

DRAFT TO BE TABLED AT SPECIAL
MEETING TO BE HELD ON 30 JUNE
2016. ALL PROPOSED CHANGES TO
CURRENT CONSTITUTION ARE
MARKED.

Constitution

of

DNZStride Property ~~Fund~~ Limited

Certified as the constitution of DNZStride Property ~~Fund~~ Limited,
adopted
on ~~1 July 2010~~, [] 2016, with effect from and including ~~1 July 2010~~, []
2016.

Timothy Ian Mackenzie Storey
Chairman

Date

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Constitution of ~~DNZStride~~ Property ~~Fund~~ Limited

1. Interpretation

1.1 Definitions

In this Constitution, unless the context otherwise requires:

Act means the Companies Act 1993;

Board means Directors who number not less than the required quorum acting together as the board of directors of the Company;

Business Day means a day on which NZX is open for trading;

Class means a class of Securities having identical rights, privileges, limitations and conditions and includes or excludes Securities which NZX in its discretion deems to be of or not of that Class;

Company means ~~DNZStride~~ Property ~~Fund~~ Limited;

Constitution means this constitution, as altered from time to time;

Director means a person appointed as a director of the Company;

~~**Effective Date** means 1 July 2010;~~

Equity Security means an Equity Security, as defined in the ~~NZSX~~NZX Listing Rules, which has been issued, or is to be issued, by the Company, as the case may require;

~~**Group A Share** has the meaning given to that term in the constitution of the Company in effect immediately prior to the Effective Date;~~

~~**Group B Share** has the meaning given to that term in the constitution of the Company in effect immediately prior to the Effective Date;~~

FMC Act means the Financial Markets Conduct Act 2013;

Holder means a person for the time being shown on the Stapled Security Register as the holder of a Stapled Security;

Listed has the meaning given in the ~~NZSX~~-Listing Rules;

Listing Rules means the NZX Main Board/Debt Market Listing Rules in force from time to time;

Minimum Holding has the meaning given in the ~~NZSX~~-Listing Rules;

NZ Markets Disciplinary Tribunal has the meaning given in the ~~NZSX~~-Listing Rules;

~~**NZSX** means the main board equity security market operated by NZX;~~

~~**NZSX Listing Rules** means the NZSX and NZDX Listing Rules in force from time to time;~~

NZX means NZX Limited, and includes its predecessors, successors and assigns and as the

context permits includes any duly authorised delegate of NZX (including the NZ Markets Disciplinary Tribunal);

[NZX Main Board](#) means the main board equity securities market operated by NZX;

Ordinary Resolution means a resolution passed by a simple majority of the votes of ~~shareholders~~Shareholders of the Company entitled to vote and voting on the resolution;

[Ordinary Share](#) means an ordinary share in the Company;

Personal Representative means:

- (a) in relation to a deceased individual ~~shareholder~~Shareholder, the executor, administrator or trustee of the estate of that ~~shareholder~~Shareholder;
- (b) in relation to a bankrupt individual ~~shareholder~~Shareholder, the assignee in bankruptcy of that ~~shareholder~~Shareholder; and
- (c) in relation to any other individual ~~shareholder~~Shareholder, a person appointed or deemed to have been appointed to administer property under the Protection of Personal and Property Rights Act 1988, a manager appointed or deemed to have been appointed thereunder, and a donee of an enduring power of attorney complying with that Act;

[QFP Offer](#) means an offer of quoted financial products under clause 19 of Schedule 1 of the FMC Act;

[Register](#) means the register of Shareholders of the Company;

Representative means a person appointed as a proxy or representative under clause ~~46~~18 or a Personal Representative;

Ruling has the meaning given in the ~~NZSX~~-Listing Rules;

Security has the meaning given in the ~~NZSX~~-Listing Rules;

[Share](#) means a share in the Company (including an Ordinary Share);

[Shareholder](#) means a person whose name is entered in the Register as the holder of a Share;

[SIML Share](#) means an ordinary share in the Stapled Company;

Special Resolution means a resolution approved by a majority of 75% or more of the votes of those ~~shareholders~~Shareholders entitled to vote and voting on the resolution; ~~and~~

[Stapled Company](#) means Stride Investment Management Limited;

[Stapled Security](#) means one Ordinary Share and one SIML Share linked together and registered in the Stapled Security Register in the name of the Holder;

[Stapled Security Register](#) means the register of Stapled Securities to be established and maintained in accordance with clause 9.5;

[Stapling or Stapled](#) means the linking together of an Ordinary Share and a SIML Share so that they are dealt with as a single Equity Security;

Stapling Commencement Date means such date, as determined by the Company and the Stapled Company and announced through NZX, as being the date on which Stapling becomes effective;

Stapling Deed means the deed between the Company and the Stapled Company [to be] dated [on or around] [] 2016 that provides, amongst other things, for the Stapling of Ordinary Shares and SIML Shares;

Stapling Provision means a provision of this Constitution primarily relating to Stapling and any reference in another provision connected to Stapling and for the avoidance of doubt includes clauses 1.3, 4.2(b), 9, 12, 13.4, 14.1, 22 and 31.4 (together the **Stapling Provisions**); and

Subsidiary means:

- (a) a subsidiary within the meaning of section 5 of the Act (read together with sections ~~6 to 7~~ and 8 of the Act); and
- (b) an entity treated as a subsidiary within the meaning of ~~Financial Reporting Standard Number 37 issued by the New Zealand Institute of Chartered Accountants or within the meaning of~~ any financial reporting standard ~~approved~~ referred to in ~~terms~~ section 19 of the Financial Reporting Act ~~1993-2013~~.

1.2

Construction

In this Constitution, unless the context otherwise requires:

- (a) the headings appear as a matter of convenience and shall not affect the construction of this Constitution;
- (b) in the absence of an express indication to the contrary, references to ~~sections~~, clauses or paragraphs are to ~~sections~~, clauses and paragraphs of this Constitution;
- (c) a reference to any statute, statutory regulations or other statutory instrument includes the statute, statutory regulations or instrument as from time to time amended or re-enacted or substituted;
- (d) a reference to ~~an NZSX~~ Listing Rule includes that ~~NZSX~~ Listing Rule as from time to time amended or substituted;
- (e) the singular includes the plural and vice versa and one gender includes the other genders;
- (f) the words "written" and "writing" include facsimile communications and any other means of communication resulting in permanent visible reproduction;
- (g) the word "person" includes any association of persons whether corporate or unincorporate, and any state or government or department or agency thereof, whether or not having separate legal personality;
- (h) references to the Company's previous constitution include that constitution as amended from time to time; and
- (i) words or expressions defined in the Act or the ~~NZSX~~ Listing Rules have the same meaning in this Constitution except as otherwise expressly provided in this Constitution.

1.3 **Stapling**

- (a) If there is an inconsistency between a Stapling Provision and any other provision of this Constitution, then the Stapling Provision prevails to the extent of the inconsistency, except where this would result in a breach of the Listing Rules, the Act or any other law irrespective of whether or not the other provision is expressed to apply notwithstanding any other provisions in this Constitution.
- (b) It is the intention of the Company (and as more specifically set out in this Constitution) that for as long as Stapling applies:
- (i) all Ordinary Shares will be Stapled to SIML Shares in the ratio of one Ordinary Share to one SIML Share;
 - (ii) the holders of Ordinary Shares will be identical to the holders of SIML Shares and each such holder will hold an equal number of Ordinary Shares and SIML Shares;
 - (iii) as far as the law permits, an Ordinary Share and the SIML Share to which it is Stapled will be treated as one Equity Security;
 - (iv) no issue of Ordinary Shares is to occur without the corresponding number of SIML Shares also being issued, and no Ordinary Share is to be transferred unless the SIML Share to which it is Stapled is also transferred, at the same time and to the same persons;
 - (v) no issue of Securities is to occur other than in accordance with the Stapling Deed unless the Company and Stapled Company agree otherwise; and
 - (vi) if the Stapled Company issues SIML Shares, the Company shall issue (and the Directors shall procure that the Company issues) at the same time the same number of Ordinary Shares as the number of SIML Shares being issued to the same persons, and in the same numbers, as the SIML Shares are issued, which Ordinary Shares are to be issued for no consideration unless the issue is being made under a joint offer of Ordinary Shares and SIML Shares by the Company and the Stapled Company in accordance with the Stapling Deed under which they are both raising additional capital.
- (c) If, in accordance with the Stapling Deed, the Company issues any Securities other than Ordinary Shares that are to be Stapled with Securities of the same class being issued by the Stapled Company, the terms of issue of those Securities are to provide that they are to be Stapled to the Securities being issued by the Stapled Company on the same basis as the Ordinary Shares and SIML Shares are Stapled unless the Company and the Stapled Company agree otherwise.
- (d) Where the Stapling Provisions do not apply or cease to apply, a provision of this Constitution related to or connected with Stapling will continue to apply to the extent that the provision does not relate to Stapling.

1.4 ~~1.3~~ **Powers of ~~shareholders~~ Shareholders**

Unless otherwise specified in the Act or this Constitution any power reserved to ~~shareholders~~ Shareholders may be exercised and any approval of ~~shareholders~~ Shareholders may be given by Ordinary Resolution.

2. ~~The Companies Act and NZSX~~the Listing Rules

2.1 ~~Companies~~The Act

The Company, the Board, each Director and each ~~shareholder~~Shareholder of the Company have the rights, powers, duties and obligations set out in the Act except to the extent that, as permitted by the Act, they are negated or modified by this Constitution.

2.2 Incorporation of ~~NZSX~~Listing Rules

While the Company is Listed those provisions of the ~~NZSX~~Listing Rules which are required by the ~~NZSX~~Listing Rules to be contained or incorporated by reference in this Constitution, as they may be modified by any Ruling relevant to the Company, will be deemed to be incorporated in this Constitution and have the same effect as though they were set out in full with any necessary modification.

2.3 ~~NZSX~~Listing Rules prevail

While the Company is Listed, if there is any provision in this Constitution that is inconsistent with the ~~NZSX~~Listing Rules relevant to the Company, the ~~NZSX~~Listing Rules prevail. No provision in this Constitution will prohibit or restrict any action which is or may be permitted by the Listing Rules or the NZX to be taken by the Company, the Board, each Director or the ~~shareholders~~Shareholders of the Company.

2.4 Compliance with ~~NZSX~~the Listing Rules

Subject to:

- (a) the terms of any Ruling from time to time given by NZX; and
- (b) the requirements of the Act and any other applicable legislative or regulatory requirement,

the Company shall, for so long as it is Listed, comply with the ~~NZSX~~Listing Rules.

2.5 NZX Rulings

If NZX has granted a Ruling in relation to the Company authorising any act or omission which in the absence of the Ruling would be in contravention of the ~~NZSX~~Listing Rules or this Constitution, that act or omission will be deemed to be authorised by the ~~NZSX~~Listing Rules and by this Constitution.

2.6 Effect of failure to comply

Failure to comply with:

- (a) the ~~NZSX~~ Listing Rules; or
- (b) a provision of this Constitution corresponding with a provision of the ~~NZSX~~ Listing Rules (whether such provision is set out in full in this Constitution or incorporated in it pursuant to clause 2.2);

shall not affect the validity or enforceability of any transaction, contract, action or other matter whatsoever (including the proceedings of, or voting at, any meeting) done or entered into by, or affecting, the Company, except that a party to a transaction or contract who knew of the failure to comply with the ~~NZSX~~Listing Rules or those provisions of this Constitution shall not

be entitled to enforce that transaction or contract. This provision does not affect the rights of any holder of Securities of the Company against the Company or the Directors arising from failure to comply with the ~~NZSX~~-Listing Rules or those provisions of this Constitution.

3. ~~Rights attaching to shares~~ ~~3.1~~ ~~Shares~~ ~~on Effective Date~~

~~On the Effective Date each Group A Share and each Group B Share shall, without any further action by the Company, the Board or any Shareholder, become an ordinary share in the Company.~~

~~3.1~~ ~~3.2~~ ~~Ordinary~~ ~~shares~~ ~~Shares~~

Each ~~ordinary share~~ Ordinary Share in the Company at the date of adoption of this Constitution confers on the holder the following rights (in addition to the rights set out elsewhere in this Constitution):

- (a) subject to the rights of holders of any ~~shares~~ Shares or other Equity Securities which confer special rights as to dividends, the right to an equal share in dividends authorised by the Board; and
- (b) subject to the rights of holders of any ~~shares~~ Shares or other Equity Securities which confer special rights as to surplus assets, the right to an equal share in the distribution of surplus assets of the Company.

~~3.2~~ ~~3.3~~ ~~New~~ ~~shares~~ ~~Shares~~

Subject to clause 4, further ~~shares~~ Shares in the Company (including further Ordinary Shares and different Classes of ~~shares~~ Shares) may be issued which have any one or more of the following features:

- (a) rank equally with, or in priority to, existing ~~shares~~ Shares in the Company; or
- (b) have deferred, preferred or other special rights or restrictions, whether as to voting rights or distributions or otherwise; or
- (c) confer preferential rights to distributions of capital or income; or
- (d) confer special, limited or conditional voting rights; or
- (e) do not confer voting rights; or
- (f) are redeemable in accordance with section 68 of the Act; or
- (g) are convertible.

~~3.3~~ ~~3.4~~ ~~Alteration of rights~~

The issue by the Company of any further ~~shares~~ Shares or Equity Securities which rank equally with, or in priority to, any existing ~~shares~~ Shares or Equity Securities, whether as to voting rights or distributions, shall:

- (a) be permitted (subject to clause 4); and
- (b) not be deemed to be an action affecting the rights attached to those existing ~~shares~~ Shares or other Equity Securities.

4. Issue of new Equity Securities

4.1 Issue of new Equity Securities

~~The~~Subject to the Stapling Provisions and the Stapling Deed, the Board may issue ~~shares~~Shares or other Equity Securities to any person and in any number it thinks fit provided that while the Company is Listed, the issue is made in compliance with the ~~NZSX~~-Listing Rules. The provisions of sections 45(1) and 45(2) of the Act shall not apply to any issue or proposed issue of ~~shares~~Shares by the Company.

4.2 Requirements for issue while Stapling applies

- (a) The Directors may issue different Classes of Shares provided that each such Share is issued in accordance with clause 1.3 and the Stapling Deed while Stapling applies.
- (b) Without limiting clause 4.2(a) above, the Directors may issue partly paid Ordinary Shares provided that, while Stapling applies:
- (i) the Stapled Company issues at the same time the same number of partly paid SIML Shares to the same people, and in the same numbers, as the partly paid Shares are issued;
 - (ii) each partly paid Ordinary Share issued by the Directors is Stapled to a partly paid SIML Share on the same terms and basis as the Ordinary Shares are Stapled to the SIML Shares under this Constitution and the Stapling Deed; and
 - (iii) the terms of the partly paid Ordinary Shares and partly paid SIML Shares are consistent with the provisions of this Constitution relating to payments, calls, forfeiture and liens, as they apply to the Shares.

4.3 ~~4.2~~ Consolidation and subdivision of Equity Securities

Subject to any applicable provisions of this Constitution (including in particular the Stapling Provisions), the Board may:

- (a) consolidate and divide the Equity Securities or Equity Securities of any Class in proportion to those Equity Securities or the Equity Securities in that Class; or
- (b) subdivide the Equity Securities or Equity Securities of any Class in proportion to those Equity Securities or the Equity Securities in that Class.

provided that while the Stapling Provisions apply no such consolidation, division or subdivision is to be effected by the Board in respect of the Ordinary Shares unless the Stapled Company also consolidates, divides or subdivides (as the case may be), on exactly the same terms and at the same time, the SIML Shares.

4.4 ~~4.3~~ Bonus issues

Subject to any applicable provisions of this Constitution (including in particular the Stapling Provisions), the Board may resolve to apply any amount which is available for distribution to ~~shareholders~~Shareholders either:

- (a) in paying up in full ~~shares~~Shares or other Securities of the Company to be issued credited as fully paid to:
 - (i) the ~~shareholders~~Shareholders who would be entitled to that amount if it were distributed by way of dividend, and in the same proportions; and

(ii) if applicable, the holders of any other Securities of the Company who are entitled by the terms of issue of those Securities to participate in bonus issues by the Company, whether at the time the bonus issue is made to the ~~shareholders~~ Shareholders, or at some time later, in accordance with their respective entitlements; or

(b) in paying up any amount which is unpaid on any ~~shares~~ other Shares of the Company held by ~~the shareholders~~ those Shareholders referred to in clause ~~4.34.4~~ 4(a)(i),

or partly in one way and partly in the other ~~provided that any such issue of Shares or other Securities is made in accordance with the Stapling Deed and the Stapling Provisions, and any such paying up of any amount which is unpaid on any Ordinary Share is done in accordance with clause 6.10.~~

5. Buybacks and redemptions of Equity Securities and financial assistance

5.1 Powers

The Company may:

- (a) purchase or otherwise acquire ~~shares~~ Shares issued by it from one or more ~~shareholders~~ Shareholders;
- (b) purchase or otherwise acquire other Equity Securities from one or more holders;
- (c) hold any ~~shares~~ Shares or other Equity Securities so purchased or acquired; and
- (d) redeem any redeemable ~~shares~~ Shares or other Equity Securities held by one or more holders,

in accordance with the provisions of, and subject to the restrictions set out in ~~of~~ the Act, this Constitution ~~and~~ the ~~NZSX~~ Listing Rules and while Stapling applies the Stapling Deed with the intent that the Company may only purchase, acquire, redeem or hold Ordinary Shares if the Stapled Company also purchases or otherwise acquires, holds or redeems, at the same time, the SIML Shares (if any) to which the Ordinary Shares being purchased, acquired, held or redeemed by the Company are Stapled.

5.2 Financial assistance

The Company shall not give financial assistance for the purpose of, or in connection with, the acquisition of any ~~shares~~ Shares or other Equity Securities issued, or to be issued, by the Company unless the giving of that assistance is in accordance with the provisions of the Act and the ~~NZSX~~ Listing Rules.

6. Calls on ~~shares~~ Shares

6.1 Board's power

~~The~~ Subject to clause 6.10, the Board may, by notice in writing to a ~~shareholder or shareholders~~ Shareholder or Shareholders, make calls in respect of all moneys unpaid on ~~shares~~ Shares and which are not, by the terms applicable to the ~~shares~~ Shares, payable at fixed times. The Board may revoke or postpone a call before payment is received.

6.2 Liability to pay

Each relevant ~~shareholder~~Shareholder shall be liable (jointly and severally in the case of joint ~~shareholders~~Shareholders) to pay, in accordance with the relevant notice, every call and shall remain liable to do so notwithstanding the subsequent transfer of the relevant ~~shares~~Shares.

6.3 Differential calls

Calls may be made in respect of certain ~~shares~~Shares and not others and for different amounts in respect of certain ~~shares~~Shares from others. The Board may, at the time of issue of any ~~shares~~Shares, differentiate between the holders as to the amount of calls to be paid and the time of payment.

6.4 Instalments

The Board may determine that a call is payable by instalments.

6.5 Time call is made

A call shall be deemed to have been made at the time the resolution of the Board authorising the call was passed.

6.6 Interest on overdue amounts

A call not paid when due shall bear interest from the due date to the date of actual receipt by the Company at the rate fixed in the notice of call or the terms applicable to the relevant ~~shares~~Shares or, if there is no such rate, as the Board determines. The Board may waive payment of interest wholly or in part.

6.7 Unpaid instalments

Any amount payable on issue of a ~~share~~Share or on any fixed date or as an instalment of a call shall be deemed to be a call and if not paid, the provisions of this clause 6 and clauses 7 and 8 shall apply as if that sum had become payable by the making of a call.

6.8 Calls in advance

The Board may, in its discretion, receive any moneys uncalled and unpaid upon any ~~shares~~Shares in advance of its due date and, may pay interest on the amount received at such rate (if any) and on such terms as the Board determines.

6.9 Evidence

In any proceedings for the recovery of moneys due in respect of any call a statutory declaration by a Director or any other person authorised by the Board that:

- (a) the name of the ~~shareholder~~Shareholder is entered in the ~~share register~~Register as the holder (or one of the holders) of the relevant ~~shares~~Shares;
- (b) the resolution making the call is recorded in the records of the Company; and
- (c) notice of the call was sent to the ~~shareholder~~Shareholder,

shall be conclusive evidence of the indebtedness of the ~~shareholder~~Shareholder to the Company in respect of the call.

6.10 Stapled Securities

While Stapling applies:

- (a) a call may not be made in respect of an Ordinary Share unless a call is also made by the Stapled Company in respect of the SIML Share to which that Share is Stapled;
- (b) a partly paid Ordinary Share that is Stapled to a partly paid SIML Share must be issued on the basis that a call in respect of that partly paid Share will not be regarded as having been paid unless any amounts payable in respect of the partly paid SIML Share to which it is Stapled are also paid; and
- (c) an amount may not be regarded as having been paid in respect of an Ordinary Share that is Stapled to a partly paid SIML Share unless any amounts payable in respect of the partly paid SIML Share to which it is Stapled are also paid.

7. **Lien on ~~shares~~Shares**

7.1 **Lien on unpaid and partly paid ~~shares~~Shares**

The Company shall have a first and paramount lien on every ~~share~~Share which is not a fully paid ~~share~~Share (and any dividends or other distributions in respect of that ~~share~~Share) for:

- (a) all unpaid calls, instalments, or other amounts, and any interest payable on those amounts, relating to that ~~share~~Share;
- (b) any amounts the Company may be called upon to pay under any legislation in respect of that ~~share~~Share; and
- (c) sales expenses owing to the Company in respect of any such ~~shares~~Shares.

7.2 **Power of sale**

If any amount due in respect of a ~~share~~Share on which the Company has a lien is unpaid for more than 10 ~~working days~~Business Days after notice in writing demanding payment has been given to the ~~shareholder~~Shareholder or the person entitled to receive notices in respect of that ~~share~~Share:

- (a) the Company may sell the ~~share~~Share (and while Stapling applies, the SIML Share to which it is Stapled) on such terms as the Board determines in agreement with the Stapled Company; and
- (b) to give effect to any such sale, the Board may authorise any person to execute a transfer of the ~~share~~Share (and while Stapling applies, the SIML Share to which it is Stapled) to, or at the direction of, the purchaser.

7.3 **Absolute title of purchaser**

The title of a purchaser of any ~~shares~~Shares sold pursuant to clause 7.2 shall not be affected by any irregularity or invalidity in any sale.

7.4 **Application of sale proceeds**

The net proceeds of sale of any ~~share~~Share sold pursuant to clause 7.2, after deducting expenses of sale, shall be applied in and towards satisfaction of any unpaid calls, instalments or other amounts due and payable in respect of the Share (and the SIML Share to which it is

Stapled, if the Share that was sold was Stapled to a SIML Share) and any interest on those amounts and the balance (if any) shall be paid to the person entitled to the ~~share~~Share and the SIML Share to which it is Stapled at the date of sale. The remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively.

7.5 Stapled Security lien sale

- (a) If a power of sale arises under clause 7.2 in respect of an Ordinary Share which is Stapled to a SIML Share:
- (i) that Ordinary Share may only be sold if the SIML Share to which it is Stapled is sold with the Ordinary Share at the same time as a Stapled Security to the purchaser of the Share; and
 - (ii) the price at which that Ordinary Share and the SIML Share to which it is Stapled are sold, as a Stapled Security, and the allocation of that price between the Ordinary Share and the SIML Share to which it is Stapled must be determined by the Board in agreement with the Stapled Company.
- (b) Upon a person's Ordinary Shares which are Stapled being sold under this clause 7, that person will cease to be a Shareholder in respect of those Ordinary Shares and cease to be a shareholder of the Stapled Company in respect of the SIML Shares to which those Ordinary Shares are Stapled and will lose all entitlements to dividends and distributions (as applicable) in respect of those Ordinary Shares and the SIML Shares to which they are Stapled.

8. Forfeiture of ~~shares~~Shares

8.1 Notice

If a call on a ~~share~~Share is not paid when due, the Board may give 10 ~~working days~~Business Days' notice to the ~~shareholder~~Shareholder requiring payment of the call, together with interest on the amount of the call and any accrued expenses incurred by the Company by reason of non-payment. The notice shall specify the place of payment and state that if the notice is not complied with the relevant ~~share~~Share (and the SIML Share to which the Share is Stapled (if any)) will be liable to be forfeited.

8.2 Forfeiture

If the notice is not complied with the ~~share~~Share (and the SIML Share to which the Share is Stapled (if any)) may, before payment of the overdue amount has been made, be forfeited by resolution of the Board. Such forfeiture will include all dividends and any other distributions declared in respect of ~~the any such~~ forfeited ~~shares~~Shares (and the SIML Shares to which they are Stapled (if any)) and not paid or satisfied before forfeiture. A Share that is Stapled may only be forfeited if the SIML Share to which it is Stapled is also simultaneously forfeited.

8.3 Sale of forfeited ~~shares~~Shares

A forfeited ~~share~~Share (and the SIML Share to which it is Stapled (if any)) may be sold or otherwise disposed of on such terms and in such manner as the Board determines in agreement with the Stapled Company. To give effect to any sale or disposal the Board may authorise any person to execute any relevant documentation. The Board may, at any time before the sale or disposal, cancel the forfeiture of a Share provided the forfeiture of the SIML Share to which that Share is Stapled is also cancelled.

8.4 Application of sale proceeds

The net proceeds of sale of any forfeited ~~share~~Share shall be applied in the same manner as set out in clause 7.4.

8.5 Absolute title of purchaser

The title of a purchaser of a forfeited ~~share~~Share shall not be affected by any irregularity or invalidity in the forfeiture, sale or other disposal of the ~~share~~Share.

8.6 Consequences of forfeiture

A person whose ~~shares~~Shares have been forfeited shall cease to be a ~~shareholder~~Shareholder in respect of those ~~shares~~Shares and shall surrender the ~~share~~Share certificate (if any) for cancellation but shall remain liable to the Company for all moneys due to the Company at the date of forfeiture in respect of the ~~shares~~Shares together with interest thereon until the Company receives payment in full of all money owing for those ~~shares~~Shares.

8.7 Stapled Security forfeiture

(a) If the power of forfeiture and sale arises in respect of an Ordinary Share under this clause 8:

- (i) that Ordinary Share may only be sold if the SIML Share to which it is Stapled is sold with the Ordinary Share as a Stapled Security to the purchaser of the Ordinary Share at the same time; and
- (ii) the price at which that Ordinary Share and the SIML Share to which it is Stapled are sold, as a Stapled Security, and the allocation of such price between the Ordinary Share and the SIML Share to which it is Stapled, must be determined by the Board in agreement with the Stapled Company.

(b) If:

- (i) a Shareholder's Ordinary Shares that are Stapled to SIML Shares are forfeited; or
- (ii) SIML Shares held by a Shareholder that are Stapled to Ordinary Shares are forfeited.

that Shareholder will simultaneously cease to be a Shareholder in respect of those Ordinary Shares and cease to be a shareholder of the Stapled Company in respect of the SIML Shares to which those Ordinary Shares are Stapled and will lose all entitlements to dividends and distributions (as applicable) in respect of those Ordinary Shares and SIML Shares.

8.8 ~~8.7~~ Evidence of forfeiture

A statutory declaration by a Director or any other person authorised by the Board that a ~~share~~Share has been forfeited on a specified date shall be conclusive evidence of that forfeiture.

8.9 ~~8.8~~ Right of set off

The Board may deduct from the dividends payable to any ~~shareholder~~Shareholder, all sums of money as may be due from that holder to the Company on account of calls, instalments

upon the specific ~~shares~~Shares in respect of which the dividend is declared, and on account of amounts that the Company may be called upon to pay under any statute or legislative enactment in respect of the ~~shares~~Shares of a deceased or other holder.

9. Stapled Securities issues

9.1 Stapling commencement

- (a) The provisions of this clause 9 apply notwithstanding the provisions of clause 3 and clause 4.1.
- (b) From the Stapling Commencement Date each Ordinary Share must be Stapled to one SIML Share
to form a separate Stapled Security.

9.2 Issues

While Stapling applies, the number of Ordinary Shares on issue must at all times equal the number of SIML Shares on issue.

9.3 Director obligations

- (a) The Directors and the Company must not do, nor refrain from doing, anything that would directly or indirectly result in an Ordinary Share no longer being Stapled to a SIML Share except in accordance with clause 9.7. In particular, the Directors and the Company must not convert, consolidate, divide, subdivide, cancel or buy back an Ordinary Share unless at the same time the SIML Share that is Stapled to that Ordinary Share is also converted, consolidated, divided, subdivided, cancelled or subject to buy back on the same basis, so that each holder of Ordinary Shares will at all times hold an equal number of Ordinary Shares and SIML Shares.
- (b) While Stapling applies, the Directors and the Company must use reasonable endeavours to ensure that Ordinary Shares are treated, in the constitution of the Stapled Company, in a manner that is consistent with the treatment provided in this Constitution.
- (c) Subject to the Act, Listing Rules, the Stapling Deed and any other agreement with the Stapled Company, the Directors and the Company may:
 - (i) from time to time cause any securities, units or interests in another entity to become Stapled so that the securities, units or interests (as applicable) in that entity become Stapled Securities; and
 - (ii) without limiting any other provision of this Constitution, effect such Stapling by distributing in specie to Shareholders the securities, units or interests (as applicable) of such an entity. To the extent permitted under the Act, Shareholders are deemed to have agreed to becoming shareholders of any such other entity.

9.4 Corresponding offer and issue of Ordinary Shares and SIML Shares

The Directors may not offer, allot or issue an Ordinary Share or any other Share of another Class designated by the Directors as comprising part of a Stapled Security, unless at the same time, a SIML Share or other share of the Stapled Company of the same Class as the Class of Share being offered, allotted or issued by the Company is also offered, allotted or issued (as applicable) by the Stapled Company to the same person to form a Stapled

Security. This applies regardless of whether any such Ordinary or other Share is allotted or issued upon the exercise of an option, or under a rights issue, private placement, QFP Offer, plan for the reinvestment of dividends or otherwise.

9.5 Acceptance of offers relating to Shares

Notwithstanding any other provision of this Constitution:

- (a) a Shareholder cannot accept an offer for the issue of, or an offer to buyback or redeem, an Ordinary Share unless the Shareholder also accepts, on exactly the same basis, the corresponding offer by the Stapled Company; and
- (b) the Company must not give effect to an acceptance by a Shareholder of any such offer by it unless the Shareholder has also accepted, on exactly the same basis, the corresponding offer by the Stapled Company,

so that the Shareholder continues to hold the same number of Ordinary Shares and SIML Shares.

9.6 Stapled Security Register

- (a) The Stapled Securities must be registered in the Stapled Security Register and the Company must issue a holding statement in accordance with the requirements of the Listing Rules, in respect of the Stapled Securities, identifying the Stapled Securities to which the statement relates.
- (b) The Directors must maintain or cause to be maintained the Stapled Security Register which records the names and addresses of the Shareholders holding Ordinary Shares, the number of Ordinary Shares and the number of Stapled Securities held by the Shareholders and any additional information required by the Act, the Listing Rules or by the Directors from time to time.
- (c) The Stapled Security Register will, for so long as Stapling applies, be deemed to constitute part of the Register, and in this case all other provisions of this Constitution applicable to the Register will apply only to any part of the Register kept in addition to the Stapled Security Register.
- (d) Subject to this clause 9, the Directors must maintain in accordance with the Act a Register recording details of each class of Shares regardless of whether the Shares are Stapled.

9.7 Cessation of Stapling Provisions

- (a) Each Share designated by the Directors as comprising part of a Stapled Security will remain Stapled for so long as the Stapling Provisions apply.
- (b) The Stapling Provisions will cease to apply or be suspended, regardless of any other provision of this Constitution, if:
 - (i) Holders approve such cessation or suspension by Special Resolution; or
 - (ii) an administrator, manager, receiver, liquidator or similar officer is appointed to the Company or the Stapled Company or its respective property (as the case may be) and the Directors resolve, that the Stapling Provisions will cease to apply or be suspended (as the case may be).

- (c) The Stapling Provisions will cease to apply or be suspended under clause 9.6(b) above from such time as determined under the Special Resolution (in the case of clause 9.6(b)(i)) or by the Directors in their absolute discretion (in the case of clause 9.6(b)(ii)).

10. ~~9.~~ Transfer of ~~shares~~Shares

10.1 ~~9.1~~ Transferor to remain holder until registration

The transferor of a ~~share~~Share shall remain the holder of the ~~share~~Share until the name of the transferee is entered in the ~~share register~~Register.

10.2 ~~9.2~~ Right to transfer

Subject to any restrictions contained in this Constitution, ~~shares~~Shares may be transferred:

- (a) under a system of transfer approved under ~~section 7~~sections 376 to 378 of the ~~Securities Transfer~~FMC Act 1994 which is applicable to the Company; ~~or~~
- (b) under any other share transfer system which operates in relation to the trading of securities on any stock exchange outside New Zealand on which ~~shares~~Shares are listed and which is applicable to the Company; or
- (c) by an instrument of transfer which complies with this Constitution.

10.3 ~~Stapling~~

Subject to the Listing Rules, the Company must not, while Stapling applies, register a transfer of an Ordinary Share unless the SIML Share to which it is Stapled is transferred at the same time to the same transferee.

10.4 ~~9.3~~ Method of transfer

A ~~share~~Share which is disposed of in a transaction which complies with the requirements of a system of transfer referred to in clause ~~9.2~~10.2(a) or ~~9.2~~10.2(b) may be transferred in accordance with the requirements of that system. Where an instrument of transfer would have complied with the provisions of the ~~Securities Transfer~~FMC Act 1994 if it had been executed by the transferor in New Zealand, it may nevertheless be registered by the Company if it is executed in a manner acceptable to the Company or the Company's share registrar.

10.5 ~~9.4~~ Forms of ~~transfers~~transfer

An instrument of transfer to which the provisions of clause ~~9.3~~10.4 are not applicable shall comply with the following provisions:

- (a) the form of the instrument of transfer shall be any usual or common form or any other form which the Board or the Company's share registrar may approve;
- (b) the instrument of transfer must be signed or executed by or on behalf of the transferor; and
- (c) where the ~~shares~~Shares being transferred are not fully paid up, the instrument of transfer must also be signed or executed by or on behalf of the transferee.

10.6 ~~9.5~~ Power to refuse to register

The Board may decline to register any transfer of ~~shares~~Shares where:

- (a) the Company has a lien on any of the ~~shares~~Shares; or
- (b) the transfer is not accompanied by ~~the certificate (if any) for the shares to which it relates or other~~such evidence as the Board or the Company's share registrar may reasonably require to show the right of the transferor to make the transfer; ~~or~~
- (c) registration, together with the registration of any further transfer then held by the Company and awaiting registration, would result in the proposed transferee holding ~~shares~~Shares of less than a Minimum Holding; or
- (d) in the case of a transfer of Ordinary Shares while Stapling applies, the SIML Shares to which those Ordinary Shares are Stapled are not also being transferred to the transferee of the Ordinary Shares,

provided that the Board resolves to exercise its powers under this clause ~~9.5~~10.6 within 30 ~~working days~~Business Days after receipt of the relevant transfer and notice of the resolution is sent to the transferor and to the transferee within five ~~working days~~Business Days of the resolution being passed by the Board.

10.7 ~~9.6~~ Trusts not to be entered on registers

The Company must not enter any notice of a trust on the ~~share register~~Register, or any other register of equity securities, whether that trust is express, implied or constructive.

10.8 ~~9.7~~ Sale of less than Minimum Holding

The Board may at any time give notice to any ~~shareholder~~Shareholder holding less than a Minimum Holding of ~~shares of any Class~~Shares of any Class (including Ordinary Shares that, when taken together with the SIML Shares to which they are Stapled, do not form part of a Minimum Holding of Stapled Securities) that if at the expiration of three months after the date the notice is given the ~~shareholder~~Shareholder still holds ~~shares~~Shares which are less than a Minimum Holding (or form part of a holding of Stapled Securities that is less than a Minimum Holding of such Stapled Securities), the Board may exercise the power of sale of those ~~shares~~Shares set out in this clause ~~9.7-~~10.8. If that power of sale becomes exercisable the:

- (a) Board may arrange for the sale of those ~~shares~~Shares through NZX or in some other manner approved by NZX, provided that, while Stapling applies, there must be a simultaneous sale of the SIML Shares to which they are Stapled (if any) as a parcel of Stapled Securities, which sale must be effected by agreement with the Stapled Company (including as to the allocation of the sale price for those Stapled Securities between the Ordinary Shares and SIML Shares to which they are Stapled) in accordance with the Stapling Deed;
- (b) ~~shareholder~~Shareholder shall be deemed to have authorised the Company to act on the ~~shareholder~~Shareholder's behalf and to execute all necessary documents for the purposes of that sale;
- (c) Company shall account to the ~~shareholder~~Shareholder for the net proceeds of sale of the ~~shares~~Shares (after deduction of reasonable sale expenses), which shall be held on trust for the ~~shareholder~~Shareholder by the Company and paid to the ~~shareholder~~Shareholder on surrender of any certificates for the ~~shares~~Shares sold; and

- (d) title of a purchaser of any ~~shares~~[Shares](#) sold pursuant to this clause ~~9.7~~[10.8](#) shall not be affected by any irregularity or invalidity in the exercise of the power of sale or the sale itself.

~~10.9~~ **9.8-Registration of transfers**

Every instrument of transfer shall be delivered to the Company's share registrar, together with such evidence as the Board or the Company's share registrar may reasonably require to show the right of the transferor to make the transfer.

~~10.10~~ **9.9-Participation in share transfer systems**

The Company may participate in any share transfer system approved under the ~~Securities-Transfer~~[FMC Act 1994](#) and implemented by NZX or in any share transfer system which operates in relation to trading in securities on any other stock exchange on which the ~~Company's shares~~[Shares](#) are traded and, in so participating, it shall comply with the requirements of NZX or of the relevant share transfer system. The Board may register any transfer of Securities presented for registration in accordance with the requirements of any such system and will not be obliged to enquire as to the due execution of any transfer effected by reason of such system.

~~10.11~~ **9.10-Power to divide ~~share register~~[Register](#)**

The ~~share register~~[Register](#) may be divided into two or more registers kept in different places.

~~10.12~~ **9.11-Transfer of securities other than ~~shares~~[Shares](#)**

This clause ~~9~~[10](#) shall apply to transfers of Securities of the Company other than ~~shares~~[Shares](#) with any necessary modifications.

~~10.13~~ **9.12-Untraced ~~shareholders~~[Shareholders](#)**

(a) Entitlement to sell

The Board will be entitled to transfer to a trust (the **Trust**) set up for that purpose, the ~~shares~~[Shares](#) of any person where three or more dividends paid in respect of the ~~shares~~[Shares](#) in question have remained unclaimed for at least one year after having been authorised and 10 ~~working days~~[Business Days](#) prior notice to the intention of transfer the ~~shares~~[Shares](#) to the Trust has been given provided that the SIML Shares (if any) to which the relevant Shares are Staped are also transferred to the Trust.

(b) Further securities

If any further ~~shares~~[Shares](#) have been issued in respect of the ~~shares~~[Shares](#) referred to in paragraph (a) above, the Board may also transfer the further ~~shares~~[Shares](#) to the Trust notwithstanding that the requirement that three dividends remain unclaimed for at least one year after having been authorised may not have been satisfied with respect to such further ~~shares~~[Shares](#) provided that the SIML Shares (if any) to which the relevant Shares are Staped are also transferred to the Trust.

(c) Sale by Trust

If at the end of a three year period commencing on the date of transfer of the ~~shares~~Shares to the Trust, and after 10 ~~working days~~Business Days' prior notice of the intention to sell has been given, no person has claimed ownership of the ~~shares~~Shares, the Board may arrange for the sale of those ~~shares~~Shares through the NZX for such price as may be determined by the Board provided that while Stapling applies:

- (i) the SIML Shares (if any) to which those Shares are Stapled must be sold with the Shares, at the same time, to the purchaser of those Shares as Stapled Securities; and
- (ii) the price at which the Shares and the SIML Shares (if any) to which they are Stapled are sold as a Stapled Security, and the allocation of such price between the Shares and the SIML Shares to which they are Stapled, must be determined by agreement between the Company and the Stapled Company.

(d) Sale procedures

To give effect to any transfers or sale under ~~paragraphs clauses 10.13~~(a) to ~~10.13~~(c) of this clause, ~~10.13~~, the Board may authorise some person to execute an instrument of transfer of the ~~shares~~Shares sold to, or in accordance with the directions of, the transferee and an instrument of transfer executed by that person will be as effective as if it had been executed by the holder of, or person entitled by transmission to, the ~~shares~~Shares. The transferee will not be bound to see to the application of the purchase monies nor will title to the ~~shares~~Shares be affected by any irregularity or invalidity in the exercise of the power of sale or the sale itself.

(e) Proceeds

Upon any sale of the ~~shares~~Shares by the Trust, the net proceeds of sale (after deduction of reasonable sale expenses) will belong to the Company. The Board will, nevertheless, agree to pay the net proceeds of sale to a claimant who produces satisfactory evidence of entitlement but the Board will have no requirement to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments as determined by the Board.

11. ~~10.~~ Transmission of ~~shares~~Shares**11.1 ~~10.1~~ Transmission on death of ~~shareholder~~Shareholder**

If a ~~shareholder~~Shareholder dies the survivor, if the deceased was a joint ~~shareholder~~Shareholder, or the ~~shareholder~~Shareholder's Personal Representative, shall be the only persons recognised by the Company as having any title to or interest in the ~~shares~~Shares of the deceased ~~shareholder~~Shareholder. Nothing in this clause ~~10.1~~11.1 shall release the estate of a deceased joint ~~shareholder~~Shareholder from any liability in respect of any ~~share~~Share or constitute a release of any lien which the Company may have in respect of any ~~share~~Share.

11.2 ~~10.2~~ Rights of Personal Representatives

A ~~shareholder~~Shareholder's Personal Representative is entitled to:

- (a) exercise all rights (including without limitation the rights to receive distributions, to attend meetings and to vote in person or by representative), and is subject to all limitations, attached to the ~~shares~~Shares held by that ~~shareholder~~Shareholder; and

- (b) be registered as holder of those ~~shares~~Shares, but such registration shall not operate as a release of any rights (including any lien) to which the Company was entitled prior to registration of the Personal Representative pursuant to this clause ~~10.2(b)~~11.2(b) provided that the Personal Representative is also registered, at the same time, as the holder of SIML Shares (if any) to which those Shares are Stapled and (where applicable) is also registered in the Stapled Security Register as the Holder of the relevant Stapled Securities.

11.3 ~~10.3~~ **Joint Personal Representatives**

Where a ~~share~~Share is subject to the control of two or more persons as Personal Representatives, they shall, for the purposes of this Constitution, be deemed to be joint holders of the ~~share~~Share.

12. **Effect of Stapling**

- (a) A transfer of a Share will only be accepted as a proper transfer in registrable form if, in addition to the requirements of clauses 10 or 11, as the case may be, the transfer relates to or is accompanied by a transfer or a copy of a transfer of the SIML Share to which the Share is Stapled (if any) in favour of the same transferee.
- (b) The Directors must not register a transfer of a Share unless the SIML Share to which the Share is Stapled (if any) is also transferred simultaneously.
- (c) A person who attempts to transfer a Share and the transfer is not accompanied by the transfer or copy transfer referred to in clause 12(a) in respect of the SIML Share to which the Share is Stapled (if any) will:
- (i) be taken to authorise the Company as agent for the transferor to effect a transfer of the relevant SIML Share in accordance with the constitution of the Stapled Company, to the same transferee; and
 - (ii) cause all rights to dividends attached to that Share to be suspended until the transfer or copy transfer referred to in clause 12(a) relating to the SIML Share to which the relevant Share is Stapled is also provided.

13. ~~11.~~ **Meetings of ~~shareholders~~Shareholders**

13.1 **Calling meetings**

- (a) The Board may call a meeting at any time. The ability of Shareholders to:
- (i) request that the Board call a meeting; and
 - (ii) call and arrange to hold a meeting themselves.
- is limited to the powers set out in the Act.
- (b) To the extent permitted by law, meetings of Shareholders will be held in conjunction with and at the same time as, or as part of, meetings of the shareholders of the Stapled Company.

13.2 ~~11.1~~ **Methods of holding meetings**

A meeting of ~~shareholders~~Shareholders may be held ~~either:~~(a) by a number of ~~shareholders~~Shareholders, who constitute a quorum, ~~;~~

- (a) being assembled together at the time and place, ~~date and time~~ appointed for the meeting; or
- (b) if determined by the Board, ~~by a number of shareholders, who constitute a quorum, being assembled together at the date and time appointed for the meeting and at one or more venues at which, by means of audio, or audio and visual, communication all participating shareholders can simultaneously hear each other throughout the meeting.~~ participating in the meeting:
 - (i) by means of audio, audio and visual, or electronic communication; or
 - (ii) by a combination of the means described in clauses 13.2(a) and 13.2(b)(i).

The Company is not required to hold meetings of Shareholders by any of the means specified in clauses 13.2(b)(i) or 13.2(b)(ii). Meetings will only be held by any such means if the notice of meeting so specifies or the Board otherwise determines that a meeting, or meetings, should be held by such means. To avoid doubt, if a meeting is held by any of the means specified in clauses 13.2(b)(i) or 13.2(b)(ii), a Shareholder participating in the meeting by means of audio, audio and visual, or electronic communication is present at the meeting and part of the quorum.

13.3 ~~11.2~~ Meetings of other groups

- (a) A meeting of the holders of Securities in an interest group may be called by the Board at any time, and shall be called on the written request of persons holding Securities carrying together not less than 5% of the voting rights entitled to be exercised on any of the questions to be considered at the meeting of the group in question.
- (b) All the provisions of this Constitution relating to meetings of ~~shareholders~~ Shareholders apply, with all necessary modifications, to a meeting of a group of Security holders, except that:
 - (i) ~~(a)~~ the necessary quorum is two persons holding, or representing the holders of, Securities in the interest group;
 - (ii) ~~(b)~~ if the Board so elects, one meeting may be held of holders constituting more than one group, so long as voting at that meeting is by way of a poll, and proper arrangements are made to distinguish between the votes of members of each group; and
 - (iii) ~~(c)~~ any holder of Securities in the group, present in person or by Representative, may demand a poll.

13.4 Right to attend and be heard

While Stapling applies, representatives of and shareholders of the Stapled Company are entitled to:

- (a) attend any meeting of the Company;
- (b) be heard at any meeting of the Company on any part of the business of the meeting that concerns them, even if Shareholders pass a resolution at that meeting to vary or remove the effect of the Stapling Provisions; and
- (c) authorise a person in writing to attend and speak at any meeting as their representative.

14. ~~12.~~ Notice of meetings of ~~shareholders~~ Shareholders

14.1 ~~12.1~~ Written notice

- (a) Written notice of the time, date and place of a meeting of ~~shareholders~~ Shareholders must be sent to:
- (i) every ~~shareholder~~ Shareholder entitled to receive notice of the meeting ~~and to~~;
 - (ii) every Director ~~and~~;
 - (iii) NZX;
 - (iv) the auditor of the Company ; and
 - (v) while Stapling applies, the Stapled Company.
- not less than 10 ~~working days~~ Business Days before the meeting.
- (b) No other person is entitled to receive notice of a meeting.
- (c) A notice of meeting given to a Holder in relation to its Stapled Securities:
- (i) must be given consistently with the requirements under the constitution of the Stapled Company, but need not be the same as a notice of meeting given under such constitution; and
 - (ii) may be, or form part of, the same notice for a meeting of shareholders of the Stapled Company.
- (d) A proxy form must be sent with each notice of meeting.

14.2 ~~12.2~~ Rights of Equity Security holders and Directors

Subject to the rights attached to any Equity Securities, Equity Security holders of all Classes shall be entitled to attend meetings of ~~shareholders~~ Shareholders and to receive copies of all notices, reports and financial statements issued generally to holders of Securities carrying votes. Each Director who is not also a ~~shareholder~~ Shareholder shall have the same rights.

14.3 ~~12.3~~ Contents of notice

The notice must state ~~the~~:

- (a) the nature of the business to be transacted at the meeting in sufficient detail to enable a ~~shareholder~~ Shareholder to form a reasoned judgment in relation to it;
- (b) the and(b) text of any special resolution to be submitted to the meeting; ~~and be accompanied by sufficient explanation to enable a reasonable person to understand the effect~~
- (c) in the case of ~~the resolutions proposed by the notice~~ special resolutions required by sections 106(1)(a) or 106(1)(b) of the Act, the right of a shareholder under section 110 of the Act.

14.4 ~~12.4~~ Irregularity in notice

An irregularity in a notice of a meeting is waived if all the ~~shareholders~~Shareholders entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity, or if all such ~~shareholders~~Shareholders agree to the waiver. The accidental omission to give a notice of a meeting to, or the non-receipt of a notice of a meeting by, any person will not invalidate the proceedings at the meeting.

14.5 ~~12.5~~ Adjourned meetings

If a meeting of ~~shareholders~~Shareholders is adjourned for less than 30 days it is not necessary to give notice of the time, date and place of the adjourned meeting other than by announcement at the meeting which is adjourned.

15. ~~13.~~ Chairperson of meetings of ~~shareholders~~Shareholders

15.1 ~~13.1~~ Chairperson of the Board to act

Subject to clause ~~13.2~~,15.2, if the Directors have elected a chairperson of the Board, and the chairperson of the Board is present at a meeting of ~~shareholders~~Shareholders, that Director must chair the meeting.

15.2 ~~13.2~~ Other chairperson

If no chairperson of the Board has been elected or if at any meeting of ~~shareholders~~Shareholders the chairperson of the Board is not present within 15 minutes of the time appointed for the commencement of the meeting or the chairperson is unwilling or unable to act for all or part of the meeting, the Directors present, if any, may elect one of their number to be chairperson of the meeting or such part of the meeting. If no Director is willing or able to act as chairperson or if no Director is present within 15 minutes of the time appointed for the commencement of the meeting, the ~~shareholders~~Shareholders present may choose one of their number to be chairperson.

15.3 ~~13.3~~ Regulation of procedure

Subject to the provisions of the Act, and except as otherwise provided in this Constitution, the chairperson may regulate the proceedings at meetings of ~~shareholders~~Shareholders.

16. ~~14.~~ Quorum for meetings of ~~shareholders~~Shareholders

16.1 ~~14.1~~ Quorum required

Subject to clause ~~14.3~~,16.3, no business may be transacted at a meeting of ~~shareholders~~Shareholders if a quorum is not present.

16.2 ~~14.2~~ Size of quorum

A quorum for a meeting of ~~shareholders~~Shareholders is present if three ~~shareholders~~Shareholders having the right to vote at the meeting are present in person or by Representative.

16.3 ~~14.3~~ Lack of quorum

If a quorum is not present within 30 minutes after the time appointed for the meeting:

- (a) in the case of a meeting called by the Board on the request of ~~shareholders~~Shareholders under section 121(b) of the Act, the meeting is dissolved; and
- (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 commencement of the meeting, the ~~shareholders~~Shareholders or their Representatives present will constitute a quorum.

17. ~~15.~~ Voting at meetings of ~~shareholders~~Shareholders

17.1 ~~15.1~~ Meetings in one place

In the case of a meeting of ~~shareholders~~Shareholders held under clause ~~44.4~~13.2(a), unless a poll is demanded, voting at the meeting shall be by whichever of the following methods is determined by the chairperson:

- (a) voting by voice; or
- (b) voting by show of hands.

17.2 ~~15.2~~ Audio-visual meetings

In the case of a meeting of ~~shareholders~~Shareholders held under clause ~~44.4~~13.2(b), unless a poll is demanded, voting at the meeting shall be by ~~the shareholders signifying their assent or dissent by voice~~any method permitted by the chairperson of the meeting.

17.3 ~~15.3~~ Postal votes

Unless the Board determines otherwise, ~~shareholders~~Shareholders may not exercise the right to vote at a meeting by casting ~~a postal vote, whether on a show of hands, voice, vote or on a poll~~votes. If the Board determines that ~~shareholders~~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 the First Schedule of the Act, together with any other procedures determined by the Board.

17.4 ~~15.4~~ Number of votes

Subject to the provisions of clause ~~15.5~~17.5 and subject to any rights or restrictions attached to any ~~share~~Share:

- (a) where voting is by voice or a show of hands, every ~~shareholder~~Shareholder present in person or by Representative has one vote; and
- (b) on a poll every ~~shareholder~~Shareholder present in person or by Representative has:
 - (i) one vote in respect of every fully paid ~~share~~Share held by that ~~shareholder~~Shareholder; and
 - (ii) in respect of each ~~share~~Share held by that ~~shareholder~~Shareholder which is not fully paid, a fraction of the vote or votes which would be exercisable if that ~~share~~Share was fully paid. That fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amount paid and payable (excluding amounts credited and amounts paid in advance of a call).

17.5 ~~15.5~~ Voting restrictions

No ~~shareholder~~Shareholder shall be entitled to vote at any meeting in respect of ~~shares~~Shares on which any call or other moneys are due and unpaid other than at a meeting of an interest group.

17.6 ~~15.6~~ Declaration of chairperson conclusive

A declaration by the chairperson that a resolution is carried by the requisite majority is conclusive evidence of that fact unless a poll is demanded in accordance with clause ~~15.7~~17.7.

17.7 ~~15.7~~ Right to demand poll

At a meeting of ~~shareholders~~Shareholders a poll may be demanded by:

- (a) not less than five ~~shareholders~~Shareholders having the right to vote at the meeting; or
- (b) a ~~shareholder~~Shareholder or ~~shareholders~~Shareholders representing not less than 10% of the total voting rights of all ~~shareholders~~Shareholders having the right to vote at the meeting; or
- (c) a ~~shareholder~~Shareholder or ~~shareholders~~Shareholders holding ~~shares~~Shares that confer a right to vote at the meeting and on which the aggregate amount paid up is not less than 10% of the total amount paid up on all ~~shares~~Shares that confer that right; or
- (d) the chairperson.

For the purposes of this clause ~~15.7~~17.7, the instrument appointing a proxy to vote at a meeting of the Company confers authority to demand or join in demanding a poll and a demand by a person as proxy for a ~~shareholder~~Shareholder has the same effect as a demand by the ~~shareholder~~Shareholder.

17.8 ~~15.8~~ Time of demand for poll

A poll may be demanded either before or after the vote is taken on a resolution. The demand for a poll may be withdrawn.

17.9 ~~15.9~~ Timing of poll

A poll demanded on the election of a chairperson of a meeting or on a question of adjournment must be taken immediately. The chairperson may determine the time and manner in which a poll on any other question is to be taken and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

17.10 ~~15.10~~ Counting of votes on poll

If a poll is taken, votes must be counted according to the votes attached to the ~~shares~~Shares of each ~~shareholder~~Shareholder present in person or by Representative and voting, or exercising its right to vote by casting a postal vote, if applicable.

17.11 ~~15.11~~ Scrutineers

If a poll is taken the scrutineers shall be the auditors of the Company for the time being unless they are unable or unwilling to act or unless the chairperson directs to the contrary in which case the scrutineers shall be appointed by the chairperson.

17.12 ~~15.12~~ Declaration of result

The chairperson shall be entitled to declare the result of a poll upon the receipt of a certificate from the auditors setting out the maximum number of votes which could be cast at the meeting and upon receipt of notice from the scrutineers that, in the light of the auditors' certificate, sufficient votes to determine the result of the resolution have been counted. The auditors' certificate may set out the maximum number of votes which could be cast at the meeting if all persons entitled to attend and vote at the meeting did so, or it may set out the maximum number of votes which could be cast at the meeting if all persons at the meeting who are entitled to vote did vote.

17.13 ~~15.13~~ Chairperson's casting vote

The chairperson of a meeting is not entitled to a casting vote.

17.14 ~~15.14~~ Votes of joint holders

Where two or more persons are registered as the holder of a ~~share~~[Share](#), the vote of the person named first in the ~~share register~~[Register](#) and voting on a matter must be accepted to the exclusion of the votes of the other joint holders.

17.15 ~~15.15~~ Validity of votes

In the case of any dispute as to the admission or rejection of a vote the chairperson shall determine the same and such determination made in good faith shall be conclusive.

17.16 ~~15.16~~ Electronic ~~Voting~~[voting](#)

The Board may permit, in relation to a particular meeting or generally:

- (a) ~~(a)~~ the appointment of proxies or Representatives to be made by electronic means; ~~(b) postal votes to be cast by electronic means;~~ and
- (b) ~~(c)~~ to the extent permitted by law, votes to be cast on resolutions at meetings of ~~shareholders~~[Shareholders](#) (or of other groups) by electronic means.

The procedures in relation to such electronic appointment or electronic voting shall be those required by law (if any) together with any other procedures determined by the Board. If the Board permits electronic appointment of proxies or Representatives or electronic voting in accordance with this clause, ~~17.16~~, such electronic appointments may be made or electronic votes cast notwithstanding any other provision of this Constitution.

17.17 [Shareholder participation in meetings by electronic means](#)

[A Shareholder, or the Shareholder's proxy or Representative, may participate in a meeting \(including by casting votes on resolutions\) by means of audio, audio and visual, or electronic communication if:](#)

- (a) [the Board has approved participation in the meeting or meetings by such means; and](#)
- (b) [the Shareholder, proxy or Representative complies with any conditions imposed by the Board in relation to participation by such 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 information communicated by electronic means\).](#)

18. ~~16.~~ Proxies and corporate representatives

18.1 ~~16.1~~ Proxies permitted

(a) A ~~shareholder~~Shareholder may exercise the right to vote either by being present in person or by proxy. A proxy for a ~~shareholder~~Shareholder is entitled to attend and be heard at a meeting of ~~shareholders~~Shareholders as if the proxy were the ~~shareholder~~Shareholder. A proxy need not be a ~~shareholder~~Shareholder of the Company.

(b) A Shareholder may appoint more than one proxy for a particular meeting provided that more than one proxy is not appointed to exercise the rights attached to a particular Share held by that Shareholder.

18.2 ~~16.2~~ Form of proxy

A proxy must be appointed by notice in writing in the form directed by the Board signed by ~~the shareholder~~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. The proxy form must, as a minimum (so far as the subject matter and form of the resolutions reasonably permit) provide for two-way voting (for and against) on all resolutions, enabling the ~~shareholder~~Shareholder to instruct the proxy as to casting of the vote, and must not be sent with any name or office (e.g., "chairperson of directors") filled in as a proxy holder.

18.3 ~~16.3~~ Lodging proxy

No proxy is effective in relation to a meeting unless the proxy form is received by or on behalf of the Company at any place specified for the purpose in the notice of meeting not later than 48 hours before the start of the meeting. If the written notice appointing a proxy is signed under a power of attorney, a copy of the power of attorney (unless already deposited with the Company) and a signed certificate of non-revocation of the power of attorney must accompany the notice.

18.4 ~~16.4~~ Validity of proxy vote

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the ~~share~~Share in respect of which the proxy is given, if no written notice of such death, mental disorder, revocation, or transfer has been received by the Company at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

18.5 ~~16.5~~ Corporate representatives

A body corporate which is a ~~shareholder~~Shareholder may appoint a representative to attend a meeting of ~~shareholders~~Shareholders on its behalf in the same manner as that in which it could appoint a proxy. A representative shall have the same rights and powers as if the representative were a proxy.

19. ~~17.~~ Minutes of ~~shareholder~~Shareholder meetings

The Board must ensure that minutes are kept of all proceedings at meetings of ~~shareholders~~Shareholders. Minutes which have been signed correct by the chairperson are prima facie evidence of the proceedings unless they are shown to be inaccurate.

20. ~~18.~~ Shareholder proposals

A ~~shareholder~~[Shareholder](#) may give written notice to the Board of a matter the ~~shareholder~~[Shareholder](#) proposes to raise for discussion or resolution at the next meeting of ~~shareholders~~[Shareholders](#) at which the ~~shareholder~~[Shareholder](#) is entitled to vote. The provisions of clause 9 of the First Schedule of the Act apply to any notice given pursuant to this clause- ~~20.~~

21. ~~19.~~ Adjourned meetings and disorderly meetings

21.1 ~~19.1~~ Chairperson's discretion to adjourn meetings

The chairperson at any time during a meeting at which a quorum is present may adjourn the meeting (including either to a later time at the same meeting or to an adjourned meeting).

21.2 ~~19.2~~ Provisions relating to adjourned meetings

No business can be transacted at any adjourned meeting other than the unfinished business at the original meeting. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given in the same manner as the original meeting. Otherwise, it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

21.3 ~~19.3~~ Adjournment of disorderly meetings

If any meeting becomes so unruly, disorderly or inordinately protracted, that in the opinion of the chairperson the business of the meeting cannot be conducted in a proper and orderly manner, the chairperson, notwithstanding any provision to the contrary contained in this Constitution and without the consent of the meeting, may, in his or her sole and absolute discretion and without giving reasons, either adjourn or dissolve the meeting.

21.4 ~~19.4~~ Completion of unfinished business

If any meeting is dissolved by the chairperson pursuant to clause ~~19.4~~[21.3](#), the unfinished business of the meeting shall be dealt with as follows:

- (a) in respect of any resolution concerning the approval or authorisation of a distribution, the Board may, in the exercise of the powers conferred on it by the Act, authorise the distribution;
- (b) in respect of any resolution concerning the remuneration of the auditors, the meeting shall be deemed to have resolved that the Board be authorised to fix the remuneration of the auditors; and
- (c) the chairperson may direct that any item of business which is uncompleted at the meeting, and which in his or her opinion requires to be voted upon, be put to the vote by a poll without further discussion in accordance with clauses ~~15.9~~[17.9](#) to ~~15.15~~[17.15](#).

22. ~~20.~~ Appointment and removal of Directors

22.1 [Board composition](#)

[The composition of the Board must at all times mirror the composition of the board of directors of the Stapled Company.](#)

22.2 ~~20.1~~ **Number**

The number of Directors must not at any time be more than ~~eight nor~~ less than ~~three and~~ subject to these limitations the number of Directors to hold office shall be fixed from time to time by the Board. At the number of directors on the board of the Stapled Company. For the avoidance of doubt, at least two of the Directors must be ordinarily resident in New Zealand.

22.3 ~~20.2~~ **Existing Directors to continue in office on adoption**

The Directors in office at the date of adoption of this Constitution shall continue in office, subject to the provisions of this Constitution.

22.4 ~~20.3~~ **Appointment and removal by Ordinary Resolution of Directors**

(a) If a person is validly appointed as a director of the Stapled Company, that person will automatically become, and will be deemed to have been validly appointed as, a Director on and with effect from their appointment as a director of the Stapled Company provided the Company has received from that person a signed consent to act as a Director and certifies that the person is not disqualified from being appointed or holding office as a Director.

(b) For the avoidance of doubt:

(i) ~~Subject to the NZSX Listing Rules, a Director may be appointed by Ordinary Resolution. All Directors shall be subject to removal from office as director~~the Shareholders do not have the power to appoint Directors by Ordinary Resolution; and

~~20.4~~ **Appointment by Board**

(ii) ~~Subject to the NZSX Listing Rules, the Board may at any time~~does not have the power to appoint additional Directors (whether to fill a casual vacancy or ~~as an addition to existing directors. otherwise).~~

~~20.5~~ **Exceptions to rotation**

~~One Director who is an employee of the Company (whether or not a Managing Director) is not required to retire by rotation. If there is more than one Director who is also an employee of the Company (whether or not a Managing Director) the Board may nominate which one of these Directors is not liable to retire by rotation. That executive Director shall be included in the number of Directors upon which the calculation of the number of Directors to retire by rotation is made.~~

~~20.6~~ **Appointment of Directors to be voted on individually**

~~No resolution to appoint or elect a Director shall be put to the holders of Securities unless:~~

- ~~(a) the resolution is for the appointment of one Director; or~~
- ~~(b) the resolution is a single resolution for the appointment of two or more Directors, and a separate resolution that it be so voted on has first been approved without a vote being cast against it.~~

~~Nothing in this clause prevents the election of two or more Directors by ballot or poll.~~

~~20.7~~ **No shareholder qualification for Directors**

~~There is no shareholding qualification for Directors.~~

~~20.8~~ **Vacation of office**22.5 **Removal of Directors**

(a) A Director shall immediately cease to hold office, and shall be deemed to have been validly removed from office, as a Director if the Director; if that Director has been validly removed from, or otherwise ceases to hold, office as a director of the Stapled Company. A Director cannot resign from his or her office as a Director unless at the same time that Director resigns from office as a director of the Stapled Company.

- ~~(a) dies;~~
- ~~(b) becomes bankrupt or makes an arrangement or compromise with the Director's creditors generally;~~
- ~~(c) becomes disqualified from being a Director pursuant to Section 151 of the Act;~~
- ~~(d) resigns from office by notice in writing to the Company;~~
- ~~(e) is removed from office pursuant to this Constitution or the Act; or~~
- ~~(f) has for more than six months been absent without permission of the Board from meetings of the Board held during that period.~~

~~20.9~~ **Timing of retirement and appointment**

~~If:~~

- ~~(a) 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) 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; For the avoidance of doubt, the Shareholders do not have the power to remove Directors by Ordinary Resolution.~~
- ~~(c) 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.~~

23. **21. Alternate Directors**23.1 **21.1 Appointment**

~~Each Director may from time to time appoint any person who is not already a Director and who is approved by a majority of the other Directors to be the Director. If a Director, acting in his or her capacity as a director of the Stapled Company, validly appoints a person to be that Director's alternate director on the Stapled Company's board of directors, then that alternate director will automatically become, and will be deemed to have been validly appointed as, the Director's alternate director on the Board (an **Alternate Director**). ~~No~~A Director may not~~

~~otherwise~~ appoint ~~a deputy or agent otherwise than by way of appointment of~~ an Alternate Director ~~or any other deputy or agent.~~

~~21.2~~ **Form of appointment and removal**

~~Any appointment or removal of an Alternate Director must be by notice in writing to the Company signed by the relevant Director.~~

~~23.2~~ **21.3 Rights of Alternate Director**

Each Alternate Director will be entitled to:

- (a) receive notices of all meetings of the Board if the Director who appointed the Alternate Director is known to be either outside of New Zealand or otherwise unavailable to attend meetings;
- (b) attend and vote at any such meeting at which the Director who appointed the Alternate Director is not personally present; and
- (c) in the absence of the Director who appointed the Alternate Director, perform all the functions, and exercise all the powers, of that Director.

~~23.3~~ **21.4 Remuneration and expenses**

Each Alternate Director's:

- (a) remuneration (if any) must be paid by the Director who appointed the Alternate Director; and
- (b) expenses incurred in attending meetings of the Directors and otherwise in relation to the discharge of duties will be paid by the Company.

~~23.4~~ **21.5 Cessation of appointment**

An Alternate Director will cease immediately to be an Alternate Director: ~~of a Director if he or she ceases to be an alternate director of a director on the Stapled Company's board of directors.~~

- ~~(a) if the Director who appointed the Alternate Director ceases to be a Director or revokes the appointment;~~
- ~~(b) on the occurrence of any event relating to the Alternate Director which, if the Alternate Director were a Director, would disqualify the Alternate Director from being a Director; or~~
- ~~(c) if a majority of the other Directors resolve to revoke the Alternate Director's appointment.~~

~~24.~~ **22. Managing Director**

~~24.1~~ **22.1 Appointment and removal** Appointment

~~The Board may from time to time appoint one of the Directors to be the managing Director either for a fixed term (but not exceeding five years) and on such other terms (including remuneration) as the Board determines. A managing Director may be re-appointed for a further period not exceeding five years, and may be re-appointed for a further term of five~~

~~years in the same manner. The Board may from time to time remove any such managing Director and appoint another or others in his or her place. Any managing Director who is removed by resolution of the Board shall have no right or claim to continue in office and his or her only remedy against the Company (if any) shall be in damages. Any Director holding the office of managing Director at the date of adoption of this Constitution shall continue in office.~~

~~22.2~~ **Resignation**

~~A managing Director shall, subject to the provisions of any contract between him or her and the Company, be subject to the same provisions concerning resignation, removal and disqualification as the other Directors. If a managing Director ceases to hold the office of Director from any cause he or she immediately ceases to be managing Director.~~

If a person is validly appointed as the managing director of the Stapled Company, then that person will, automatically become, and be deemed to have been validly appointed as, the managing Director of the Company.

~~24.2~~ **Removal**

A managing Director of the Company will immediately cease to hold office and be deemed to have been validly removed from office as managing director of the Company if that Director has been validly removed from, or ceases to hold office, as the managing director of the Stapled Company.

~~24.3~~ **22.3 No alternate managing Director**

~~The power to appoint alternate Directors conferred on Directors by this Constitution does not confer on any~~ A managing Director of the Company does not have the power to appoint an alternate managing Director.

~~25.~~ **23. Proceedings of the Board**

~~25.1~~ **23.1 Methods of holding meetings**

A meeting of the Board may be held either by:

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

~~25.2~~ **23.2 Notice of meeting**

A Director or, if requested by a Director to do so, an employee of the Company or a Subsidiary of the Company approved by the Board for this purpose, may convene a meeting of the Board by giving notice in accordance with this clause ~~23.2~~25.2 and clause ~~23.3~~25.3. Each Director must be given not less than two days' notice of a meeting of the Board, unless the Director waives that right or in the opinion of the chairperson or of Directors who would together constitute a quorum at the meeting, the meeting is necessary as a matter of urgency, in which event such notice as is practicable in the circumstances shall be given. Notice may be given to a Director in any of the following ways:

- (a) by telephone to the telephone number given by the Director to the Company for purposes of receiving notices, in which case the notice will be deemed to be given when the call is answered at that time; or

- (b) by delivery of the notice to the Director, in which case the notice will be deemed to be given when delivered; or
- (c) by sending the notice by facsimile transmission to the facsimile number given by the Director to the Company for the purpose of receiving notices, in which case the notice will be deemed to be given when sent; or
- (d) by posting the notice to the address given by the Director for the purpose of receiving notices, in which case the notice will be deemed to be given three days after it is posted; or
- (e) by sending by electronic means in accordance with any request made by the Director from time to time for such purpose.

25.3 ~~23.3~~ **Contents of notice**

A notice of a meeting must specify the date, time and place of the meeting and, if the meeting is to be by means of audio or audio and visual communication, the manner in which the Director will be contacted to participate at the time of the meeting.

25.4 ~~23.4~~ **Waiver of irregularity**

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

25.5 ~~23.5~~ **Quorum**

Unless otherwise determined by the Board, a quorum for a meeting of the Board is three Directors. No business may be transacted at a meeting of the Board unless a quorum is present.

25.6 ~~23.6~~ **Lack of quorum**

If a quorum is not present within 30 minutes after the time appointed for a meeting of the Board, the meeting will be adjourned automatically until the following day at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting the Directors present will constitute a quorum.

25.7 ~~23.7~~ **Insufficient number of Directors**

The Directors may act notwithstanding any vacancy in their body, but if and for so long as their number is reduced below the minimum number fixed by clause 20.1, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a meeting of Shareholders, but for no other purpose.

25.8 ~~23.8~~ **Chairperson**

The Directors may elect one of their number as chairperson of the Board and determine the period for which the chairperson is to hold office. If no chairperson is elected, or if at any meeting the chairperson is not present within five 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.

25.9 ~~23.9~~ **Votes**

Every Director has one vote. In the case of an equality of votes the chairperson will not have a casting vote. A resolution of the Board is passed if it is agreed to by all Directors present without dissent or a majority of the votes cast on it are in favour of it. 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 that Director expressly dissents or expressly abstains from voting on, or votes against, the resolution.

25.10 ~~23.10~~ **Resolutions in writing**

A resolution in writing, signed or assented to by a majority of the Directors entitled to vote on that resolution, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held. Each Director must be given notice of the form of the proposed resolution. 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 (whose assent may be given by electronic communication, including email). A copy of any such resolution must be entered in or kept with the records of Board proceedings.

25.11 ~~23.11~~ **Minutes**

The Board must ensure that minutes are kept of all proceedings at meetings of the Board.

25.12 ~~23.12~~ **Validity of acts**

All acts done by any meeting of the Board or of a committee of Directors or by any person acting as a Director are valid notwithstanding:

- (a) any defect in the appointment of any Director or person acting as a Director; or
- (b) that they or any of them were disqualified; or
- (c) any irregularity in a notice of meeting.

25.13 ~~23.13~~ **Other procedures**

Except as set out in this clause ~~23,25~~, the Board may regulate its own procedure. The provisions of the Third Schedule of the Act shall not apply to proceedings of the Board except to the extent that those provisions are included in this Constitution.

26. ~~24.~~ **Directors' remuneration**26.1 ~~24.1~~ **Authorisation**

The Board may, subject to the ~~NZSX~~-Listing Rules, exercise the power conferred by section 161 of the Act to authorise remuneration and other benefits to and for Directors.

26.2 ~~24.2~~ **Expenses**

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.

26.3 ~~24.3~~ Special remuneration

Without limiting clause ~~24.4~~26.1 the Board may authorise special remuneration to any Director who is or has been engaged by the Company or a Subsidiary to carry out any work or perform any services which is not in the capacity of a director of the Company or a Subsidiary.

27. ~~25.~~ Indemnity and insurance for Directors and Employees**27.1 ~~25.1~~ Indemnity for Directors**

Every Director shall be indemnified by the Company for any costs referred to in section 162(3) of the Act and any liability or costs referred to in section 162(4) of the Act. The Board may determine the amounts and terms and conditions of such an indemnity.

27.2 ~~25.2~~ Other indemnities and insurance

In addition to the indemnity set out in clause ~~25.1~~27.1, the Company may:

- (a) indemnify a director or employee of the Company or a related company for any costs referred to in section 162(3) of the Act. The Board may determine the amounts and terms and conditions of any such indemnity;
- (b) indemnify a director or employee of the Company or a related company in respect of any liability or costs referred to in section 162(4) of the Act. The Board may determine the amounts and terms and conditions of any such indemnity; and
- (c) with the prior approval of the Board effect insurance for a director or employee of the Company or a related company in respect of any liability or costs referred to in section 162(5) of the Act. The Board may determine the amounts and terms and conditions of any such insurance.

27.3 ~~25.3~~ Interpretation

Words given extended meanings by section 162(9) of the Act have those extended meanings in this clause ~~25.~~27.

28. ~~26.~~ Dividends**28.1 ~~26.1~~ Method of payment**

~~Any~~A dividend or other ~~money distribution~~ payable ~~to a holder of Securities in cash~~ may be paid ~~by cheque sent through the post to the registered address of the holder or in any other in~~ such manner ~~determined by~~as the Board ~~and directed by~~thinks fit to the ~~person~~ entitled ~~to the payment.~~ ~~In Security holders or in~~ the case of joint holders, ~~cheques may be sent to the registered address of the person first named on the register~~to the holder named first in the Register, or to such other person and in such manner as the holder or joint holders may direct.

28.2 ~~26.2~~ Currency of payment

The Board may, in its discretion, differentiate between ~~shareholders~~Shareholders as to the currency in which dividends are to be paid. In exercising that discretion the Board may have regard to the registered address of a ~~shareholder, the register on which a shareholder's shares are registered~~Shareholder, the Register or any other matter the Board considers appropriate. In any case where a dividend is to be paid in a currency other than New

Zealand currency, the amount payable will be converted from New Zealand currency in a manner, at a time and at an exchange rate determined by the Board.

28.3 ~~26.3~~ Deductions

The Board may deduct from dividends payable to any ~~shareholder~~Shareholder in respect of any ~~shares~~Shares any:

- (a) unpaid calls, instalments or other amounts, and any interest payable on such amounts, relating to the specific ~~shares~~Shares in respect of which the Company has a lien; and
- (b) amounts the Company may be called upon to pay under any legislation in respect of the specific ~~shares~~Shares.

28.4 ~~26.4~~ Unclaimed dividends

Dividends or other monetary distributions unclaimed for one year after the due date for payment may be used for the benefit of the Company until claimed. The Company shall be entitled to mingle the distribution with other money of the Company and shall not be required to hold it or to regard it as being impressed with any trust. All dividends or other monetary distributions unclaimed for five years or more after the due date for payment may be forfeited by the Board for the benefit of the Company. The Company shall, nevertheless, annul the forfeiture and subject to compliance with the solvency test, pay the dividend or other monetary distribution to the person producing evidence of entitlement.

29. ~~27.~~ Notices

29.1 ~~27.1~~ Method of service

All notices, reports, accounts or documents required to be sent to a ~~shareholder~~Shareholder shall be sent in the manner set out in section 391 of the Act. Notices to any other person shall be sent in the same manner as if that person was a ~~shareholder~~Shareholder.

29.2 ~~27.2~~ Service of notices outside New Zealand

If a Security holder has no registered address within New Zealand and has not supplied to the Company an address within New Zealand for the giving of notices, but has supplied an address outside New Zealand or an electronic address, then notices for that Security holder shall be posted to ~~the holder at that~~such physical address or sent electronically to such electronic address and shall be deemed to have been received by ~~the~~that Security holder 24 hours after the time of the posting or sending.

29.3 ~~27.3~~ Joint holders

A notice may be given by the Company to the joint holders of a Security by giving the notice to the joint holder named first in the register in respect of the Security.

30. ~~28.~~ Inspection of records

Except as provided in the Act or unless the Board determines otherwise in any particular case, no holder of Securities shall be entitled to:

- (a) inspect any records, books, papers, correspondence or documents of the Company; or
- (b) require or receive any information concerning the Company's business, trading or customers, or any trade secret or secret process of or used by the Company.

31. ~~29.~~ Liquidation

31.1 ~~29.1~~ Distribution of surplus

Subject to the rights of the holders of any Securities in the Company and to clauses ~~29.2~~31.2 and ~~29.3~~31.3, upon the liquidation of the Company the surplus assets of the Company (if any) must be distributed among the ~~shareholders~~Shareholders in proportion to their shareholding. If any ~~shareholder's shares~~Shareholder's Shares are not fully paid up the liquidator of the Company may require those ~~shares~~Shares to be fully paid up before the ~~shareholder~~Shareholder receives any distribution of the surplus assets of the Company in respect of those ~~shares~~Shares.

31.2 ~~29.2~~ Distribution in kind

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

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

31.3 ~~29.3~~ Trusts

With the approval of the ~~shareholders~~Shareholders of the Company by Ordinary Resolution, the liquidator may vest the whole or any part of any surplus assets of the Company in trustees upon trust for the benefit of ~~shareholders~~Shareholders of the Company. The liquidator may determine the terms of the trust.

~~30.~~ Execution of deeds

31.4 Cessation of Stapling Provisions

The Stapling Provisions will cease to apply, regardless of any other provision of this Constitution, where the Stapled Company is wound up or any liquidator, receiver, administrator, statutory manager or similar is appointed to the Stapled Company.

32. Method of contracting

32.1 ~~30.1~~ Manner of ~~Execution~~execution

A contract or other enforceable obligation may be entered into by the Company as follows:

- (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; or
 - (ii) any Director or another person authorised by the Board, whose signature must be witnessed; or

- (iii) one or more attorneys appointed by the Company in accordance with this constitution;
- (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; and
- (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.

32.2 ~~30.2~~ **Company may appoint attorneys**

The Company may, by an instrument in writing executed in accordance with clause ~~30.1~~, 32.1, appoint one or more persons as its attorney or attorneys either generally or in relation to a specified matter or matters. An act of an attorney in accordance with the instrument binds the Company.