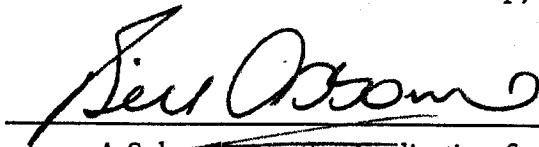

Date
3 July 2000

MAORI SPECTRUM CHARITABLE
TRUST

Certified pursuant to Section 10(2)(a) of the Charitable Trusts Act 1957
to be a correct copy



A Subscriber to the Application for Incorporation

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DEED OF TRUST

Date: 3 July 2000

PARTIES

- (1) SIR PAUL REEVES ("the Settlor")

- (2) SIR GRAHAM LATIMER
ARCHIE TAIAROA
WILLIAM MICHAEL OSBORNE
JACQUI TE KANI
HEMI TOIA
DEREK WOOSTER
NEVILLE BAKER
GABRIELLE HURIA
MAVIS MULLINS
ROBERT McLEOD
PAUL MAJUREY
TAARI NICHOLAS
TAINUI STEPHENS
HAYDN EDMONDS

("the Trustees")

BACKGROUND

- (A) By cabinet minute dated 15 May 2000 the Crown has agreed to provide benefits to a trust broadly representative of Maori for the purposes of promoting benefits for Maori from the 2GHZ spectrum with a view to increasing Maori participation in the information and telecommunication sector in New Zealand.

- (B) This Trust is being established for the purpose of delivering the benefits referred to in Background A.

- (C) The asset out of which the benefits referred to in Background A will flow will be the management rights in respect of the radio frequencies in the range 1965 - 1980 and 2155 - 2170 MHz ("the management rights").

- (D) The Crown has agreed that the benefits referred to in Background A will be provided by The Hautaki Trust being given the exclusive right to purchase the management rights on the terms set out in the cabinet minute.

(E) This trust will be the primary beneficiary of The Hautaki Trust.

NOW THIS DEED RECORDS:

1 DEFINITIONS AND CONSTRUCTION

1.1 Defined terms

In this deed, unless the context requires otherwise:

Balance Date means 31 March or any other date which the Trustees adopt by Ordinary Resolution as the date up to which financial statements are to be made in each year;

Designated Gift means a gift which is subject to a trust for a specific purpose that comes within the purposes of the Trust Fund;

Electoral College means those persons appointed to be members of the Electoral College in accordance with Rule 1.1 of the Second Schedule;

Electoral College Appointors means the organisations responsible for the appointment of the Electoral College;

Income Year means any year or other accounting period ending on a Balance Date;

Initial Trustees means those persons who are signatories as trustees to this Deed;

Ordinary Resolution means either:

- (a) a resolution passed by a majority of the Trustees present and voting at a duly convened and conducted meeting of the Trustees; or
- (b) A written resolution signed by 75% or more of the Trustees. Such a resolution may comprise several duplicated documents, each signed by one or more of the Trustees.

Related Person for the purposes of clause 14.5 and in relation to any business to which section CB4(1)(e) of the Income Tax Act 1994 applies, means a person specified in paragraphs (i) to (iv) of the 2nd proviso to that section, the persons currently specified being:

- (a) a settlor or trustee of the trust by which the business is carried on; or

- (b) a shareholder or director of the company by which the business is carried on;
or
- (c) a settlor or trustee of a trust that is a shareholder of the company by which the business is carried on; or
- (d) that person, where he or she and the settlor, trustee, shareholder or director already mentioned in this definition, are associated persons for the purposes of the Income Tax Act 1994;

Special Resolution means a resolution approved by a majority of 75% of the Trustees present and voting at a duly convened and conducted meeting of the Trustees;

Teleconference Meeting for the purposes of rule 19 in the First Schedule means a meeting where the participants are contemporaneously linked by telephone or some other means of instant audio or audio and visual communication;

The Hautaki Trust means The Hautaki Trust established by deed dated 3 July 2000;

Trust means the charitable trust created by this deed;

Trust Deed when appearing in the schedules, means this deed;

Trust Fund means the sum of \$10 paid by the Settlor contemporaneously with this deed, and includes any money, investments or other property paid or given to or acquired or agreed to be acquired by the Trustees after this deed has been signed with the intention that it be held by the Trustees subject to the trusts and other provisions set out in this deed.

1.2 Construction

In the construction of this deed, unless the context requires otherwise:

- (a) a reference to 'Trustees' is a reference to the trustees for the time being of the Trust Fund, whether original, additional or substituted and includes the Initial Trustees;
- (b) a reference to a person includes a trustee corporation, and a corporation sole, and also a body of persons, whether corporate or unincorporate;
- (c) a reference to an enactment is a reference to that enactment as amended, or to any enactment that has been substituted for that enactment;

- (d) the schedules to this deed form part of this deed;
- (e) headings appear as a matter of convenience and shall not affect the construction of this deed;
- (f) if there is a conflict between the schedules and the other provisions of this deed the other provisions of this deed shall prevail.

2 CREATION OF THE TRUST

2.1 Declaration of trust

The Settlor directs that the Trustees shall hold the Trust Fund upon the trusts and with the powers set out in this deed.

2.2 Name of trusts

The trusts created by this deed are to be known as the 'Maori Spectrum Charitable Trust' or by such other name as the Trustees may determine by Ordinary Resolution from time to time.

3 PURPOSES

The Trust is established to increase the participation of Maori in the knowledge economy, in particular, the information and telecommunications sectors in New Zealand pursuant to section 73 of the Human Rights Act 1993. In order to promote these purposes, the Trust will:

- 3.1 promote educational and training programmes, courses and schemes within New Zealand for Maori with a view to providing educational and training opportunities for Maori, particularly in the fields of information and telecommunications technology;
- 3.2 fund skills development in the information and telecommunications technology sectors, especially in relation to young Maori and Maori in need of reskilling;
- 3.3 promote the expansion of educational opportunities of Maori who wish to work in the information and telecommunications technology sector by offering scholarships and grants or funding scholarships and grants in New Zealand to enable Maori students to meet the entry requirements of Wananga, universities or other tertiary institutions in New Zealand or overseas;

- 3.4 establish scholarships and grants, or fund scholarships and grants by Wananga, universities or other tertiary institutions in New Zealand, with a view to encouraging Maori to develop and further their education and skills in the area of information and telecommunications technology;
- 3.5 for the benefit of Maori, foster and promote research and development into information and telecommunications technology in Wananga, universities or other tertiary institutions in New Zealand;
- 3.6 promote and facilitate the access to:
- 3.6.1 business mentors or similar services;
 - 3.6.2 education and training courses;
 - 3.6.3 conferences; and
 - 3.6.4 presentations and other learning experiences

for Maori who are already working or wish to work in the information and telecommunications technology sector, and Maori who are business owners, managers or employees, or who may wish to establish or be employed in businesses engaged in the information and telecommunications technology sector.

- 3.7 make grants to Maori communities (including schools and Te Kohanga Reo within those communities) to give those communities access to information and telecommunications technology which will improve the public amenities of those communities (particularly where those communities may be remote or economically disadvantaged); and
- 3.8 generally do all acts, matters and things that promote the purposes set out at clauses 3.1 to 3.7, with a commitment to ensure that benefits are made available as widely as possible to Maori throughout New Zealand.

4 DUTIES OF TRUSTEES

4.1 Specific duties

The duties of the Trustees (in addition to but not to the exclusion of any other duties imposed by statute or law) include the following specific duties:

- 4.1.1 The Trustees shall not use the assets of the Trust Fund for any purposes other than those purposes specified in clause 3;

4.1.2 In the carrying on of any business by the Trust, or in the entry into and the administration of any contracts, the Trustees must, as a matter of principle, adopt and use transparent and competitive processes.

4.2 Records

The Trustees must maintain complete and accurate records, including:

4.2.1 minutes of meetings of the Trustees or of any committee appointed by the Trustees;

4.2.2 copies of any Special Resolutions or Ordinary Resolutions of the Trustees; and

4.2.3 complete and accurate books and accounts.

4.3 Reasons for decisions and disclosures of interest

The Trustees must record in a minute book:

4.3.1 the reasons for all decisions taken by the Trustees; and

4.3.2 in an interests register forming part of the minute book, any disclosures of interest by a Trustee.

4.4 General duties

The duties of the Trustees (in addition to but not to the exclusion of any other duties imposed by statute or law) include the following general duties:

4.4.1 When exercising powers or performing duties pursuant to this deed and the Trust, a Trustee must act in good faith and in what the Trustee believes to be the best interests of the purposes of the Trust;

4.4.2 A Trustee must exercise any power for a proper purpose;

4.4.3 A Trustee must not act in a manner that contravenes this deed;

4.4.4 A Trustee must not:

- (a) agree to any of the business of the trust being carried on in a manner likely to create a substantial risk or serious loss to any creditors of the trust; or

- (b) cause or allow any business of the trust to be carried on in a manner likely to create any substantial risk of serious loss to the Trust's creditors; or
- (c) agree to the trust incurring an obligation, unless the trustee believes at that time on reasonable grounds, that the trustee will be able to perform the obligation when it is required to do so.

4.4.5 A Trustee, when exercising powers or performing duties as a Trustee, must exercise the care, diligence and skill that a reasonable person would exercise in the same circumstances taking into account, but without limitation:

- (a) the nature of this Trust;
- (b) the nature of the decision; and
- (c) the nature of the responsibilities undertaken by the Trustees.

4.4.6 A Trustee, when exercising powers or performing duties as a Trustee, may rely on reports, statements, and financial data and other information prepared or supplied, and on professional or expert advice given, by any of the following persons:

- (a) an employee of the Trust whom the Trustee believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (b) a professional adviser or expert in relation to matters which the Trustee believes on reasonable grounds to be within the person's professional or expert competence;
- (c) any other Trustee or committee of Trustees upon which the Trustee did not serve in relation to matters within the Trustee's or committee's designated authority

Provided that this clause applies to a Trustee only if the Trustee:

- (a) acts in good faith; and
- (b) makes proper inquiry where the need for inquiry is indicated by the circumstances; and

- (c) has no knowledge that such reliance is unwarranted.

4.5 Reporting and maintenance of financial records

- 4.5.1 The Trustees must, after the end of each Income Year, cause to be prepared an annual report on the affairs of the Trust during the accounting period ending at the end of that Income Year. The annual report shall include an assessment by the Trustees of how the Trust has performed in furthering the purposes of the Trust as set out in clause 3. The annual report shall also include financial statements, a balance sheet and income and expenditure account and notes to those documents giving a true and fair view of the financial affairs of the Trust for that Income Year. The financial statements shall include as a separate item details of any remuneration or fees paid to any Trustee or any Trustee's firm and details of any premiums paid in respect of trustees' indemnity insurance.
- 4.5.2 The Trustees must ensure that the financial statements of the Trust for each Income Year are audited by a chartered accountant in public practice within four calendar months after the end of that Income Year. The person appointed as auditor must not be a Trustee.
- 4.5.3 The Trustees must immediately upon completion of the audit of the financial statements, insert advertisements in all major metropolitan and provincial newspapers circulating in New Zealand advising that the statements are available for public inspection at a place to be specified in the advertisement during normal business hours on any business day.
- 4.5.4 The Trustees shall forward copies of the annual report and related statements to the Electoral College, the Electoral College Appointors and any other relevant Maori organisations the Trustees deem appropriate.
- 4.5.5 The Trustees must hold a public meeting each year in accordance with clause 5.
- 4.5.6 The Trustees must in each year prepare an annual plan in accordance with clause 6.
- 4.5.7 The Trustees must ensure that all money received by or on behalf of the Trust is paid immediately to the credit of the Trust in an account or accounts with a bank or banks selected from time to time by the Trustees. All cheques and other negotiable instruments, withdrawal slips and receipts for money shall be signed, drawn, accepted, endorsed or

otherwise executed (as the case may be) on behalf of the Trust in such manner as the Trustees decide from time to time.

5 TRUSTEES TO HOLD PUBLIC MEETING

5.1 The Trustees shall, no earlier than four calendar months, nor later than six calendar months after the end of each Income Year, hold a public meeting at such time and place as determined by the Trustees and shall at that meeting report on:

5.1.1 the operation of the Trust during the preceding Income Year (including an assessment by the Trustees of how the Trust has performed in furthering the purposes of the Trust as set out in clause 3);

5.1.2 the financial statements of the Trust for that year; and

5.1.3 the proposed annual plan for the following Income Years.

5.2 The Trustees shall give not less than fourteen (14) days notice of the holding of a public meeting inserted prominently in all major metropolitan and provincial newspapers circulating in New Zealand.

5.3 The Trustees shall also give not less than fourteen (14) days notice of the holding of the public meeting to each member of the Electoral College.

6 ANNUAL PLAN

The Trustees shall prepare no later than one month before the commencement of each Income Year an annual plan which shall specify in respect of that Income Year and each of the immediately following two Income Years the following information:

6.1 the strategic vision of the Trust, including details of how the Trust will further the purposes set out in clause 3;

6.2 performance targets and the measures by which performance of the Trust may be judged in relation to its purposes;

6.3 where the performance targets referred to in clause 6.2 have not been met, details of any future steps that the Trustees will take to achieve those targets;

6.4 the nature and scope of the activities to be undertaken by the Trust including proposed investments;

- 6.5 the ratio of capital of the Trust to total assets, and definitions of those terms;
- 6.6 accounting practices;
- 6.7 procedures to be followed before the Trust enters into any material contract or agreement or subscribes for or purchases or otherwise acquires shares in any company or organisation;
- 6.8 details of a budget, setting out estimated income and expenditure; and
- 6.9 details of any proposed payments, applications or appropriations of income or capital for or towards any one or more of the purposes of the Trust.

7 INCOME TRUSTS

7.1 Power to pay, apply or appropriate income

The Trustees may pay, apply or appropriate, or decide to pay, apply or appropriate as much of the income arising from the Trust Fund in an Income Year as they think fit for or towards one or more of the purposes of the Trust. If the Trustees provide for more than one purpose they need not treat each purpose equally.

7.2 Provisions relating to payments, applications and appropriations of income

7.2.1 The Trustees, by Ordinary Resolution recorded in writing, may appropriate any investments for one or more of the purposes of the Trust in anticipation of a payment or application under clause 7.1.

7.2.2 In any Income Year, the Trustees may appropriate all or part of the income derived or to be derived from the Trust Fund during that Income Year for any purpose of the Trust even though, at the time of appropriation, they have not received the income being appropriated.

7.2.3 If the Trustees appropriate any income for any purpose of the Trust the recipient of that income shall take an absolute and indefeasible interest in that income as from the date on which it is appropriated.

7.3 Power to retain income

The Trustees need not distribute all of the income arising from the Trust Fund in an Income Year, but may retain all or part of that income to establish or augment any reserve fund, which may be used at any later time for any purpose for which income arising from the Trust Fund may be used.

8 CAPITAL TRUSTS

At any time the Trustees may pay, apply or appropriate, or may decide to pay, apply or appropriate, as much of the capital of the Trust Fund as they think fit for or towards one or more of the purposes of the Trust. If the Trustees so provide for more than one purpose they need not treat each purpose equally. Any payment, application or appropriation of capital may be made either in addition to or in place of any payment, application or appropriation of income.

9 GIFTS OR DONATIONS

9.1 Accept gifts

The Trustees may receive solicited and unsolicited gifts of any real or personal property for the purposes of the Trust or for any specific purpose that comes within the purposes of the Trust.

9.2 Separate specific trusts

If the Trustees accept a Designated Gift they must keep that Designated Gift and any income derived from it separate from the general assets of the Trust Fund, and administer it as a separate specific trust in terms of the trust under which it was given.

9.2.1 The Trustees shall not use the assets of any separate specific trust to make good any deficit, loss, damage or breach of trust relating to any other separate specific trust. Similarly, the Trustees shall not use the general assets of the Trust Fund for such purposes.

9.2.2 Each separate specific trust shall bear its own administration expenses plus a fair proportion (determined by the Trustees) of the administration expenses applicable to the general purposes of the Trust.

10 RECEIPTS FOR PAYMENTS

The receipt of the secretary, treasurer or other person or persons appearing to the Trustees to be authorised to give receipts on behalf of the recipient of any payment made under the terms of this deed, shall be a complete discharge to the Trustees for that payment.

11 INCORPORATION UNDER THE CHARITABLE TRUSTS ACT 1957

If they consider it appropriate, the Trustees may apply under the Charitable Trusts Act 1957 for incorporation as a Board under the name Maori Spectrum Charitable

Trust, or under such other name approved by the Registrar of Incorporated Societies.

12 RULES

- 12.1 The Rules (with any valid alterations) set out in the First Schedule which govern the appointment, retirement and proceedings of the Trustees, subject to the provisions of this deed, will bind the Trustees.
- 12.2 The Rules (with any valid alterations) set out in the Second Schedule shall govern the composition and functions of the Electoral College to be established on the signing of this deed.

13 TRUSTEES' POWERS

- 13.1 Subject to any provision in this deed to the contrary, the Trustees shall have the powers set out in the Third Schedule.
- 13.2 The Trustees shall only exercise the power to approve the matters set out in Part III of the Third Schedule by Ordinary Resolution.

14 GENERAL PROVISIONS

14.1 Alterations to deed and schedules

- 14.1.1 This deed and its schedules, except clause 3, (which shall not be altered) and Part II of the Rules in the First Schedule and the Rules in the Second Schedule (which contain their own alteration provisions), shall be altered only by a Special Resolution of the Trustees.
- 14.1.2 The secretary of the Trust shall give each Trustee written notice of any proposed Special Resolution for the alteration of this deed and its schedules (except clause 3, (which shall not be altered) and Part II of the Rules in the First Schedule and the Rules in the Second Schedule (which contain their own alteration provisions) at least 14 days before the date of the meeting at which it is to be considered.
- 14.1.3 Clauses 14.5, 14.8 and 14.9 shall not be altered without first obtaining written confirmation from the Commissioner of Inland Revenue that the proposed alteration does not prejudice the charitable nature of the purposes of the Trust.
- 14.1.4 Any alteration to this deed (except clause 3, which shall not be altered) shall be effective only if the alteration does not prejudice the charitable nature of the purposes of the Trust. Any alteration to Parts I and III of the First Schedule and the powers in the Third Schedule shall be effective only if the alteration does not

conflict with the provisions of this deed and does not prejudice the charitable nature of the purposes of the Trust.

14.1.5 Clause 3 shall not be altered.

14.1.6 Part II of the First Schedule may be altered in accordance with the Rules set out in that Schedule.

14.1.7 The Second Schedule may be altered in accordance with the Rules set out in that Schedule.

14.2 Resolution of doubts

If the Trustees are in doubt over any matter relating to the administration of the Trust Fund, or over the exercise of any power vested in them, they may obtain and act upon the opinion of a barrister of the High Court of New Zealand of at least 7 years' standing. And they may act upon the barrister's opinion without being liable to any person who may claim to be beneficially interested in respect of anything done in accordance with that opinion. This right to obtain and act upon a barrister's opinion, however, will not restrict the Trustees' right to apply to the High Court of New Zealand for directions.

14.3 Disclosure of interests

14.3.1 A Trustee will be interested in a transaction to which the Trust is a party if the Trustee:

- (i) is a party to, or will derive a material financial benefit from that transaction;
- (ii) has a material financial interest in another party to the transaction;
- (iii) is a director, officer or trustee of another party to, or person who will or may derive a material financial benefit from the transaction, not being a party that is wholly owned by the Trust;
- (iv) is the parent, child or spouse of another party to, or person who will or may derive a material financial benefit from the transaction; or
- (v) is otherwise directly or indirectly interested in the transaction.

14.3.2 A trustee must forthwith after becoming aware of the fact that he or she is interested in a transaction or proposed transaction with the Trust, disclose to his or her co-trustees at a meeting of the Trustees:

- (i) If the monetary value of the Trustee's interest is able to be quantified, the nature and monetary value of that interest; or
- (ii) If the monetary value of the Trustee's interest cannot be quantified, the nature and extent of that interest.

14.3.3 It is acknowledged that a Trustee may be interested in a transaction by virtue of his or her appointment as a director of the trustee of The Hautaki Trust. That interest shall be disclosed in the manner set out in clause 14.3.4.

14.3.4 A disclosure of interest by a Trustee shall be recorded in an interest register which shall form part of the minute book of the Trust.

14.4 Dealing with "interested" Trustees

14.4.1 Subject to clause 14.3 and to Rule 13 of the First Schedule, each Trustee may act as a Trustee and still contract or otherwise deal with the Trustees in his or her personal capacity or in any other capacity as if he or she had not been appointed as a Trustee. This right to continue to act as a Trustee shall apply even though a Trustee's interest or duty in a particular matter may conflict with his or her duty to the recipient of any distributions of income or capital paid, applied or appropriated in accordance with the purposes of the Trust Fund.

14.4.2 Where a Trustee is a member of any iwi and that iwi benefits from the Trust Fund or from the exercise of any power by the Trustees, the membership of that iwi by the Trustee shall not constitute a conflict of interest. However, if the Trustee receives a benefit that is more advantageous than the benefit conferred on the other members of that Trustee's iwi taken as a class then that Trustee shall not be permitted to vote on a matter in respect of a transaction in respect of that benefit (in accordance with Rule 13 of the First Schedule), and shall also be precluded from doing anything that the Trustee would otherwise be authorised to do by Rules 13.1 to 13.3 inclusive of the First Schedule.

14.4.3 Notwithstanding clause 14.4.2, a Trustee must at all times take equally into account all iwi, regional and community interests.

14.5 Prohibition of benefit or advantage

In the carrying on of any business under this deed, and in the exercise of any power authorising the remuneration of Trustees, no benefit, advantage or income shall be afforded to, or received, gained, achieved or derived by any Related Person where that Related Person, in his or her capacity as a Related Person, is able in any way (whether directly or indirectly) to determine, or to materially influence the determination of:

14.5.1 the nature or amount of that benefit, advantage or income; or

14.5.2 the circumstances in which that benefit, advantage or income is, or is to be, so afforded, received, gained, achieved or derived.

14.6 Liability of Trustees

A Trustee shall be liable only for any loss attributable to his or her dishonesty or to his or her wilful commission or omission of an act which he or she knows to be a breach of trust. In particular, no Trustee shall be bound to take, or be liable for failing to take, any proceedings against a co-Trustee for breach or alleged breach of trust.

14.7 Indemnity

Any Trustee, officer or employee of the Trust shall be indemnified out of the assets of the Trust against any liability which he or she incurs in successfully defending any civil or criminal proceedings issued because of his or her actions in relation to the Trust. If some of the assets of the Trust are held on separate specific trusts then such a Trustee, officer or employee may be indemnified out of those assets to the extent that the Trustees in their discretion think just and equitable.

14.8 Remuneration and expenses

14.8.1 Each Trustee shall be entitled:

- (i) in each Income Year, to remuneration for his or her services as a Trustee as may be fair and reasonable having regard to his or her duties and responsibilities. The amount of such remuneration shall not exceed the amount recommended by the Trustees;
- (ii) to be reimbursed for fair and reasonable expenditure incurred by him or her on behalf of the Trust, subject in every case to approval by the Trustees;
- (iii) if any Trustee is engaged in a profession or business, to charge fees for work done by that Trustee or that Trustee's firm (whether or not the work is of a professional or business nature) on the same basis as if that Trustee was not one of the Trustees but employed to carry out the work on their behalf.

14.8.2 The Trustees shall be authorised to take out a trustees' indemnity insurance policy or policies in relation to the Trustees and any person employed by the Trustees and to pay the premiums in respect of that policy or those policies out of the Trust Fund;

14.8.3 The Trustees shall, in accordance with clause 4.5, show the amount of any remuneration, fees charged by any Trustee or any Trustee's firm and the amount

of any premiums paid out of the Trust Fund for any trustees indemnity insurance separately in the financial statements including any payments made pursuant to clauses 14.8.1 (ii) and 14.8.4.

14.8.4 Each of the members of the Electoral College shall be entitled to be reimbursed for fair and reasonable expenditure incurred by them on behalf of the Trust, subject in every case to approval of the Trustees.

14.9 Winding up

14.9.1 The Trustees shall, by Special Resolution, wind up the Trust if:

- (a) The termination day of The Hautaki Trust has arrived, and, in the opinion of the Trustees:
 - (i) the purposes of the Trust set out in clause 3 have been achieved; or
 - (ii) it has become impossible, impracticable or inexpedient to carry out the purposes of the Trust set out in clause 3.

14.9.2 On the winding up of the Trust by the Trustees, the Trustees must give or transfer all surplus assets after the payment of costs, debts and liabilities to one or more exclusively charitable organisations or bodies within New Zealand, as the Trustees may decide. Any such recipient must have purposes which include the assisting or advancing of persons or groups of persons who shall need or shall reasonably be supposed to need such assistance or advancement in order to achieve an equal place with other members of the community. If the Trustees provide for more than one recipient, the Trustees need not treat each of them equally.

14.9.3 If the Trustees are unable to decide on the recipient or recipients of the surplus assets of the Trust, then all surplus assets after payment of costs, debts and liabilities shall be disposed of in accordance with the directions of the High Court pursuant to section 27 of the Charitable Trusts Act 1957.

Signed by **PAUL REEVES** as Settlor
in the presence of:



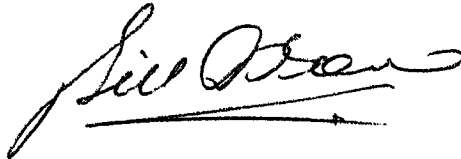
Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington



Signed by **WILLIAM MICHAEL OSBORNE** as Trustee in the presence of:



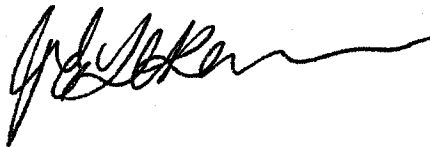
Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by **JACQUI TE KANI** as Trustee in the presence of:



Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by **HEMI TOIA** as Trustee in the presence of:



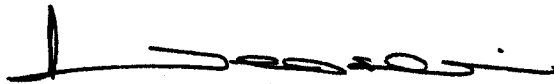
Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by **DEREK WOOSTER** as Trustee in the presence of:



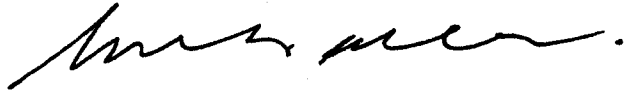
Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by NEVILLE BAKER as
Trustee in the presence of:



Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by GABRIELLE HURIA as
Trustee in the presence of:

Gabriele Huria

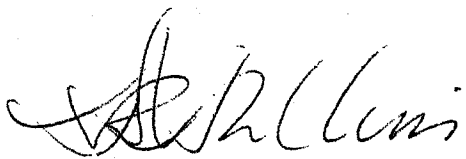
Name: Brenne Beaton

Occupation: Home maker

Address: 24 Wendy Place
Christchurch



Signed by MAVIS MULLINS as
Trustee in the presence of:



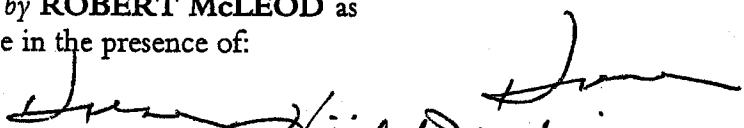
Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by ROBERT McLEOD as
Trustee in the presence of:



Winifred Jardine

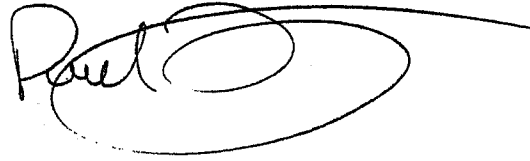
Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by PAUL MAJUREY as
Trustee in the presence of:

Winifred Jardine



Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by TAARI NICHOLAS as
Trustee in the presence of:



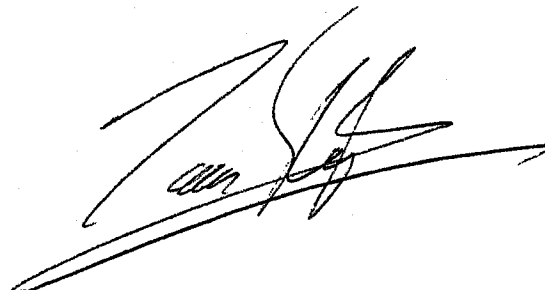
Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by TAINUI STEPHENS as
Trustee in the presence of:



Winifred Jardine

Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by HAYDN EDMONDS as
Trustee in the presence of:

Winifred Jardine



Name: Winifred Jardine

Occupation: Solicitor

Address: Wellington

Signed by **SIR GRAHAM
LATIMER** as Trustee in the presence
of:



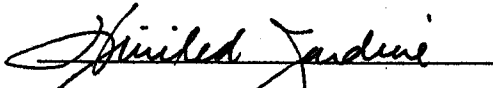
Name:

Occupation:

Address:

Winifred Jardine
Winifred Jardine
Solicitor
Wellington.

Signed by **ARCHIE TAIAROA** as
Trustee in the presence of:



Name:

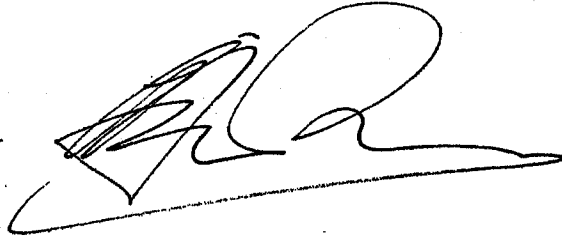
Occupation:

Address:

Winifred Jardine

Solicitor

Wellington



FIRST SCHEDULE:**RULES GOVERNING THE APPOINTMENT, RETIREMENT AND
PROCEEDINGS OF THE TRUSTEES****PART I - CONSTITUTION OF THE TRUSTEES****1 The Initial Trustees**

The Initial Trustees shall be those persons who are signatories as Trustees to the Trust Deed.

2 Term of Office of Initial Trustees

2.1 The Initial Trustees shall hold office for a term of eighteen (18) months from the date of the Trust Deed. Each of the Initial Trustees shall, subject to Rule 6.3, be eligible for re-appointment by the Electoral College.

2.2 The number of Initial Trustees shall not be more than 14, nor less than 7.

3 Chairperson of the Initial Trustees

William Michael Osborne shall be the chairperson of the Initial Trustees and shall hold office for a term of eighteen (18) months from the date of the Trust Deed, or until he ceases to hold office as a trustee in accordance with Rule 7, whichever is the earlier.

4 Appointment of Trustees by Electoral College

4.1 Subject to Rule 4.3, the Electoral College shall appoint Trustees, in accordance with the procedures set out in the Second Schedule.

4.2 When the office of any Trustee becomes vacant under Rule 7, then subject to Rule 4.3, the vacancy so created shall as soon as practicable be filled by the Electoral College in accordance with the procedures set out in the Second Schedule. Except in the case of a vacancy under Rule 7.1.1, or if the Electoral College decides otherwise, every person so appointed shall hold office for the residue of the term for which that person's predecessor would have held office.

4.3 The Electoral College shall not be bound to make an appointment of a Trustee if the number of incumbent trustees will be more than or equal to the minimum number of trustees provided for in Rule 2.2 or 4.4.

4.4 The number of Trustees appointed by the Electoral College shall not be more than 14, nor less than 7.

5 Appointment of Chairperson by Trustees

When William Michael Osborne ceases to hold office as a chairperson of the Initial Trustees, the Trustees shall appoint one of their number to be chairperson of Trustees and shall determine the term of his or her term of office.

6 Term of office of Trustees

- 6.1 On 3 January 2003 and on each succeeding 3 January, one third of the Trustees for the time being shall retire from office, or if their number is not three, or a multiple of three, then the number nearest to one third shall retire from office;
- 6.2 The Trustees to retire in any year shall be those who have been longest in office since their last appointment, but as between those Trustees who became or were reappointed as Trustees on the same day, the order in which those Trustees shall retire from office shall (unless they otherwise agree among themselves) be determined by lot;
- 6.3 The Trustees shall be eligible for re-appointment but so that the term of office shall not exceed in aggregate six years and any periods of re-appointment shall be modified accordingly. However, in the case of any Trustees who held office prior to 3 January 2003 the maximum term of office shall be the period from the date of their initial appointment to 2 January 2003, plus six years.

7 Termination of office

- 7.1 A Trustee shall cease to hold office if he or she:
- 7.1.1 completes his or her term of office and is not eligible for re-appointment;
 - 7.1.2 retires from office in accordance with Rule 6.1 and is not reappointed, or by giving written notice to the Trustees or the secretary of the Trust;
 - 7.1.3 refuses to act;
 - 7.1.4 is absent without leave from 3 consecutive ordinary meetings of the Trustees;
 - 7.1.5 becomes physically or mentally incapacitated to the extent that in the opinion of the other Trustees, expressed in an Ordinary Resolution, he or she is unable to perform the duties of a Trustee properly;
 - 7.1.6 becomes bankrupt or makes any composition or arrangement with his or her creditors;
 - 7.1.7 is convicted of an indictable offence; or

7.1.8 is removed by the Electoral College in accordance with Rule 8.6 of the Second Schedule.

8 Record of changes of Trustees

8.1 Upon every appointment, retirement, re-appointment or termination of office of any Trustee, the Trustees will ensure that an entry is made in the minute book of the Trust to that effect and will ensure that any statutory requirements as to the vesting of the Trust Fund in the Trustees are satisfied.

9 Appointment of secretary and others

9.1 The Trustees may appoint a secretary and any other officers or employees that the affairs of the Trust may require on such terms and conditions as they think fit. The Trustees may also remove and replace any persons so appointed.

PART II - ADMINISTRATIVE PROVISIONS**10 Meetings**

The Trustees shall meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Any four Trustees may at any time summon a meeting of the Trustees.

11 Notice of Meeting

11.1 Written notice of every meeting, shall be either hand-delivered, posted or sent by facsimile or electronic mail to each Trustee at least 7 days before the date of the meeting. However, it shall not be necessary to give notice of a meeting of Trustees to any Trustees for the time being absent from New Zealand. No notice shall be required for adjourned meetings except to those Trustees who were not present when the meeting was adjourned.

11.2 Every notice of a meeting shall state the place, day and time of the meeting, and the subject-matter of the meeting.

11.3 The requirement for notice of a meeting may be waived if all the Trustees who are for the time being in New Zealand give their written consent to such a waiver.

12 Quorum

Five Trustees shall constitute a quorum at meetings of the Trustees.

13 Interested trustee shall not vote

A trustee of the Trust who is interested in a transaction entered into, or to be entered into, by the Trust shall not vote on a matter relating to the transaction, but may:

13.1 Attend a meeting of Trustees at which a matter relating to the transaction arises, and be included among the Trustees present at the meeting for the purpose of a quorum;

13.2 Sign a document relating to the transaction on behalf of the Trust; and

13.3 Do anything else as a Trustee in relation to the transaction,

as if he or she were not interested in the transaction.

14 Chairperson

14.1 The chairperson shall take the chair at all the meetings of the Trustees. If the chairperson cannot be present, or is not present within 10 minutes of the time

appointed for any meeting, the Trustees present shall elect one of their number to be chairperson of the meeting. In the case of an equality of votes, the chairperson shall have a second or casting vote.

15 Validity of Proceedings

- 15.1 The Trustees may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Rules, the continuing Trustee or Trustees may act only for the purpose of advising the Electoral College of the vacancy and requesting that the College appoint a new Trustee or Trustees to fill any vacancy or vacancies, and for no other purpose.
- 15.2 All acts done by any meeting of the Trustees or of any committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of such Trustee or person co-opted to any committee, or that they were disqualified, be valid as if every such person had been duly appointed and was qualified to act.

16 Committees

The Trustees may appoint sub-committees, ad hoc committees or executive committees as they may from time to time think expedient for carrying out any of the purposes of the Trust. Any such committee may co-opt any other person, whether a Trustee or not, to be a member of that committee. And subject to these Rules and to any directions that the Trustees might give, each committee may regulate its own procedure.

17 Resolutions

Except where these Rules or the Trust Deed provide otherwise, a resolution is validly made when it is passed by an Ordinary Resolution.

18 Minutes

- 18.1 The Trustees shall keep a proper record in a minute book of all decisions taken and business transacted at every meeting of the Trustees.
- 18.2 Any minute of the proceedings at a meeting which is purported to be signed by the chairperson of that meeting or by the chairperson of the next succeeding meeting shall be evidence of those proceedings.
- 18.3 Where minutes of the proceedings at a meeting of the Trustees have been made in accordance with the provisions of this rule then, until the contrary is proved, the meeting shall be deemed to have been properly convened and its proceedings to have been properly conducted.

19 Teleconference Meetings

19.1 For the purposes of these Rules a Teleconference Meeting between a number of Trustees or committee members who constitute a quorum, together with the secretary or another person acting as a secretary, shall be deemed to constitute a meeting of the Trustees or the committee members (as the case may be). All the provisions in these Rules relating to meetings shall apply to Teleconference Meetings so long as the following conditions are met:

19.1.1 All of the Trustees or committee members (as the case may be) for the time being entitled to receive notice of a meeting shall be entitled to notice of a Teleconference Meeting and to be linked for the purposes of such a meeting. Notice of a Teleconference Meeting may be given on the telephone;

19.1.2 Throughout the Teleconference Meeting each participant and the secretary or person acting as a secretary must be able to hear each of the other participants taking part;

19.1.3 At the beginning of the Teleconference Meeting each participant must acknowledge his or her presence for the purpose of that meeting to all the others taking part;

19.1.4 A participant may not leave the Teleconference Meeting by disconnecting his or her telephone or other means of communication without first obtaining the chairperson's express consent. Accordingly, a participant shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the Teleconference Meeting unless he or she leaves the meeting with the chairperson's express consent;

19.1.5 A minute of the proceedings at the Teleconference Meeting shall be sufficient evidence of those proceedings, and of the observance of all necessary formalities, if certified as a correct minute by the chairperson of that meeting and by the secretary or person acting as a secretary.

20 Custody and use of common seal

If the Trustees become incorporated as a board under the Charitable Trusts Act 1957 they shall have custody of the common seal, and from time to time by Ordinary Resolution, they may adopt any seal they think fit. The common seal must not be affixed to any document unless the Trustees have already authorised its use on that document. And when a document is to be sealed on the prior authority of the Trustees the seal must be affixed to the document in the presence of two Trustees who must sign the document.

PART III - ALTERATIONS TO RULES**21 Alterations to Parts I and III**

Parts I and III of the Rules in the First Schedule may be altered only in accordance with clause 14.1 of the Trust Deed.

22 Alterations to Part II

Part II of the Rules in the First Schedule may be altered by an Ordinary Resolution of the Trustees.

23 Restraints on Alteration

23.1 An Ordinary Resolution for the alteration of Part II of the Rules in the First Schedule shall be effective only if:

- 23.1.1 each Trustee was given written notice of the proposed Ordinary Resolution at least 14 days before the date of the meeting at which it was to be considered; and
- 23.1.2 the alteration does not conflict with the provisions of the Trust Deed; and
- 23.1.3 the alteration does not prejudice the charitable nature of the purposes of the Trust.

SECOND SCHEDULE:**RULES GOVERNING THE PROCEEDINGS OF THE ELECTORAL COLLEGE****1 Membership of Electoral College**

- 1.1 There shall be 6 members of the Electoral College. They shall comprise:
- 1.1.1 one person appointed by the New Zealand Maori Council for such term (with power to extend or renew the same) as it thinks fit;
 - 1.1.2 one person appointed by the National Maori Congress for such term (with power to extend or renew the same) as it thinks fit;
 - 1.1.3 one person appointed by the Maori Women's Welfare League for such term (with power to extend or renew the same) as it thinks fit;
 - 1.1.4 one person appointed by Te Taihū o Nga Wananga for such term (with power to extend or renew the same) as it thinks fit;
 - 1.1.5 one person appointed by Te Kohanga Reo National Trust Incorporated for such term (with power to extend or renew the same) as it thinks fit;
 - 1.1.6 one person appointed by Te Runanganui o Nga Kura Kaupapa Maori o Aotearoa for such term (with power to extend or renew the same) as it thinks fit.

2 Notice of Appointment

The Electoral College Appointors shall give public notice of the persons constituting the Electoral College in all major metropolitan and provincial newspapers circulating in New Zealand. If any Electoral College Appointor defaults in appointing a member of the Electoral College, then, provided that at least 5 persons have been validly appointed, those persons shall be entitled to constitute the Electoral College for the purposes of these Rules and shall be entitled to use all the powers conferred upon the Electoral College.

3 Power to add or delete Electoral College Appointors

- 3.1 Subject to Rule 3.2, the Electoral College shall have the power from time to time to increase or reduce the number of the Electoral College Appointors. In deciding whether the number of the Electoral College Appointors are to be increased or reduced, the Electoral College shall have regard to the extent to which the Electoral College Appointors reflect the criteria set out in Rule 9 of the Second Schedule. Where the number is increased, the Electoral College shall

appoint the additional organisations to the Electoral College Appointors. Where the number of organisations is reduced, the Electoral College shall determine which organisation or organisations is to be removed from the Electoral College Appointors and the date of removal. The organisation or organisations so removed shall, from the date of removal, be divested of the powers which were formerly conferred upon them by this Trust Deed.

- 3.2 No resolution to increase the number of the Electoral College Appointors and to appoint any additional organisations to the Electoral College Appointors, or to remove organisations from the Electoral College Appointors and to divest those organisations so removed of any powers conferred upon them by this Trust Deed shall be effective unless:

3.2.1 the resolution is moved by the majority of the members of the Electoral College and;

3.2.2 The increase or reduction in the number of the Electoral College Appointors, as the case may be, is approved by at least 75 percent of all members of the Electoral College.

4 **Review of performance of Electoral College**

The Electoral College shall meet every three years to review its performance, functions and criteria. At that meeting the Electoral College shall consider such matters as:

4.1 the need for an increase or decrease in the number of Electoral College Appointors;

4.2 the need for any changes to be made to the Second Schedule of this deed to enable the Electoral College to function more efficiently or effectively; and

4.3 the extent to which the Electoral College Appointors reflect the criteria set out in Rule 9 of the Second Schedule.

5 **Procedures**

Subject to Rule 4 of these Rules the Electoral College shall meet for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Any three members of the Electoral College may at any time summon a meeting of the Electoral College. In all other respects the procedures at meetings of the Electoral College shall be as set out in Rules 10, 14, 15.2, 16 to 19 inclusive of the First Schedule as if references to the Trustees were references to the Electoral College, and references to these Rules were references to the Rules in the Second Schedule.

6 Chairperson

The members of the Electoral College shall elect a chairperson of their meetings and determine the term of his or her office.

7 Quorum

A majority of the members of the Electoral College for the time being shall constitute a quorum at meetings of the members of the Electoral College.

8 Functions and Powers of the Electoral College

- 8.1 As and when the Trustees retire or cease to hold office, the Electoral College shall fill the vacancy by appointing to that office a new person or persons including any retiring Trustee or Trustees, if eligible to be re-appointed. In default of appointment, any retiring Trustee shall, if offering himself or herself for re-appointment, be deemed to have been re-appointed.
- 8.2 In addition to its power to appoint any Trustees in the place of any Trustee who retires or ceases to hold office, the Electoral College shall have the statutory power of appointment of new Trustees and shall appoint a new Trustee or Trustees upon a Trustee or Trustees dying, ceasing to hold office in accordance with Rule 7 of the First Schedule.
- 8.3 The Electoral College shall also have the power to appoint any person at any time as an additional trustee of all or any of the trusts, provided that in making the appointment, the number of Trustees does not exceed fourteen.
- 8.4 Where there is any vacancy in the number of Trustees, or where the Electoral College resolves to appoint an additional trustee in accordance with Rule 8.3 of these Rules, the Electoral College shall insert advertisements in all major metropolitan and provincial newspapers circulating in New Zealand seeking nominations for trusteeship.
- 8.5 The Electoral College shall not appoint any person to be a Trustee unless it has first received from such person a written form of consent incorporating an agreement by that person to be bound by the provisions of the Trust Deed.
- 8.6 The Electoral College shall also have the power to remove any Trustee without having to give any reason. However, this power may not be exercised to remove a sole Trustee or all of the Trustees, unless:
- 8.6.1 it is exercised in conjunction with the appointment of a sufficient number of individuals (not exceeding fourteen) to replace the Trustee or Trustees being removed; and

8.6.2 the decision to remove the Trustee or Trustees is a unanimous one.

9 Criteria to be taken into account by Electoral College when appointing Trustees

In making any appointments of Trustees under Rule 8, the Electoral College shall ensure that the Trustees as a body have an appropriate range and balance of skills and experience, having regard to the following criteria:

- 9.1.1 a commitment to Maori social, educational and economic development;
- 9.1.2 experience in corporate governance and financial control;
- 9.1.3 absence of any clear and irreconcilable conflict of interest;
- 9.1.4 ability to set strategies and monitor performance;
- 9.1.5 an understanding and commitment to the purposes of the trust; and
- 9.1.6 if at all possible, a knowledge or practical understanding or experience in the information or telecommunications technology sectors.

10 Alterations to Rules

The Rules in this Second Schedule may be altered only by a resolution passed by not less than 75 percent of all the members of the Electoral College as follows:

- 10.1 each member of the Electoral College shall be given written notice of any proposed resolution for the alteration of this Second Schedule at least 14 days before the date of the meeting at which it is to be considered; and
- 10.2 any alteration shall be effective only if the alteration does not conflict with the provisions of the Trust Deed and does not prejudice the charitable nature of the purposes of the Trust.

THIRD SCHEDULE : POWERS OF TRUSTEES**PART I : GENERAL POWERS**

- 1 It is the intention that the Trustees shall have and may have in their discretion the fullest possible powers in relation to the Trust Fund, and that they may do anything they think necessary, expedient or desirable even though it is something which they would not normally have power to do in the absence of an express power or an order of the Court. However:
 - 1.1 The Trustees shall not be authorised to do anything which may prejudice the charitable nature of the purposes of the Trust; and
 - 1.2 All the Trustees' powers, authorities and discretions shall be subject to any direction to the contrary in any instrument evidencing or conferring a gift accepted by the Trustees, whether the gift is a Designated Gift or is generally for the purposes of the Trust Fund.

PART II : SPECIFIC POWERS

Without prejudice to the generality of clause 1 of this Third Schedule, or to any of the Trustees' express or implied powers, the Trustees shall have the following specific powers and may exercise them either alone or with any other person(s):

1 To invest

Subject to clause 1.1 of this Third Schedule, to invest the Trust Fund and the income from it in any form of investment, and to vary such investment from time to time.

- 1.1 Any funds not immediately required for the purchase or acquisition of assets or the payment or discharge of the liabilities of the Trust as they fall due, shall be invested only in interest bearing deposit accounts with any bank listed in the register of registered banks referred to in section 69 of the Reserve Bank of New Zealand Act 1989;
- 1.2 To retain any investments coming into the Trustees' hands as part of the Trust Fund for as long as the Trustees think proper, even if they are not investments which could be properly made by a trustee;
- 1.3 Notwithstanding the provisions of section 13C of the Trustee Act 1956 and the likelihood that a Trustee may be a person whose profession, employment, or business is or includes acting as a trustee or investing money on behalf of others, it is hereby declared that the care, diligence and skill to be exercised by the Trustees in exercising any power of investment shall not be that required of such persons by section 13C but shall at all times be the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.

2 To enter into joint venture agreements, etc.

To enter into any joint venture, partnership, co-production agreement or into any arrangement for sharing profits, union of interests, co-operation, reciprocal concession or otherwise with/or to co-operate with or assist or subsidise any person, persons, company or companies carrying on or engaged in or about to carry on or engage in any business or transaction which the Trust is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit the Trust.

3 To sell

To sell any real or personal property forming part of the Trust Fund, in the manner and on the terms and conditions the Trustees think fit, including (without

limitation) power to allow such part of the purchase price as the Trustees think fit to remain on loan with or without security or to be payable by instalments.

4 To postpone sale

To postpone the sale of any real or personal property forming part of the Trust Fund for as long as the Trustees think fit without being liable for any resultant loss to the Trust Fund.

5 To let

To let any real and personal property at such rent and on such terms and conditions (including an option to purchase) as the Trustees think fit and to accept surrenders of any leases and tenancies.

6 To borrow

To borrow any money at whatever rate of interest and upon whatever other terms and conditions the Trustees may think fit, provided that the Trustees shall be satisfied that the Trust will at all relevant times be able to meet payments due against any borrowings and all other current liabilities of the Trust as they fall due. For this purpose, the Trustees may give security for repayment over the entire Trust Fund or any part of it, whether or not any part over which the security is given benefits from the borrowing.

7 To guarantee obligations

To guarantee the liability of any person or corporation and to give security in support of any such guarantee.

8 To carry on business

8.1 To carry on any business whether in partnership or otherwise, for as long as the Trustees think fit. They may use any part of the Trust Fund as capital in the business, and may also employ in the business such managers, agents, employees and other persons as they think fit, provided that any payments made in respect of services provided by such persons shall be reasonable.

8.2 The Trustees shall be absolutely indemnified out of the Trust Fund for any losses which they may sustain in so carrying on any such business.

8.3 Subject to the terms and conditions on which any business is carried on by the Trustees, the net annual profits from any business shall, at the Trustees' discretion, be distributable as income in the Trustees' hands without having to be first applied in making good any earlier business losses. Any business losses for any year, unless the Trustees decide otherwise, shall be borne by the capital of the Trust Fund and not recouped out of later profits.

9 **To accept payment in company securities**

In the sale of any business to a company, to accept payment for all or part of the purchase price in ordinary deferred or preference shares (whether fully paid or partly contributory) or debentures or debenture stock of such company. In exercising this power the Trustees shall not be taken to be exercising a power of investment.

10 **To promote a company**

To promote a company or companies for the purpose of acquiring any business or the assets of any business.

11 **To act in relation to certain companies**

In respect of any company in which the Trust Fund holds or is the beneficial owner of shares, notes, stock or debentures:

11.1 to act as a director of the company and to receive and retain fees or other remuneration for so acting without having to account to the Trust Fund unless the Trustees otherwise require;

11.2 to provide out of the Trust Fund on such terms as the Trustees think fit further capital for the company either by way of advances, loans, deposits or otherwise (with or without security) or by taking further shares in the company;

11.3 to concur in the winding up, reconstruction or amalgamation of the company or in the modification of its regulations, on whatever terms the Trustees think fit; and

11.4 generally to act in relation to the company in whatever manner the Trustees consider to be in the best interests of the Trust Fund.

12 **To maintain property**

To maintain, manage and improve property which, or any interest in which, forms part of the Trust Fund, in whatever manner the Trustees think fit. For those purposes, the Trustees may pay and apply any of the capital and income of the Trust Fund as they think fit.

13 **To purchase property**

To purchase as an asset of the Trust Fund any property or interest in property which the Trustees consider will benefit the Trust Fund. In exercising this power the Trustees shall not be taken to be exercising a power of investment.

14 To grant and acquire options

To grant acquire, dispose of and exercise any option to purchase, lease or exchange any interest in real or personal property of any value, whether the option is incidental to, or independent of, any sale, lease, exchange or other disposition. An option may be granted, acquired or disposed of on such terms and conditions as the Trustees think fit, and in respect of a grant, may be granted at a price determined at the time of the grant or at such later date as the Trustees think fit. The Trustees shall not be personally liable for any loss arising from their exercise of this power and shall be indemnified accordingly out of the Trust Fund.

15 To make loans and advances

To make any loans or advances (with or without security) for any of the purposes of the Trust Fund in such manner and on such terms and conditions as the Trustees think fit.

16 Capital, income and blended funds

To determine whether any money is to be considered as capital or income, and which expenses should be paid out of capital and out of income respectively, and also to apportion blended funds. Each determination or apportionment shall be final and binding on all persons beneficially interested in the Trust Fund.

17 Depreciation or replacement funds

To set up and maintain any depreciation or replacement funds for any purpose the Trustees may consider advisable, and in this regard to determine in their discretion:

17.1 the amount of income to be credited from time to time to any of those funds;

17.2 whether those funds are income or capital.

18 Bank accounts

To open any bank accounts in any name(s) either on the Trustees own behalf or jointly with some other person(s), and to overdraw any such account with or without giving security. The Trustees may also make arrangements with any bank for any one or more of the following persons to operate on any of the Trustees' accounts at that bank:

18.1 the Trustees; and

18.2 any delegate(s) named in writing by all the Trustees.

19 To insure

To insure any building or other insurable property to any amount up to its full insurable value, or at the Trustees' option, up to its full replacement value, against destruction or damage by fire, earthquake, fire following earthquake and such other risks including professional, statutory compliance and other non-property risks as the Trustees think fit. The Trustees may pay the premiums out of income or capital as they think fit.

20 To waive debts

Without being liable for loss, to waive any debts due to the Trust Fund, either absolutely or on such terms as the Trustees think expedient.

21 To protect or enhance assets

To enter into any type of contract whatever to protect, maintain or enhance the value of any assets acquired or held by the Trustees or which they have the right to acquire or hold.

22 To raise funds

To raise money for any of the purposes of the Trust by all lawful means, including the conduct of fund-raising campaigns.

PART III : POWERS AND DUTIES IN RELATION TO THE HAUTAKI TRUST

Subject to the compliance by the Trustees with the provisions of clause 13.2 of the Trust Deed, the Trustees shall have the following powers in relation to The Hautaki Trust:

1 Power to Appoint Trustees of The Hautaki Trust

- 1.1 The statutory power of appointment of new trustees of The Hautaki Trust shall be vested in the Trustees.
- 1.2 The instrument of appointment may provide for the appointment to take effect on a future date or upon the occurrence of a future event, and shall be revocable until effective.

2 Power to remove any Trustee of The Hautaki Trust

- 2.1 The Trustees shall also have power to remove any trustee of The Hautaki Trust without having to give any reason. However, the Trustees shall in exercising the power of removal act reasonably having regard to the purposes of The Hautaki Trust.
- 2.2 However, this power may not be exercised to remove a sole trustee of The Hautaki Trust, unless it is exercised in conjunction with the appointment of a new trustee to replace the trustee being removed.

3 Power to approve exercise of certain Powers by Trustee of Hautaki Trust

- 3.1 The Trustees have the power of approval over:
 - 3.1.1 the payment, application or appropriation of income or capital by the trustee of The Hautaki Trust for or towards any beneficiary of The Hautaki Trust;
 - 3.1.2 the exercise by the trustee of The Hautaki Trust of the reserved powers set out in clauses 20 to 25 (inclusive) in section 4 of the deed establishing The Hautaki Trust.
- 3.2 In exercising their power of approval over any of the matters described in Rule 3.1, the Trustees must first be satisfied that such approval will further the purposes of the Trust as set out in clause 3 of the Trust Deed.

4 Duty to advance the termination day

If the Trustees are of the opinion that the purposes of The Hautaki Trust set out in clause 3 of The Hautaki Trust deed have been or cannot be achieved the Trustees must direct that the trustee of The Hautaki Trust advances the termination day of The Hautaki Trust.

5 Consultation

The Trustees shall be consulted by the trustee of The Hautaki Trust in regard to the preparation and content of a statement of trustee intent for The Hautaki Trust.