harding (Deputy Chair)

Trustees M Bunting, B Chibnall, R Hamill, C Isaac, K Williams

July 2017**NINTH ELECTED TRUST**

M Ingle (Chair)

C Isaac (Deputy Chair)

Trustees R Hamill, D Harding, M Rolton, C Stephen, K Williams