

# **CONSTITUTION OF CROSSGATE CAPITAL LIMITED**

**Dated 25 January 2019**

## CONTENTS

1. PRELIMINARY	3
2. SHARES	4
3. ISSUE OF SHARES	5
4. DISTRIBUTIONS TO SHAREHOLDERS	5
5. PURCHASE BY COMPANY OF ITS OWN SHARES AND TREASURY STOCK	8
6. CALLS ON SHARES	8
7. SUSPENSION OF DISTRIBUTIONS, FORFEITURE AND LIEN ON SHARES	9
8. TRANSFER OF SHARES	11
9. SHARE REGISTER	12
10. LIABILITY OF SHAREHOLDERS	13
11. POWERS OF SHAREHOLDERS	13
12. MEETINGS OF SHAREHOLDERS	13
13. POWERS OF MANAGEMENT	15
14. APPOINTMENT AND REMOVAL OF DIRECTORS	15
15. PROCEEDINGS OF BOARD	17
16. TRANSACTIONS INVOLVING SELF-INTEREST	18
17. REMUNERATION AND OTHER BENEFITS	20
18. INDEMNITY AND INSURANCE	21
19. CONTRACTING BY THE COMPANY	22
20. CHANGE OF COMPANY NAME	23
21. LIQUIDATION	23
22. REMOVAL FROM THE REGISTER	23
SCHEDULE 1 – SHAREHOLDER MEETINGS	24
APPENDIX TO SCHEDULE 1 – PROXY FORM	30
SCHEDULE 2 – DIRECTORS’ MEETINGS	32
Chairperson	32

**CONSTITUTION  
OF  
CROSSGATE CAPITAL LIMITED**

**PART I – PRELIMINARY**

**1. PRELIMINARY**

**1.1 Definitions**

In this Constitution, unless the context otherwise requires:

"**Act**" means the Companies Act 1993.

"**Alternate Director**" means a person appointed as an alternate of a Director in accordance with clause 14.5.

"**Board**" in relation to the Company means those Directors who number not less than the required quorum acting together as a board of directors.

"**Class**" means a class of Shares having attached to them identical rights, privileges, limitations and conditions.

"**Class A Shares**" means the Shares referred to in clause 2.1(a).

"**Class B Shares**" means Class B shares in the Company.

"**Company**" means Crossgate Capital Limited.

"**Director**" means a person appointed as a director of the Company in accordance with this Constitution.

"**Distribution**" has the meaning set out in section 2(1) of the Act.

"**Law**" includes any rules of common law, statute, regulation, order in council, bylaw, ordinance or other subordinate or secondary legislation in force from time to time.

"**Related Company**" means any subsidiary, investment, manager or advisor of the Company.

"**Share**" means a share in the Company.

"**Shareholder**" means a shareholder in the Company.

"**Surplus Assets**" means the surplus assets of the Company (if any) at the time of liquidation, following satisfaction of all preferential claims and payment of the Company's creditors.

**1.2 Interpretation**

In this Constitution, unless the context requires otherwise:

- (a) **capitalised words** or **expressions** have the same meaning as in the Act.
- (b) references to:

- (i) **clauses** and **Schedules** are to clauses of and Schedules to this Constitution; and
- (ii) **paragraphs** in a Schedule are to the paragraphs in that Schedule;
- (c) **derivations** of any defined word or term shall have a corresponding meaning;
- (d) a **gender** includes the other gender;
- (e) the **headings** to clauses are inserted for convenience only and shall be ignored in interpreting this Constitution;
- (f) the word **including** and other similar words do not imply any limitation;
- (g) a **person** includes any individual, company, corporation, firm, club, partnership, joint venture, association of persons (corporate or not), trust, state or government, local governmental, semi-governmental, judicial, statutory or regulatory entity, authority, body or agency or any person charged with the administration of any Law (in each case whether or not having separate legal personality);
- (h) the **plural** includes the **singular** and vice versa; and
- (i) a reference to a **statute** includes all regulations and other subordinate legislation made under that statute. A reference to a statute, regulation or other subordinate legislation includes that statute, regulation or subordinate legislation as amended or replaced from time to time.

## PART II – SHARES AND DIVIDENDS

### 2. SHARES

#### 2.1 Classes of Shares

2.2 On the date of adoption of this Constitution the Shares are divided into the following classes, each of which constitutes a separate Class:

- (a) Class A Shares comprising all Shares issued after the allotment of Class B Shares;
- (b) Class B Shares comprising the initial 3,000,000 Shares issued to:
  - (i) Scott Daniel Lester – 1,000,000 Shares;
  - (ii) Raymond Clive Jimmieson – 1,000,000 Shares; and
  - (iii) John Llewelyn Jackson – 1,000,000 Shares.

2.3 Except as expressly provided in this Constitution, all of the Class A Shares and the Class B Shares have the same rights and privileges and are subject to the same restrictions and will in particular confer the rights set out in section 36(1) of the Act.

#### 2.4 Rights attaching to Class A Shares and Class B Shares

Unless otherwise provided by the terms of issue or by this Constitution:

- (a) The Class A Shares confer on the holder each of the following rights:

- (i) holders of Class A Shares are entitled to 97% of the total voting rights of all Shareholders in proportion to their Shareholding
  - (ii) Subject to clause 4 of this Constitution, holders of Class A Shares are entitled to not less than 97% of all Dividends authorised by the Board, to be distributed to the holders of Class A Shares in proportion to their Shareholding;
  - (iii) Upon the liquidation of the Company not less than 97% of the Surplus Assets shall be distributed to the holders of Class A Shares in proportion to their Shareholding.
- (b) The Class B Shares confer on the holder each of the following rights:
- (i) holders of Class B Shares are entitled to 3% of the total voting rights of all Shareholders in proportion to their Shareholding;
  - (ii) Subject to clause 4 of this Constitution, holders of Class B Shares are entitled to not less than 3% of all Dividends authorised by the Board, to be distributed to the holders of Class A Shares in proportion to their Shareholding;
  - (iii) Upon the liquidation of the Company not less than 3% of the Surplus Assets must be distributed to the holders of Class B Shares in proportion to their Shareholding.

## **2.5 Types of Shares**

Without limiting clause 2.1, the Company may issue different Classes of Shares on such terms as the Board thinks fit, including Shares that:

- (a) are Redeemable within the meaning of section 68 of the Act;
- (b) confer preferential rights to Distributions of capital or income;
- (c) confer special, limited or conditional voting rights; or
- (d) do not confer voting rights.

## **3. ISSUE OF SHARES**

### **3.1 Pre-emptive Rights on the issue of Shares**

Section 45 of the Act shall not apply. The issue of further Shares ranking equally with, or in priority to, existing Shares, whether as to voting rights or Distributions, is deemed not to be action affecting the rights attached to the existing Shares.

### **3.2 Board's powers to issue Shares**

Subject to the Act and this Constitution, the Board may issue Shares at any time, to any person, and in any number it thinks fit.

## **4. DISTRIBUTIONS TO SHAREHOLDERS**

### **4.1 Board may authorise Distributions**

- (a) Subject to any restrictions in this Constitution and the Act, the Board may authorise a Distribution by the Company at a time and of an amount and to any Shareholders it thinks fit.

- (b) A Distribution includes:
  - (i) the payment of a Dividend;
  - (ii) an issue of Shares in lieu of a proposed Dividend;
  - (iii) a reduction of shareholder liability in terms of section 57 of the Act;
  - (iv) the purchase or acquisition by the Company of its own Shares; or
  - (v) the giving of financial assistance to a person for the purpose of, or in connection with, the purchase of Shares in the Company.

#### **4.2 Solvency Test**

Before making any Distribution to Shareholders:

- (a) the Board must be satisfied on reasonable grounds that the Company will, immediately after the Distribution, satisfy the Solvency Test; and
- (b) those Directors voting in favour of the Distribution must sign a certificate stating:
  - (i) that in their opinion the Company will, immediately after the Distribution, satisfy the Solvency Test; and
  - (ii) the grounds for that opinion.

#### **4.3 Dividends**

The following terms and conditions apply to the issue of Dividends:

- (a) no Dividend may be authorised:
  - (i) in respect of some but not all Shares in a Class; or
  - (ii) that is of a greater value per Share in respect of some Shares of a Class than it is in respect of other Shares of that Class,  
  
unless the amount of the Dividend in respect of a Share of that Class is in proportion to the amount paid to the Company in satisfaction of the liability of the Shareholder under this Constitution or under the terms of the issue of the share;
- (b) any Shareholder may waive his or her entitlement to receive a Dividend by giving notice in writing to the Company signed by or on behalf of the Shareholder;
- (c) a transfer of any Share does not pass the right to any Dividend authorised for payment in respect of that Share where the entitlement date for payment has passed before the date of registration of the transfer; and
- (d) where several persons are registered as joint holders of any Share in respect of which a Dividend is payable, any one of the holders may give effectual receipts for any Dividend payment in respect of the Share so held.

#### **4.4 Shares in lieu**

The Board may issue, to any Shareholders who have agreed to accept, Shares wholly or partly in lieu of a proposed Dividend or proposed future Dividends if:

- (a) the right to receive Shares, wholly or partly, in lieu of the proposed Dividend or proposed future Dividends has been offered to all Shareholders holding the same Class on the same terms;
- (b) relative voting or Distribution rights, or both, would be maintained in respect of all Shareholders who elected to receive the Shares in lieu of the proposed Dividend;
- (c) the Shareholders to whom the right is offered are afforded a reasonable opportunity of accepting;
- (d) the Shares issued to each Shareholder are issued on the same terms and subject to the same rights as the Shares issued to all Shareholders in that Class who agreed to receive the Shares; and
- (e) the Board has complied with section 47 of the Act.

#### **4.5 Deductions**

The Board may deduct from any Distribution payable to a Shareholder monies payable by the Shareholder to the Company on account of:

- (a) debts, liabilities or other obligations in respect of which the Company has a lien over specific Shares on which the Dividend or other Distribution is payable; and
- (b) any amount it is required to deduct by law, including withholding and other taxes.

#### **4.6 Interest**

No Dividend shall bear interest against the Company.

#### **4.7 Manner of payment**

Any Distribution payable in cash may be paid in the manner directed by the person entitled to it. In any event, payment may be made by cheque posted:

- (a) to the registered address of the Shareholder;
- (b) in the case of joint holders, to the registered address of any one of the joint holders; or
- (c) to the person or address as the Shareholder or joint Shareholder may direct,

and the Company will not be responsible for any loss arising from the mode of transmission.

#### **4.8 Unclaimed Distributions**

Any Distribution unclaimed for one year after the due date for payment may be:

- (a) intermingled with other money of the Company;
- (b) invested or otherwise made use of by the Board for the general benefit of the Company until claimed; and
- (c) if unclaimed for five years from the due date for payment, forfeited by the Board for the benefit of the Company,

provided that at any time after forfeiture the Board may, subject to compliance with the Solvency Test, annul the forfeiture and pay the Distribution to any person producing evidence satisfactory to the Board that he or she is entitled to the amount claimed.

## **5. PURCHASE BY COMPANY OF ITS OWN SHARES AND TREASURY STOCK**

### **5.1 Acquisition of own Shares**

- (a) The Company may acquire its own Shares in accordance with the Act.
- (b) The Company may make an offer to all Shareholders or to one or more Shareholders to acquire Shares.

### **5.2 Treasury stock**

The Company may hold its own Shares in accordance with the Act.

## **6. CALLS ON SHARES**

### **6.1 Directors powers to make calls**

- (a) The Board may make calls upon the Shareholders in respect of any money that is:
  - (i) unpaid on their Shares; and
  - (ii) not made payable at a fixed time or times by the terms of issue of the Shares.
- (b) Subject to receiving at least 10 Working Days' notice specifying the time and place of payment, each Shareholder must pay to the Company the amount called on that Shareholder's Shares, in the manner specified in the notice.
- (c) A call may be revoked or postponed.
- (d) A call may be required to be paid by instalments.
- (e) Unless the Board resolves to the contrary, a call will be deemed to have been made at the time the Board resolution authorising the call is passed.

### **6.2 Liability of joint holders and interest**

- (a) The holders of any Share are jointly and severally liable to pay all calls in respect of that share.
- (b) If the call in respect of a Share is not paid when due, the person from whom the sum is due

must pay interest on the sum from the due date for payment to actual payment, at a rate not exceeding five percent above the Company's prime overdraft rate as certified by the Board. The Board may waive payment of all or part of that interest.

### **6.3 Payment required by terms of issue of Shares**

If the terms of issue of a Share require a sum to be paid on issue or at any fixed date, for the purpose of this Constitution a call will be deemed to be duly made and the sum will become payable on the date specified in the terms of issue.

### **6.4 Proof of liability**

The amount of any unpaid call or instalment may be recovered as a debt from the Shareholder at any time after the debt becomes payable. In any proceedings the proof of the following matters is conclusive evidence of the debt:

- (a) the name of the Shareholder is entered on the Share Register as a holder of the Shares in respect of which the debt accrued;
- (b) the resolution making the call is duly recorded in the minute book; and
- (c) notice of the call was duly given to the Shareholder.

## **7. SUSPENSION OF DISTRIBUTIONS, FORFEITURE AND LIEN ON SHARES**

### **7.1 Suspension of Distributions**

- (a) If a Shareholder fails to pay any call or instalment of a call on the date appointed for payment the Board may suspend payment of any Distributions payable to that Shareholder until payment of:
  - (i) the call or instalment;
  - (ii) any interest accrued on that amount; and
  - (iii) all expenses incurred by the Company by reason of the non-payment;
- (b) All suspended Distributions must be applied to reduce the amount owing under the call or instalment together with any interest and expenses.

### **7.2 Forfeiture**

- (a) If a Shareholder fails to pay any call or instalment of a call or amount which (by the terms of issue of a share) becomes payable at a fixed time on the day appointed for payment, the Board may serve notice on that Shareholder requiring payment of:
  - (i) the unpaid call, instalment or amount;
  - (ii) any interest accrued on that amount; and
  - (iii) all expenses incurred by the Company by reason of the non-payment.

The notice must:

- (iv) name a further day (not earlier than the expiration of 10 Working Days from the date of service of the notice) on or before which payment is to be made; and
  - (v) state that if payment is not made by that date the Shares are liable to be forfeited.
- (b) If the requirements of the notice are not complied with any Share that is the subject of the notice may, at any time after expiry of the notice and before payment, be forfeited by the Board. The forfeiture will include any Distributions or interest relating to the forfeited Shares that have not actually been paid before the forfeiture.
- (c) If a Share is forfeited the Board must:
- (i) give notice of the forfeiture to the Shareholder in whose name it stood immediately prior to the forfeiture; and
  - (ii) enter the forfeiture and its date on the Share Register,
- and the Shareholder ceases to be a Shareholder in respect of the forfeited Shares but remains liable to pay all money payable to the Company at the date of forfeiture in respect of the Shares.
- (d) A forfeited Share is deemed the Property of the Company and may be sold, reissued or otherwise disposed of on terms and in such manner (but subject to the terms of this Constitution governing the transfer of Shares) as the Board thinks fit. The Board may cancel the forfeiture at any time before a sale or disposition on such terms as the Board thinks fit.

### **7.3 Lien on Shares**

- (a) The Company has a first and continuing lien on all Shares registered in the name of each Shareholder (whether solely or jointly) for that Shareholder's joint and several debts, liabilities and obligations to or with the Company on any account whatsoever. The lien is effective whether:
- (i) the debts, liabilities or obligations were incurred before or after any notice of any equitable interest of any person other than the Shareholder; or
  - (ii) the period for payment, fulfilment or discharge of the debts, liabilities or obligations has actually arrived or not.
- (b) The lien extends to the sale proceeds of the Shares and all Dividends and other Distributions declared in respect of the Shares.
- (c) Unless otherwise agreed, the registration of a transfer of Shares operates as a waiver of the lien.
- (d) The Company may sell in such manner as the Board thinks fit (but subject to the terms of this Constitution governing the transfer of Shares) any Shares over which the Company has a lien

if:

- (i) an amount is presently payable to the Company on those Shares or by the holder of those Shares; and
- (ii) the Company has demanded the amount in writing and payment has not been made within 10 Working Days after the demand.

#### **7.4 Sale of forfeited Shares and Shares over which the Company has a lien**

- (a) To give effect to the power of sale arising from the forfeiture of Shares or a lien over Shares the Company may:
  - (i) sign or authorise a Director to sign a transfer of the Shares in favour of the purchaser;
  - (ii) receive the proceeds of sale (the receipt of a Director being a sufficient discharge to the purchaser);
  - (iii) enter the purchaser's name on the Share Register; and
  - (iv) issue a new share certificate for the Shares.
- (b) A certificate signed by a Director that the power of sale has arisen and is exercisable by the Company is conclusive evidence of the facts stated in that certificate.
- (c) The purchaser is not bound to see to the application of the purchase money nor is the purchaser's title to the Shares affected by any irregularity or invalidity in the forfeiture of the Shares, the enforcement of the lien or the sale proceedings and the remedy of any person aggrieved by the sale is in damages only and against the Company exclusively.
- (d) The proceeds of sale must be applied:
  - (i) first, in payment of the costs and expenses in exercising the right of forfeiture or enforcing the lien and selling the share;
  - (ii) second, (in the case of a forfeited share) in or towards satisfaction of any unpaid calls, instalments amounts, interest and expenses on that share, or (in the case of a lien) in payment of the amount secured by the lien; and
  - (iii) the balance (if any) to the former Shareholder.

#### **7.5 Contracting out**

Sections 108, 109, 116, 120(2) and 133 of the Personal Property Securities Act 1999 shall not apply on the enforcement of the Company's rights under this clause 7.

### **8. TRANSFER OF SHARES**

#### **8.1 Form and execution of transfer**

- (a) Subject to the restrictions in this Constitution, Shares may be transferred by:

- (i) any usual or common form of transfer; or
  - (ii) any other form approved by the Board.
- (b) The instrument of transfer of any Share must be executed by or on behalf of the transferor and, if required by the Act or the Board, by the transferee.

## **8.2 Right to refuse registration of transfer**

- (a) The Board may within 30 Working Days of receipt of any transfer of Shares, resolve to refuse to register that transfer if:
- (i) the Company has a lien on the share;
  - (ii) the Share is not fully paid up;
  - (iii) permitted to do so by the Act; or
  - (iv) the Board considers that the transfer is not in the best interests of the Company or the Shareholders (including if the Board reasonably considers the transferee to be a competitor of the Company or a nominee of a competitor of the Company or if the Board reasonably considers the transaction will have adverse financial or tax implications for the Company).
- (b) If the Board resolves to refuse the registration of the transfer:
- (i) the resolution must set out in full the reasons for doing so; and
  - (ii) notice of the resolution, including those reasons, must be sent to the transferor and to the transferee within 5 Working Days of the resolution being passed.

## **8.3 Registration of transfer**

- (a) The transferor is deemed to remain a holder of a Share until the name of the transferee is entered on the Share Register.
- (b) The Company will retain all registered instruments of transfer.

## **9. SHARE REGISTER**

### **9.1 Company to maintain Share Register**

The Company must maintain a Share Register that records the Shares issued by the Company.

### **9.2 Share Register as evidence of legal title**

The entry of the name of a person on the Share Register as holder of the Shares is prima facie evidence that legal title to the Share vests in that person.

### **9.3 Trusts not to be entered**

No notice of trust, whether express, implied or constructive, may be entered on the Share Register.

## **PART III – SHAREHOLDERS’ RIGHTS AND OBLIGATIONS**

### **10. LIABILITY OF SHAREHOLDERS**

#### **10.1 Limited liability**

The liability of a Shareholder to the Company is limited to:

- (a) any amount unpaid on a Share held by that Shareholder;
- (b) any other liability expressly provided for in this Constitution or the Act.

### **11. POWERS OF SHAREHOLDERS**

#### **11.1 Exercise of powers reserved to Shareholders**

Unless otherwise specified in the Act or this Constitution, or the terms of issue of the relevant Shares, the powers reserved to the Shareholders of the Company by this Constitution, the Act or the terms of issue of the relevant Shares may be exercised only:

- (a) at a meeting of Shareholders pursuant to section 120 or section 121 of the Act; or
- (b) by a resolution in lieu of a meeting pursuant to section 122 of the Act.

#### **11.2 Exercise of powers by Ordinary Resolution**

Unless otherwise specified in the Act, this Constitution or the terms of issue of the relevant Shares, a power reserved to Shareholders may be exercised by an Ordinary Resolution.

#### **11.3 Management review by Shareholders**

- (a) The chairperson of a meeting of Shareholders of the Company must allow a reasonable opportunity for Shareholders at the meeting to question, discuss, or comment on the management of the Company.
- (b) A meeting of Shareholders may pass a resolution under this clause relating to the management of the Company but this does not bind the Board.

### **12. MEETINGS OF SHAREHOLDERS**

#### **12.1 Annual Meeting of Shareholders**

- (a) The Board must call an Annual Meeting of Shareholders to be held:
  - (i) either:
    - (1) in the case of an Exempt Company, if all the Shareholders agree, not later than 10 months after the Balance Date of the Company; or

- (2) in the case of any other Company, not later than 6 months after the Balance Date of the Company; and
- (ii) not later than 15 months after the previous Annual Meeting.
- (b) The Company does not have to hold its first Annual Meeting in the calendar year of its registration but must hold that meeting within 18 months of its registration.
- (c) The Company must hold the meeting on the date on which it is called to be held.

## **12.2 Special Meetings of Shareholders**

A Special Meeting of Shareholders entitled to vote on an issue:

- (a) may be called at any time by the Board; or
- (b) must be called by the Board on the written request of Shareholders holding Shares carrying together not less than five percent of the voting rights entitled to be exercised on the issue.

## **12.3 Resolution in lieu of meeting**

- (a) A resolution in writing:
  - (i) that no auditor be appointed, signed by all Shareholders entitled to vote on the resolution; or
  - (ii) in all other cases, signed by not less than 75% of the Shareholders entitled to vote on that resolution who together hold not less than 75% of the votes entitled to be cast,is as valid as if it had been passed at a meeting of those Shareholders.
- (b) The resolution may consist of one or more Documents in similar form (including letters, facsimiles, electronic mail, or other similar means of communication) each signed or assented to by or on behalf of one or more of the Shareholders.
- (c) The resolution in lieu of meeting may be signed without any prior notice being given to Shareholders.
- (d) The Company does not need to hold an Annual Meeting if everything required to be done at that meeting (by resolution or otherwise) is done by resolution in lieu of meeting in accordance with this clause.
- (e) Within 5 Working Days of a resolution being passed under this clause, the Company must send a copy of the resolution to every Shareholder who did not sign the resolution or on whose behalf the resolution was not signed.

## **12.4 Proceedings at meetings of Shareholders**

Schedule 1 applies to meetings of Shareholders.

## **PART IV – DIRECTORS**

### **13. POWERS OF MANAGEMENT**

#### **13.1 Management of the Company**

Subject to the Act and this Constitution:

- (a) the business and affairs of the Company must be managed by, or under the direction or supervision of, the Board; and
- (b) the Board has all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company.

#### **13.2 Major Transactions**

- (a) The Company must not enter into a Major Transaction unless the Major Transaction is:
  - (i) approved by Special Resolution; or
  - (ii) contingent on approval by Special Resolution.
- (b) Paragraph (a) of this clause does not apply to a Major Transaction entered into by a Receiver appointed pursuant to an instrument creating a Charge over all or substantially all of the Property of the Company.

#### **13.3 Delegation of powers**

Subject to any restrictions in this Constitution and the Act, the Board may delegate to a committee of Directors, a Director or employee of the Company, or any other person, any one or more of its powers other than the powers listed in Schedule 2 of the Act.

### **14. APPOINTMENT AND REMOVAL OF DIRECTORS**

#### **14.1 Number of Directors**

- (a) The Company shall have at least two Directors. The maximum number of Directors is five.
- (b) At least one Director must be ordinarily resident in New Zealand.

#### **14.2 Director's consent required**

A person must not be appointed a Director unless he or she has consented in writing to be a Director and certified that he or she is not disqualified by the Act from being appointed or holding office as a Director.

#### **14.3 Appointment of Directors**

- (a) Subject to paragraphs (b) and (c) of this clause, the Directors are the persons appointed from time to time as Directors by a notice in writing signed by the holders of the majority of the

ordinary Shares and who have not been removed or resigned or disqualified from office under this Constitution.

- (b) A Director may be removed from office at any time by a notice in writing signed by the holders of the majority of the ordinary Shares.
- (c) A notice given under paragraphs (a) or (b) of this clause takes effect upon receipt of it at the registered office of the Company unless the notice specifies a later time at which the notice will take effect. The notice may comprise one or more similar documents separately signed by Shareholders giving the notice.
- (d) At each annual general meeting following the fifth anniversary of the date the Company was incorporated, one-third of the Directors, or if their number is not a multiple of three, then the number nearest to one third, shall retire from office. Those to retire shall be those who have been longest in office. As between two or more Directors who have been in office an equal length of time, the Director to retire shall, in the absence of agreement between them, be determined by lot. The length of time a Director has been in office shall be computed from his or her last election or appointment where he or she has previously vacated office.
- (e) A Director who retires from office under paragraph (d) of this clause shall be eligible for re-election.
- (f) The Board may appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. A Director appointed by the Board shall hold office only until the next Annual Meeting of the Company but shall be eligible for election at that meeting.
- (g) A resolution to appoint two or more Directors may be voted on as one resolution without each appointment being voted on individually.

#### **14.4 Timing of retirement and appointment**

- (a) If a Director retires at a meeting of shareholders and is not re-elected, the Director shall remain in office until, and his or her retirement shall take effect at the conclusion of the meeting.
- (b) If a Director is removed from office at a meeting of shareholders by Ordinary Resolution, the Director shall remain in office until, and his or her removal shall take effect at, the conclusion of the meeting.
- (c) If a person who is not already a Director is appointed or elected as a Director at a meeting of shareholders, that person shall take office as a Director immediately after the conclusion of the meeting.

#### **14.5 Alternate directors**

- (a) Any Director may, by written notice to the Company, appoint another person (who is either a Director or has been approved for that purpose by a majority of the Directors) to be an Alternate Director.

- (b) An Alternate Director is entitled to:
  - (i) notice of all meetings of the Board;
  - (ii) any minutes or Documents sent to Directors;
  - (iii) attend and vote at meetings of the Board in place of the Director for whom he or she is an Alternate Director.
- (c) An Alternate Director is not entitled to remuneration otherwise than out of the remuneration of the appointing Director.
- (d) An appointment as Alternate Director may be revoked at any time by:
  - (i) the appointing Director giving written notice to the Company; or
  - (ii) a resolution passed by a majority of the Directors.
- (e) If a Director ceases to be a Director any Alternate Director appointed by him or her ceases to hold office.

#### **14.6 Director ceasing to hold office**

- (a) The office of Director is vacated if the person holding that office:
  - (i) resigns in accordance with paragraph (b) of this clause;
  - (ii) is removed from office in accordance with the Act or this Constitution;
  - (iii) becomes disqualified from being a director in terms of section 151(2) of the Act;
  - (iv) dies;
  - (v) becomes permanently incapacitated and the remaining Directors resolve that he or she is no longer capable of carrying out his or her powers and duties as a Director by reason of that incapacity; or
  - (vi) otherwise vacates office in accordance with this Constitution.
- (b) A Director may resign office by signing a written notice of resignation and delivering it to the address for service of the Company. The notice is effective when it is received at that address or at a later time specified in the notice.

### **15. PROCEEDINGS OF BOARD**

#### **15.1 Meetings of the Board**

- (a) The Board will conduct regular meetings which must be held at least quarterly.
- (b) Schedule 2 governs proceedings at meetings of the Board. Schedule 3 of the Act does not apply to the Company.

## **16. TRANSACTIONS INVOLVING SELF-INTEREST**

### **16.1 Disclosure of interest**

- (a) A Director must, forthwith after becoming aware of the fact that he or she is Interested in a transaction or proposed transaction with the Company, cause to be entered in the Interests Register, and, if the Company has more than one Director, disclose to the Board:
  - (i) if the monetary value of the Director's interest is able to be quantified, the nature and monetary value of that interest; or
  - (ii) if the monetary value of the Director's interest cannot be quantified, the nature and extent of that interest.
- (b) A Director is not required to comply with paragraph (a) of this clause if:
  - (i) the transaction or proposed transaction is between the Director and the Company; and
  - (ii) the transaction or proposed transaction is or is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.
- (c) A general notice entered in the Interests Register or disclosed to the Board to the effect that a Director is a Shareholder, Director, officer or trustee of another named company or other person and is to be regarded as Interested in any transaction which may, after the date of the entry or disclosure, be entered into with that company or person, is a sufficient disclosure of interest in relation to that transaction.
- (d) A failure by a Director to comply with paragraph (a) of this clause does not affect the validity of a transaction entered into by the Company or the Director.

### **16.2 Avoidance of transactions**

A transaction entered into by the Company in which a Director is Interested may be avoided by the Company in accordance with sections 141 to 143 of the Act.

### **16.3 Interested Director may not vote**

A Director who is Interested in a transaction entered into, or to be entered into, by the Company, may:

- (a) not vote on a matter relating to the transaction;
- (b) attend a meeting of Directors at which a matter relating to the transaction arises, but shall not be counted in the quorum for the purposes of consideration of that matter;
- (c) not sign a Document relating to the transaction on behalf of the Company; and
- (d) do any other thing in his or her capacity as a Director in relation to the transaction,

unless the transaction is one in respect of which, pursuant to an express provision of Law, all Directors are required to sign a certificate or other Document or one which relates to the granting of an indemnity pursuant to section 162 of the Act, or where a majority vote of the shareholders has

approved the transaction, in which case a Director who is Interested may do those things set out in sub-clauses (a) to (d) above.

#### **16.4 Use of Company information**

- (a) A Director who has information in his or her capacity as a Director or employee of the Company, being information that would not otherwise be available to him or her, must not disclose that information to any person, or make use of or act on the information, except:
  - (i) for the purposes of the Company;
  - (ii) as required by law;
  - (iii) in accordance with paragraphs (b) or (c) of this clause; or
  - (iv) in complying with his or her disclosure obligations under clause 16.1.
- (b) A Director may, unless prohibited by the Board, disclose information to:
  - (i) a person whose interests the Director represents; or
  - (ii) a person in accordance with whose directions or instructions the Director may be required or is accustomed to act in relation to the Director's powers and duties and, if the Director discloses the information, the name of the person to whom it is disclosed must be entered in the Interests Register.
- (c) A Director may disclose, make use of, or act on the information if:
  - (i) particulars of the disclosure, use, or the act in question are entered in the Interests Register;
  - (ii) the Director is first authorised to do so by the Board; and
  - (iii) the disclosure, use, or act in question will not, or will not be likely to, prejudice the Company.

#### **16.5 Disclosure of Share dealing**

A Director who acquires or disposes of a Relevant Interest in any Share must, forthwith after the acquisition or disposition, comply with the disclosure obligations in section 148 of the Act.

#### **16.6 Restrictions on Share dealing by Directors**

- (a) If a Director has information in his or her capacity as a Director or employee of the Company or a Related Company, being information that would not otherwise be available to him or her, but which is information material to an assessment of the value of Shares or other Securities issued by the Company or a Related Company, the Director may acquire or dispose of those Shares or Securities only if:
  - (i) in the case of an acquisition, the consideration given for the acquisition is not less than the fair value of the Shares or Securities; or

- (ii) in the case of a disposition, the consideration received for the disposition is not more than the fair value of the shares or Securities.
- (b) For the purposes of paragraph (a) of this clause, the fair value of Shares or Securities is to be determined on the basis of all information known to the Director or publicly available at the time.
- (c) Paragraph (a) of this clause does not apply in relation to a Share or Security that is acquired or disposed of by a Director only as a nominee for the Company or a Related Company.
- (d) Where a Director acquires Shares or Securities in contravention of paragraph (a) of this clause, the Director is liable to the person from whom the Shares or Securities were acquired for the amount by which the fair value of the Shares or Securities exceeds the amount paid by the Director.
- (e) Where a Director disposes of Shares or Securities in contravention of paragraph (a) of this clause, the Director is liable to the person to whom the Shares or Securities were disposed of for the amount by which the consideration received by the Director exceeds the fair value of the Shares or Securities.

## **17. REMUNERATION AND OTHER BENEFITS**

### **17.1 Remuneration to be authorised by the Board**

- (a) The Board may authorise:
  - (i) subject to paragraphs (b) and (c) of this clause, the payment of remuneration or the provision of other benefits by the Company to a Director for services as a Director;
  - (ii) the payment of remuneration or the provision of other benefits by the Company to a Director for services in a capacity other than Director; or
  - (iii) the entering into of a contract to do any of the things set out in this clause,if the Board is satisfied that to do so is fair to the Company.
- (b) Each Director is entitled to be paid for all reasonable travelling, accommodation and other expenses incurred by the Director in connection with the Director's attendance at meetings or otherwise in connection with the Company's business.
- (c) The Board must ensure that forthwith after authorising the making of the payment or the provision of the benefit or the making of the loan or the giving of the guarantee or the entering into of the contract, as the case may be, particulars of the payment or benefit or loan or guarantee or contract are entered in the Interests Register.
- (d) Directors who vote in favour of authorising a payment, benefit, loan, guarantee, or contract under this clause must sign a certificate stating that, in their opinion, the making of the payment or the provision of the benefit, or the making of the loan, or the giving of the guarantee, or the entering into of the contract is fair to the Company, and the grounds for that opinion.

- (e) The Board may not authorise the following without the approval of an Ordinary Resolution of Shareholders:
  - (i) the payment by the Company to a Director or former Director of compensation for loss of office;
  - (ii) the making of loans by the Company to a Director; or
  - (iii) the giving of guarantees by the Company for debts incurred by a Director.

## **18. INDEMNITY AND INSURANCE**

### **18.1 Indemnifying Directors and employees**

- (a) The Company may indemnify a Director or employee of the Company or a Related Company for any costs incurred by him or her in any proceeding:
  - (i) that relates to liability for any act or omission in his or her capacity as a Director or employee; and
  - (ii) in which judgment is given in his or her favour, or in which he or she is acquitted, or which is discontinued.
- (b) The Company may indemnify a Director or employee of the Company or a Related Company in respect of:
  - (i) liability to any person other than the Company or a Related Company for any act or omission in his or her capacity as a Director or employee; or
  - (ii) costs incurred by that Director or employee in defending or settling any claim or proceeding relating to any such liability,

not being criminal liability or liability in respect of a breach, in the case of a Director, of the duty specified in section 131 of the Act or, in the case of an employee, of any fiduciary duty owed to the Company or Related Company.

### **18.2 Insurance**

- (a) The Company may with the prior approval of the Board, effect insurance for a Director or employee of the Company or a Related Company in respect of:
  - (i) liability, not being criminal liability, for any act or omission in his or her capacity as a Director or employee;
  - (ii) costs incurred by that Director or employee in defending or settling any claim or proceeding relating to any such liability; or
  - (iii) costs incurred by that Director or employee in defending any criminal proceedings:
    - (1) that have been brought against the Director or employee in relation to any act or omission in his or her capacity as a Director or employee; and

(2) in which he or she is acquitted.

- (b) The Directors who vote in favour of authorising the effecting of insurance under paragraph (a) of this clause must sign a certificate stating that, in their opinion, the cost of effecting the insurance is fair to the Company.

### 18.3 Definitions

In clauses 18.1 to 18.2:

"**Director**" includes a former Director;

"**effect insurance**" includes pay, whether directly or indirectly, the costs of the insurance;

"**employee**" includes a former employee;

"**indemnify**" includes relieve or excuse from liability, whether before or after the liability arises and

"**indemnity**" has a corresponding meaning.

## PART V – ADMINISTRATION, FINANCIAL AND MISCELLANEOUS

### 19. CONTRACTING BY THE COMPANY

#### 19.1 Method of contracting

- (a) An obligation which, if entered into by a natural person, would, by law, be required to be by deed, may be entered into on behalf of the Company in writing signed under the name of the Company by:
- (i) two or more Directors;
  - (ii) a single Director, or by any other person or class of persons authorised by the Board for that purpose, whose signature or signatures must be witnessed; or
  - (iii) one or more attorneys appointed by the Company in accordance with section 181 of the Act.
- (b) An obligation which, if entered into by a natural person, is by law, required to be in writing, may be entered into on behalf of the Company in writing by a person acting under the Company's express or implied authority.
- (c) An obligation which, if entered into by a natural person, is not, by law, required to be in writing, may be entered into on behalf of the Company in writing or orally by a person acting under the Company's express or implied authority.
- (d) This clause applies to a contract or other obligation:
- (i) whether or not that contract or obligation was entered into in New Zealand; and
  - (ii) whether or not the law governing the contract or obligation is the law of New Zealand.

## **19.2 Attorneys**

- (a) The Company may, by an instrument in writing executed in accordance with clause 19.1(a), appoint one or more persons as its attorney either generally or in relation to a specified matter.
- (b) An act of the attorney in accordance with the instrument binds the Company.

## **20. CHANGE OF COMPANY NAME**

### **20.1 A Director may apply to change the Company name**

A Director, with the approval of the Board, may apply to the Registrar to change the name of the Company.

## **PART VI – LIQUIDATION**

## **21. LIQUIDATION**

### **21.1 Surplus Assets**

Subject to the terms of issue of any Shares, upon the liquidation of the Company the Surplus Assets of the Company (if any) must be distributed among the Shareholders in proportion to the Shareholding.

### **21.2 Distribution in specie**

With the approval of an Ordinary Resolution of Shareholders, the liquidator of the Company may divide the whole or any part of the assets of the Company among the Shareholders in kind (whether or not they are of the same kind) and for that purpose the liquidator may:

- (a) attribute such values to assets as the liquidator considers appropriate; and
- (b) determine how the division will be carried out as between the Shareholders or different Classes of Shareholders.

### **21.3 Vesting in trust**

With the approval of an Ordinary Resolution of Shareholders, the liquidator of the Company may vest the whole or any part of any Surplus Assets of the Company in trustees upon trust for the benefit of the Shareholders. The liquidator may determine the terms of the trust.

## **22. REMOVAL FROM THE REGISTER**

### **22.1 Directors may remove the Company from the Register**

If the Company:

- (a) has ceased to carry on business, has discharged in full its liabilities to all its known creditors and has distributed its Surplus Assets in accordance with this Constitution and the Act; or
- (b) has no Surplus Assets after paying its debts in full or in part and no creditor has applied to the Court under section 241 of the Act for an order putting the Company into liquidation, the Board may request the Registrar to remove the Company from the New Zealand Register.

## SCHEDULE 1 – SHAREHOLDER MEETINGS

### Chairperson

1. If the Directors have elected a chairperson of the Board, and the chairperson of the Board is present at a meeting of Shareholders, he or she must chair the meeting. If there is no chairperson, or if the elected chairperson is absent then:
  - (a) the deputy chairperson (if any) of the Board;
  - (b) one of the Directors appointed for that purpose by the Board; or
  - (c) a Director appointed for the purpose by those Shareholders presentshall preside at every meeting.
2. If no Director:
  - (a) is present within 15 minutes after the time appointed for holding the meeting; or
  - (b) if none of the Directors present is willing to act as chairperson,then the Shareholders present shall choose a Shareholder present to be chairperson of the meeting.

### Notice of meetings

3. Written notice of the time and place of a meeting of Shareholders must be sent to every Shareholder entitled to receive notice of the meeting and to every Director and any auditor of the company, not less than 10 Working Days before the meeting.
4. The notice must state:
  - (a) the nature of the business to be transacted at the meeting in sufficient detail to enable a Shareholder to form a reasoned judgment in relation to it;
  - (b) the text of any Special Resolution to be submitted to the meeting; and
  - (c) in the case of special resolutions required by section 106(1)(a) or (b) of the Act, the right of a Shareholder under section 110 of the Act.
5. The Shareholders who are entitled to receive notice of a meeting of Shareholders are:
  - (a) if the Board fixed a date for the purpose, those Shareholders whose names are registered on the Register on that date; or
  - (b) if the Board does not fix a date for the purpose, those Shareholders whose names are registered on the Register at the close of business on the day immediately preceding the day on which the notice is given.

A date fixed by the Board must not precede by more than 30 Working Days or less than 10 Working Days the date on which the meeting is to be held.

6. An irregularity in a notice of a meeting is waived if all the Shareholders entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity, or if all such Shareholders agree to the waiver.
7. The accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, a Shareholder does not invalidate the proceedings at that meeting.
8. If a meeting of Shareholders is adjourned for less than 30 days, it is not necessary to give notice of the time and place of the adjourned meeting other than by announcement at the meeting which is adjourned.

### **Methods of holding meetings**

9. A meeting of Shareholders may be held by a quorum of the Shareholders:
  - (a) being assembled together at the time and place appointed for the meeting;
  - (b) participating in the meeting by means of audio, audio and visual, or electronic communication; or
  - (c) by a combination of both the methods described in paragraphs (a) and (b).

### **Quorum**

10. Subject to paragraph 12, no business may be transacted at a meeting of Shareholders if a quorum is not present.
11. Except as otherwise provided in this Constitution, a quorum for a meeting of Shareholders is present if Shareholders or their proxies are present who are between them able to exercise not less than five percent of the votes to be cast on the business to be transacted by the meeting.
12. If a quorum is not present within 30 minutes after the time appointed for the meeting:
  - (a) in the case of a meeting called at the request of Shareholders under clause 12.2(b), the meeting is dissolved;
  - (b) in the case of any other meeting, the meeting is adjourned to the same day in the following week at the same time and place, or to such other date, time, and place as the Directors may appoint, and if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the Shareholders or their proxies present are a quorum.
13. To avoid doubt, a Shareholder participating in a meeting by means of audio, audio and visual, or electronic communication is present at the meeting and part of the quorum.

## Voting

14. In the case of a meeting of Shareholders held under paragraph 9(a), unless a poll is demanded, voting at the meeting shall be by whichever of the following methods is determined by the chairperson of the meeting:
  - (a) voting by voice; or
  - (b) voting by show of hands.
15. In the case of a meeting of Shareholders held under paragraph 9(b) or (c), unless a poll is demanded, voting at the meeting shall be by any method permitted by the chairperson of the meeting.
16. A declaration by the chairperson of the meeting that a resolution is carried by the requisite majority is conclusive evidence of that fact unless a poll is demanded in accordance with paragraph 17.
17. At a meeting of Shareholders a poll may be demanded by:
  - (a) not less than 5 Shareholders having the right to vote at the meeting;
  - (b) a Shareholder or Shareholders representing not less than 10 percent of the total voting rights of all Shareholders having the right to vote at the meeting;
  - (c) by a Shareholder or Shareholders holding Shares that confer a right to vote at the meeting and on which the aggregate amount paid up is not less than 10 percent of the total amount paid up on all Shares that confer that right; or
  - (d) the chairperson of the meeting.
18. A poll may be demanded either before or after the vote is taken on a resolution.
19. If a poll is taken, votes must be counted according to the votes attached to the Shares of each Shareholder present in person or by proxy and voting.
20. The chairperson of a Shareholders' meeting is not entitled to a casting vote.
21. The instrument appointing a proxy to vote at a meeting of a company confers authority to demand or join in demanding a poll and a demand by a person as proxy for a Shareholder has the same effect as a demand by the Shareholder.

## Proxies

22. A Shareholder may exercise the right to vote either by being present in person or by proxy.
23. A proxy for a Shareholder is entitled to attend and be heard at a meeting of Shareholders as if the proxy were the Shareholder.

24. A proxy must be appointed by notice in writing signed by or, in the case of an electronic notice, sent by the Shareholder and the notice must state whether the appointment is for a particular meeting or a specified term. A proxy need not be a Shareholder of the Company.
25. A Shareholder may appoint more than 1 proxy for a particular meeting, provided that more than 1 proxy is not appointed to exercise the rights attached to a particular Share held by the Shareholder.
26. No proxy is effective in relation to a meeting unless a copy of the notice of appointment is sent to the Registered Office of the Company (or such other place within New Zealand that is specified for that purpose in the notice convening the meeting) at least 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the notice proposes to vote. If the written notice appointing a proxy is signed under a power of attorney, a copy of the power of attorney and a signed certificate of non–revocation of the power of attorney must accompany the notice.
27. Where:
  - (a) the Shareholder has died or become incapacitated;
  - (b) the proxy, or the authority under which the proxy was executed, has been revoked; or
  - (c) the Share in respect of which the notice of proxy is given has been transferred,before a meeting at which a proxy exercises a vote in terms of a notice of proxy but the Company does not receive written notice of that death, incapacity, revocation, or transfer before the start of the meeting, the vote of the proxy is valid.

#### **Form of notice of proxy**

28. A notice appointing a proxy is to be in the form set out in the Appendix to this Schedule or a form as near to it as circumstances allow, or in such other form as the Board may direct.

#### **Postal votes not permitted**

29. Unless the Board determines otherwise, Postal votes are not permitted. If the Board determines that Shareholders may exercise the right to vote at a meeting by casting postal votes, the procedures in relation to postal voting shall be those set out in clause 7 of Schedule 1 of the Act together with any other procedures determined by the Board.

#### **Minutes**

30. The Board must keep minutes of all proceedings at meetings of Shareholders.
31. Minutes signed correct by the chairperson of the meeting are prima facie evidence of the proceedings.

### Shareholder proposals

32. A Shareholder may give written notice to the Board of a matter the Shareholder proposes to raise for discussion or resolution at the next meeting of Shareholders at which the Shareholder is entitled to vote.
33. If the notice is received by the Board not less than 20 Working Days before the last day on which notice of the relevant meeting of Shareholders is required to be given by the Board, the Board must, at the expense of the Company, give notice of the Shareholder proposal and the text of any proposed resolution to all Shareholders entitled to receive notice of the meeting.
34. If the notice is received by the Board not less than 5 Working Days and not more than 20 Working Days before the last day on which notice of the relevant meeting of Shareholders is required to be given by the Board, the Board must, at the expense of the Shareholder, give notice of the Shareholder proposal and the text of any proposed resolution to all Shareholders entitled to receive notice of the meeting.
35. If the notice is received by the Board less than 5 Working Days before the last day on which notice of the relevant meeting of Shareholders is required to be given by the Board, the Board must, if practicable, and at the expense of the Shareholder, give notice of the Shareholder proposal and the text of any proposed resolution to all Shareholders entitled to receive notice of the meeting.
36. If the Board intends that Shareholders may vote on the proposal by proxy or by postal vote, they must give the proposing Shareholder the right to include in or with the notice given by the Board a statement of not more than 1000 words prepared by the proposing Shareholder in support of the proposal, together with the name and address of the proposing Shareholder.
37. The Board is not required to include in or with the notice given by the Board:
  - (a) any part of a statement prepared by a Shareholder that the Directors consider to be defamatory (within the meaning of the Defamation Act 1992), frivolous, or vexatious; or
  - (b) any part of a proposal or resolution prepared by a Shareholder that the Directors consider to be defamatory (within the meaning of the Defamation Act 1992).
38. Where the costs of giving notice of the Shareholder proposal and the text of any proposed resolution are required to be met by the proposing Shareholder, the proposing Shareholder must, on giving notice to the Board, deposit with the Company or tender to the Company a sum sufficient to meet those costs.

### Corporations may act by representatives

39. A body corporate which is a Shareholder may appoint a representative to attend a meeting of Shareholders on its behalf in the same manner as that in which it could appoint a proxy.

### **Votes of joint holders**

40. Where 2 or more persons are registered as the holder of a share, the vote of the person named first on the Share Register and voting on a matter must be accepted to the exclusion of the votes of the other joint holders.

### **Loss of voting right if calls unpaid**

41. If a sum due to the Company in respect of a Share has not been paid, that Share may not be voted at a Shareholder's meeting other than a meeting of an Interest Group.

### **Other proceedings**

42. Except as otherwise provided in this Constitution and the Act, a meeting of Shareholders may regulate its own procedure.

### **Shareholder participation by electronic means**

43. For the purposes of this Schedule, a Shareholder, or the Shareholder's proxy or representative, may participate in a meeting by means of audio, audio and visual, or electronic communication if:
  - (a) the Board approves of those means; and
  - (b) the Shareholder, proxy or representative complies with any conditions imposed by the Board in relation to the use of those means (including, for example, conditions relating to the identity of the Shareholder, proxy or representative and that person's approval or authentication (including electronic authentication) of the information communicated by electronic means).
44. To avoid doubt, participation in a meeting includes participation in any manner specified in Schedule 1 of the Act or permitted by this Constitution.

## APPENDIX TO SCHEDULE 1 – PROXY FORM

### SECTION 1: SHAREHOLDER DETAILS (please print clearly)

---

Full name:

Full address:

If Shares are held jointly, enter details of other joint holders:

Full name:

Full address:

Full name:

Full address:

### SECTION 2: APPOINTMENT OF PROXY

---

(Please note that if the Shares are held jointly, the appointment made in this section is made on behalf of each joint holder).

I/We appoint

Full name(s):

Full address(es):

as my/our proxy to exercise my/our vote at the [annual/special] meeting of Shareholders of the Company to be held on [date], and at any adjournment of that meeting. If the person I/we have appointed is unable to be my proxy then I/we appoint

Full name:

Full address:

**SECTION 3: VOTING INSTRUCTIONS**

(Please note that if the Shares are held jointly, the voting instructions given in this section are given on behalf of each joint holder).

I/We direct my/our proxy to vote in the following manner:

*(Tick the box that applies)*

	<i>For</i>	<i>Against</i>
1.	<input type="checkbox"/>	<input type="checkbox"/>
2.	<input type="checkbox"/>	<input type="checkbox"/>
3.	<input type="checkbox"/>	<input type="checkbox"/>

**Signed by each Shareholder named in Section 1**

---



---



---

**Date:**

**NOTES**

- 
1. As a Shareholder you may attend the meeting and vote, or you may appoint a proxy to attend the meeting and vote. A proxy need not be a Shareholder of the Company.
  2. If you are joint holders of Shares each of you must sign this proxy form. If you are a company this proxy form must be signed on behalf of the company by a person acting under the company's express or implied authority.
  3. For this proxy form to be valid, you must complete it and send it to [addressee] at [full postal address] so as to ensure that it is received by [time] on [day and date]. If it has been signed under a power of attorney please send a copy of the power of attorney and a signed certificate of non-revocation of the power of attorney with this proxy form.
  4. If you return this form without directing the proxy how to vote on any particular matter, the proxy will vote as he or she thinks fit.

## SCHEDULE 2 – DIRECTORS’ MEETINGS

### Chairperson

1. The Directors may elect one of their number as chairperson of the Board.
2. The Director elected as chairperson holds that office until he or she dies or resigns or the Directors elect a chairperson in his or her place.
3. If no chairperson is elected, or if at a meeting of the Board the chairperson is not present within 5 minutes after the time appointed for the commencement of the meeting, the Directors present may choose one of their number to be chairperson of the meeting.

### Notice of meeting

4. A Director or, if requested by a Director to do so, an employee of the Company, may convene a meeting of the Board by giving notice in accordance with this clause.
5. Subject to paragraph 6, not less than 2 days’ notice of a meeting of the Board must be sent to every Director unless the Director is:
  - (a) out of New Zealand; or
  - (b) unable to attend the meeting because of a disability,unless the chairperson (or in the chairperson’s absence, any other Director) believes it is necessary to convene a meeting of the Board as a matter of urgency, in which case shorter notice of the meeting of the Board may be given, so long as at least 2 hour’s notice is given.
6. If a Director, who is for the time being out of New Zealand:
  - (a) supplies the Company with a facsimile number or address or electronic mail address to which notices are to be sent during his or her absence, then notice must be given to that Director; or
  - (b) has appointed an Alternate Director who is in New Zealand, then notice must be given to that person.
7. The notice of meeting must:
  - (a) be a written notice sent to the address or facsimile number, or an electronic mail message sent to an electronic mail address, which the Director provides to the Company for that purpose, or if an address or facsimile number or electronic mail address is not provided, then written notice to his or her last place of employment or residence or facsimile number known to the Company; and
  - (b) include the date, time, and place of the meeting and an indication of the matters to be discussed in sufficient detail to enable a reasonable Director to appreciate the general import of those matters.

8. An irregularity in the notice of a meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.

### **Method of holding meetings**

9. A meeting of the Board may be held either:
  - (a) by a number of the Directors who constitute a quorum, being assembled together at the place, date, and time appointed for the meeting; or
  - (b) by means of audio, or audio and visual, communication by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting.

### **Quorum**

10. A quorum for a meeting of the Board is a majority of the Directors entitled to vote on the matters arising at the meeting.
11. No business may be transacted at a meeting of Directors if a quorum is not present.

### **Voting**

12. Every Director has one vote.
13. The chairperson does not have a casting vote.
14. A resolution of the Board is passed if it is agreed to by all Directors present without dissent or if a majority of the votes cast on it are in favour of it.
15. A Director present at a meeting of the Board is presumed to have agreed to, and to have voted in favour of, a resolution of the Board unless he or she expressly abstains from or votes against the resolution at the meeting. A Director who abstains from voting will not be treated as having voted in favour of it for the purposes of the Act.

### **Minutes**

16. The Board must ensure that minutes are kept of all proceedings at meetings of the Board and that a record is kept of written resolutions of the Directors. Minutes that have been signed correct by the chairperson of the meeting are prima facie evidence of the proceedings at the meeting.

### **Unanimous resolution**

17. A resolution in writing, signed or assented to by all Directors then entitled to receive notice of a Board meeting, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
18. Any such resolution may consist of several documents (including facsimile or other similar means of communication) in like form each signed or assented to by one or more Directors.

19. A copy of any such resolution must be entered in the minute book of Board proceedings.

**Other proceedings**

20. Except as provided in this Constitution, the Board may regulate its own procedure.