

# **RULES OF ASHBURTON TRADING SOCIETY LIMITED**

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# Rules of Ashburton Trading Society Limited

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## 1. Definitions and interpretation

### Definitions

1.1 In these Rules, unless the context requires otherwise, the following terms shall bear the following meanings:

**Annual General Meeting** means a meeting required to be held by Rule 15.1.

**Board** means Directors who number not less than the required quorum acting together as the board of directors of the Society (referred to in the I & P Act as the committee of management).

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

**Director** means a person elected or appointed as a director of the Society in accordance with these Rules and, where the context requires, includes a person elected or appointed as a director of a Related Company of the Society.

**Independent Director** means a director appointed under Rule 16.5.

**I & P Act** means the Industrial and Provident Societies Act 1908.

**Ordinary Resolution** means a resolution approved by a simple majority of the votes of those Shareholders entitled to vote and voting on the question.

<p><b>Explanatory Note:</b> To pass an Ordinary Resolution – it must achieve a simple majority of the votes of those Shareholders who vote (and not a majority of all Shareholders – even those who do not vote).</p>
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**Ordinary Share** has the meaning in Rule 4.2.

**Qualifying Director** means a Director (other than an Independent Director) who meets the requirements of Rule 16.6.

**Personal Representative** means:

- a. in relation to a deceased individual Shareholder, the executor, administrator or trustee of the estate of that Shareholder;
- b. in relation to a bankrupt individual Shareholder, the trustee or assignee in bankruptcy of that Shareholder; and
- c. in relation to any other individual 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 under that Act, and a donee of an enduring power of attorney complying with that Act, or any person in the nature of such persons.

**Related Company** shall have the meaning set out section 2(3) of the Companies Act but read as if the expression company in that section included any body corporate.

**Rules** means these rules, including the schedules, as they may be altered or replaced from time to time in accordance with Rule 2.2 and section 7 of the I & P Act.

**Share** means a share in the Society.

**Shareholder** means a person whose name is entered in the share register as the holder

for the time being of one or more Shares in the Society (referred to in the I & P Act as a **member**).

**Society** means Ashburton Trading Society Limited.

**Special Resolution** means a resolution approved by a majority of **75%** of the votes of those Shareholders entitled to vote and voting on the question or if the I & P Act requires a different procedure a resolution passed in accordance with that procedure.

**Explanatory Note:** To pass a Special Resolution – it must achieve a 75% majority of the votes of those Shareholders who vote (and not a majority of all Shareholders – even those who do not vote).

**Transacting Shareholder** means a Shareholder who:

- a. holds an interest in land used exclusively or principally for agricultural, horticultural, viticultural or pastoral purposes, or for the keeping of bees, poultry, or livestock; or
- b. carries on any agricultural, horticultural, viticultural or pastoral activity, including as a sharemilker or manager, contractor or employee, or keeps bees, poultry, or livestock; or
- c. services land of the type referred to in paragraph a or provides goods or services to persons referred to in paragraphs a or b; or
- d. is a person who is otherwise approved by the Board or in a category of people approved by the Board,

and who purchases, or has purchased within the preceding **12 months**, goods or services from the Society or supplies, or has supplied within the preceding **12 months**, goods or services to the Society.

**Working Day** has the meaning in the Companies Act.

- 1.2 Other expressions which are defined in the I & P Act (whether generally, or for the purposes of one or more particular provisions) shall have the meanings given to them in the I & P Act. Where an expression is defined in the I & P Act more than once and in different contexts, its meaning will be governed by the context in which it appears in these Rules.
- 1.3 For the purposes of these Rules, a Shareholder is deemed to reside at the address shown on the Society's share register or as otherwise determined by the Board.

### **Interpretation**

- 1.4 The following provisions shall apply in the construction and interpretation of these Rules except to the extent that the context requires modification:
  - a. **Rules and Schedules:** references to Rules and schedules are references to Rules of and schedules to these Rules respectively;
  - b. **Headings:** headings are for ease of reference only and do not form any part of the context or to affect the interpretation of these Rules;
  - c. **Written:** a reference to written or in writing includes any electronic form of recording or presenting information, whether by electronic communication or otherwise, if the information is readily accessible so as to be usable for subsequent reference;

- d. **Persons:** references to persons include references to individuals, companies, corporations, firms, partnerships, joint ventures, associations, organisations, trusts, states or agencies of state, government departments and local and municipal authorities in each case whether or not having separate legal personality;
- e. **Plural and Singular:** words importing the singular number include the plural and vice versa;
- f. **Schedules:** the schedules to these Rules and the provisions and conditions contained in those schedules have the same effect as if set out in the body of these Rules; and
- g. **Statutes and Regulations:** references to a statute include references to regulations, orders or notices made under or pursuant to such statute and references to a statute or regulation include references to all amendments to that statute or regulation whether by subsequent statute or otherwise and a statute or regulation passed in substitution for the statute or regulation referred to or incorporating any of its provisions.
- h. **Explanatory Notes:** An explanatory note used in these Rules is only to explain or illustrate of the Rule to which it relates. It does not limit that Rule and if an explanatory note and a Rule to which it relates are inconsistent, the Rule shall prevail.

#### **Powers of Shareholders**

- 1.5 Unless otherwise specified in the I & P Act or these Rules any power reserved to Shareholders may be exercised and any approval of Shareholders may be given by Ordinary Resolution.

#### **Rules to prevail**

- 1.6 If there is any conflict between:
- a. a provision in these Rules and a provision in the I & P Act which is expressly permitted to be altered by these Rules; or
  - b. a word or expression defined or explained in the I & P Act and a word or expression defined or explained in these Rules,

the provision, word or expression in these Rules prevails.

#### **Use of electronic means**

- 1.7 Where a legal requirement under the I & P Act is reproduced in these Rules, that legal requirement may be met, for the purposes of these Rules, by using electronic means in accordance with the Electronic Transactions Act 2002 in the same manner as it is required by the Electronic Transactions Act 2002 to meet that legal requirement under the I & P Act. In this Rule 1.7, the term **legal requirement** has the meaning given to it by the Electronic Transactions Act 2002.

#### **Receipt of electronic communications**

- 1.8 For the purposes of section 11 of the Electronic Transactions Act 2002, a document under these Rules which is sent in electronic form and via an electronic communication is taken to be received:
- a. if sent by the Society, on the working day it is sent or the next working day if sent outside normal business hours, provided that the electronic communication was correctly addressed to the address provided by the addressee for the receipt of

electronic communications and no error message was received by the information system used by the Society to send electronic communications; and

- b. if sent to the Society, at the time the electronic communication comes to the attention of the addressee or such other time as the sender and the Society may agree.

To avoid doubt, any document so sent may be in any widely used electronic form.

## 2. The relationship between these Rules and the I & P Act

### Effect of the I & P Act on these Rules

- 2.1 The Society, the Board, each Director and each Shareholder have the rights, powers, duties and obligations set out in the I & P Act except to the extent that they are negated or modified, in accordance with the I & P Act, by these Rules.

### Changes to Rules

- 2.2 The Shareholders may alter, replace or revoke these Rules by Special Resolution.

**Explanatory Note:** See also Schedule 2, clause 3. The text of any Special Resolution must be included in the notice of meeting.

## 3. Registration, Name, Objects and Powers

### Registration

- 3.1 The Society is registered under the Industrial and Provident Societies Act 1908.

### Name

- 3.2 The name of the Society is Ashburton Trading Society Limited. The Society may change its name in accordance with the I & P Act.

### Registered office

- 3.3 The registered office of the Society is the registered office address noted on the Industrial and Provident Societies Register, as updated from time to time in accordance with the I & P Act.

### Objects

- 3.4 The objects of the Society are:
- a. collectively purchasing, selling and distributing goods and services;
  - b. supplying goods and services to Shareholders and other persons;
  - c. arranging for third parties to supply goods and services to Shareholders and other persons;
  - d. acting as agents:
    - i. for Shareholders and other persons, building societies and companies; and
    - ii. for all types of insurance;
  - e. facilitating Shareholders and other persons acquiring goods and services through financial products, credit cards, electronic trading and other mediums;
  - f. carrying out transactions with Shareholders and facilitate transactions between - Shareholders on a co-operative basis; and

- g. carrying out any other industry, business, trade or activity (except the business of banking).

### **Powers**

3.5 Subject to the I & P Act and any other law, the Society has, both within and outside New Zealand:

- a. full capacity to carry on and undertake any industry, business, trade or activity (except the business of banking), do any act, and enter into any transaction; and
- b. for the purposes of Rule 3.5a, full rights, powers, and privileges.

### **Investment of property and funds**

3.6 Without limiting Rule 3.5 the Society may:

- a. invest the Society's funds in any manner not prohibited by the I & P Act, including in any:
  - i. securities issued by any Local Authority (as that term is defined in the Local Government Act 2002); and
  - ii. equity, debt, or participatory securities;
- b. advance money to Shareholders of the Society on the security of real or personal property, or otherwise; and
- c. invest any part of its capital in the shares or on the security of any other society registered under the I & P Act or under the Building Societies Act 1965, or of any company registered under the Companies Act or company or other body corporate incorporated by act or by charter, provided that no such investments shall be made in the shares of any society or company or other body corporate other than one with limited liability.

## **4. Rights and powers attaching to Shares**

### **Shares on issue**

4.1 At 30 June 2022 being the most recent balance date of the Society prior to the date of adoption of these Rules, the Society had the following classes of Shares on issue:

- a. **1,487,000** ordinary shares (**Ordinary Shares**); and
- b. **1,954,000** deferred shares (**Deferred Shares**).

The number of Shares on issue may change between 30 June 2022 and the date of adoption of these Rules as a result of the issue of Shares to new shareholders and/or the redemption of existing Shares.

### **Ordinary Shares**

4.2 Each Ordinary Share:

- a. has a nominal value of \$1.00; and
- b. unless otherwise provided by the terms of issue or by these Rules, an Ordinary Share confers on its holder the right to:
  - i. one vote per Shareholder on any Shareholder resolution by show of hands or voice vote (subject to Rules 5.2 and 7.2);

- ii. one vote per share on a poll at a Shareholders' meeting on any resolution or on any postal vote (subject to Rules 5.2 and 7.2);
- iii. rebates or distributions authorised by the Board; and
- iv. a share in the distribution of the surplus assets of the Society in accordance with these Rules.

### **Deferred Shares**

#### 4.3 Each Deferred Share:

- a. has a nominal value of \$1.00; and
- b. unless otherwise provided by the terms of issue or by these Rules, a Deferred Share:
  - i. is issued at the discretion of the Board as part of the settlement for annual rebates to Shareholders;
  - ii. is repaid at the discretion of the Board;
  - iii. is issued and redeemed at the nominal value of \$1.00;
  - iv. does not carry an entitlement to vote but qualifies for dividends at the discretion of the Board and a pro rata share of any surplus on winding-up of the Society.

### **Subsequent Share issues**

- 4.4 The Board may issue Shares, securities that are convertible into Shares or options to acquire Shares at any time, to any person, in any number, in such classes and on such terms as it thinks fit subject to the provisions of the I & P Act and these Rules.

### **Bonus issues**

#### 4.5 Without limiting Rule 4.4, the Board may:

- a. issue fully paid Shares to Shareholders either pro-rata according to the number of Shares held or on the same basis as a distribution or rebate payable to Shareholders; and
- b. apply part or all of a rebate or other distribution to which a Shareholder is entitled or any reserves or retained earnings in paying up Shares issued to that Shareholder on such basis and terms as the Board considers appropriate.

### **No issue**

- 4.6 No issue of Shares shall proceed if it would cause suspension or cancellation of the Society's registration under the I & P Act or would otherwise breach the I & P Act or any other legislation.

### **Consolidation and subdivision of Shares**

- 4.7 The Board may consolidate, divide or subdivide Shares of any class.

### **Reclassification of Shares**

- 4.8 The Board may reclassify Shares into another class of Shares.



**Nominal Value**

- 4.9 The Board may change the nominal value of any class of Shares from time to time provided the change is approved by Ordinary Resolution.

**5. Shareholder Qualifications****Qualification for admission**

- 5.1 No person shall be issued Shares unless, in the opinion of the Board, the person will be a Transacting Shareholder at the date of issue.

**No vote if not a Transacting Shareholder**

- 5.2 A Shareholder that has not been a Transacting Shareholder for **12 months** or more shall not be entitled to vote on any resolution.

**Determination as to whether qualified**

- 5.3 The Board's decision on whether a person is entitled to be issued Shares under Rule 5.1, or is entitled to vote under Rule 5.2, shall be final.

**6. Application for Shareholding****Application form**

- 6.1 The Board shall determine the Shareholder application form from time to time. Each person applying to become a Shareholder shall complete that application form and provide such other information as the Board requires.

**Board may impose conditions**

- 6.2 The Board may, as a condition of Shareholding, require the applicant to provide such security and to be bound by such terms and conditions, either with the Society and/or with other persons, as the Board may determine.

**Board may decline application**

- 6.3 The Board shall have the sole discretion to determine whether to accept an application for Shareholding. The Board may decline any application without being bound to give reasons.

**7. Capital Payments****Payment for Shares**

- 7.1 Shares must be paid for at such time or times and in such manner as the Board determines.

**Voting rights suspended**

- 7.2 A Share does not confer on its holder a right to vote on any resolution or the election of a Director unless and until it is fully paid. A Shareholder shall not be entitled to vote on any resolution, or on the election of any Director if that Shareholder is in default of any obligation to pay any money to the Society or any of its Related Companies.

**Application of rebates or distributions**

- 7.3 Any rebate or other distribution due to the holder of a Share may be applied by the Board in reduction or satisfaction of any amount unpaid on that Share or any other amount due and owing by the Shareholder to the Society or any of its Related Companies.

## 8. Minimum and Maximum Holdings

### Minimum Holding

- 8.1 Each Shareholder shall hold such minimum number of Shares as the Board determines from time to time.

### Maximum Holding

- 8.2 Under the I & P Act no Shareholder (other than a registered society) may have or claim any interest in Shares exceeding an amount permitted by Gazette notice. The Board may from time to time determine a lesser number or value of Shares (of any or all classes) as the maximum any Shareholder may hold (despite any higher maximum being permitted by law).

### Share standard

- 8.3 Without limiting Rules 8.1 and 8.2, the Board may from time to time set a number of Shares that a Shareholder is required to hold based upon their trading with the Society (or on any other basis the Board thinks fit). If a determination by the Board under this Rule 8.3 requires any Shareholder to acquire additional Shares, the Board may determine how and when the consideration for those additional Shares is to be paid.

## 9. Share Register

### Register

- 9.1 The Society shall maintain a share register that records the Shares issued by the Society. The share register shall state the following details for the previous **10 years**; the:
- a. number of Shares and terms of issue of each class of Shares on issue;
  - b. names of all Shareholders in alphabetical order;
  - c. number of Shares held by each Shareholder in each class; and
  - d. date of every issue, transfer or surrender of Shares.

### Agent may maintain

- 9.2 An agent may maintain the share register.

### Share register may be divided

- 9.3 The share register:
- a. must be kept in written form or in a form or in a manner that allows the documents and information that comprise the records to be accessible and convertible into written form; and
  - b. may be divided into 2 or more registers kept in different places.

### Status of registered holder

- 9.4 The entry of the name of a person in the share register as holder of a Share is prima facie evidence that legal title to the Share vests in that person. The Society may treat the registered holder of a Share as the only person entitled to:
- a. exercise the right to vote;
  - b. receive notices;
  - c. receive a rebate or other distribution; and
  - d. exercise the other rights and powers,

in respect of that Share.

**Explanatory Note:** The term “person” is defined (see Rule 1.4d) to include individuals, companies, partnerships, etc.

#### **Trusts not to be entered on share register**

- 9.5 Subject to Rule 10.7b, the Society must not enter any notice of a trust on the share register, whether that trust is express, implied or constructive.

**Explanatory Note:** This is a common provision which mirrors the Companies Act 1993, which does not recognise trusts as separate “legal persons”. Instead, the names of the trustees of the relevant trust must be recorded in the share register.

### **10. Transfers of Shares**

#### **Right to transfer**

- 10.1 Subject to any restrictions contained in these Rules, a Shareholder or Personal Representative may transfer any Share:
- a. by an instrument of transfer which complies with these Rules; or
  - b. under a system of transfer approved under subpart 9 of Part 5 of the Financial Markets Conduct Act 2013 which is applicable to the Society.

#### **Shares transferred by entry on share register**

- 10.2 Subject to Rule 10.3 a Share may be transferred by entry of the name of the transferee on the share register.

#### **Form of transfer**

- 10.3 For the purposes of transferring Shares, an instrument of transfer of Shares shall:
- a. be in any common form or any other form approved by the Society or the Share Registrar;
  - b. be signed or executed by or on behalf of the transferor; and
  - c. if registration as holder of the Share imposes a liability on the transferee, be signed or executed by or on behalf of the transferee.

#### **Delivery to Company**

- 10.4 An instrument transferring Shares must be delivered to the Society or to the Share Registrar, together with such evidence (if any) as the Society or the Share Registrar reasonably requires to prove the title of the transferor to, or right of the transferor to transfer, the Shares.

#### **Right to refuse transfer**

- 10.5 The Board may, at its absolute discretion, refuse or delay the registration of any transfer of a Share if the:
- a. Share is not fully paid;
  - b. holder of the Share owes money or has a liability or obligation to the Society or any of its Related Companies;
  - c. transferee is not a person to whom Shares may be issued under Rule 5.1;
  - d. transfer is not accompanied by such information as the Board may reasonably request in respect of the transferee;

- e. Board considers it is required by law to refuse or delay the registration; or
- f. Board considers that it would not be in the best interests of the Society to register the transfer,

provided that the Board resolves to exercise its power under this Rule 10.5 within **30 Working Days** after receipt of the relevant transfer and notice of the resolution is sent to the transferor and to the transferee within **5 Working Days** of the resolution being passed by the Board.

#### **Transmission on death of Shareholder**

- 10.6 If a Shareholder dies, the Shareholder's Personal Representative, or, if the deceased was a joint Shareholder, the survivor, shall be the only person recognised by the Society as having any title to or interest in their Shares. Nothing in this Rule 10.6 shall release the estate of a deceased joint Shareholder from any liability in respect of a Share or release any lien which the Society has in respect of a Share.

#### **Rights of Personal Representatives**

- 10.7 The Personal Representative of a Shareholder is entitled to:
- a. exercise all rights (including the rights to receive rebates or other distributions, to receive notices of and attend meetings and to vote), and is subject to all limitations attached to the Shares held by that Shareholder, and
  - b. be registered as holder of those Shares, but such registration shall not operate as a release of any rights (including any lien) to which the Society was entitled prior to registration of the Personal Representative.

#### **Joint Personal Representatives**

- 10.8 Where a Share is subject to the control of two or more persons as Personal Representatives, they shall, for the purposes of these Rules, be deemed to be joint holders of the Share.

### **11. Share Certificates**

#### **Issue of share certificates**

- 11.1 While the Society remains an industrial and provident society under the I & P Act, no certificates shall be required for any Shares. -

### **12. Calls, Forfeiture and Liens**

#### **Board may make calls**

- 12.1 The Board may make calls on any Shareholder for any money that is unpaid on that Shareholders Shares and not otherwise payable at a specified time or times under these Rules or the terms of issue of those Shares or any contract for the issue of those Shares. Schedule 1 governs calls on Shares.

#### **Forfeiture of Shares where calls or other amounts unpaid**

- 12.2 The Board may commence procedures in accordance with Schedule for forfeiture of any Shares if the holder of those Shares fails to pay:
- a. a call, or an instalment of a call, on those Shares; or
  - b. any amount that is payable under these Rules or the terms of issue of those Shares or any contract for the issue of the Shares.

### **Society's lien**

- 12.3 The Society has a lien on Shares, proceeds of sale of Shares, rebates and other distributions on the terms set out in Schedule 1.

### **13. Surrender of Shares**

#### **Request to surrender**

- 13.1 A Shareholder who has ceased being a Transacting Shareholder may request the surrender of their Shares.
- 13.2 On the death of a Shareholder the Personal Representatives of that deceased Shareholder may request the surrender of Shares held by that deceased Shareholder. The Personal Representatives shall provide such information as the Board reasonably requires.
- 13.3 The Board shall, unless it exercises its rights under Rule 13.4, accept a request under Rule 13.1 or 13.2.
- 13.4 The Board may refuse to accept a surrender of Shares if the Board considers the surrender would not be in the best interests of the Society.

#### **Requirement to surrender**

- 13.5 The Board may require a Shareholder to surrender their Shares if the:
- a. Shareholder has ceased being a Transacting Shareholder;
  - b. Shareholder is in default of an obligation to the Society or any of its Related Companies (including an obligation to pay money); or
  - c. Board has resolved that the surrender is in the best interests of the Society.

#### **Consideration for surrender**

- 13.6 The consideration for the surrender of Shares shall be the lesser of:
- a. the nominal value of the Shares on the date on which the surrender takes effect together with the amounts standing at credit in the retiring Shareholder's rebate and other accounts and otherwise due by the Society to the retiring Shareholder;
  - b. the amount paid up on the Shares if this is less than the nominal value of the Shares;
  - c. if the terms of issue included a procedure for determining the consideration for the surrender of the Shares, the amount determined in accordance with that procedure; and
  - d. an amount agreed upon by the Board and the Shareholder,

less any amount the Shareholder owes to the Society or any of its Related Companies on any account whatsoever.

#### **Payment of surrender money**

- 13.7 Where the Board requires Shares to be surrendered, the Society shall pay out the money for the surrendered Shares within **3 months** of the requirement.
- 13.8 Where the Board accepts a surrender request, the Board may decide that the Society shall pay the consideration for the surrender of Shares in one sum on a date determined by the Board, or in such instalments as the Board determines, provided the full consideration is paid within **5 years**.

- 13.9 The amount payable for the surrendered Shares shall be an unsecured debt due to the Shareholder from the date of the Board resolution accepting or requiring the surrender. No interest shall be paid on such moneys.

**Effect of surrender**

- 13.10 On the surrender of a Share, the:
- a. Share shall be deemed to be cancelled; and
  - b. rights and privileges attached to the Share cease.

**14. Rebates and Distributions**

**Board may authorise rebates and distributions**

- 14.1 The Board may authorise distributions or rebates by the Society in accordance with any requirements in the I & P Act. Distributions or rebates may be made, in whole or part, in cash, Shares or any other form determined by the Board.

**Board's power to authorise rebates and distributions**

- 14.2 The Board may authorise rebates or distributions calculated by reference to the number, value or volume of, or the profit derived by the Society or any Related Company from, transactions by the Shareholders with or through the Society or any Related Company and/or the number of Shares held.

**Persons to whom distribution payable**

- 14.3 For the purpose of this Rule 14 the word **distribution** shall include rebates. A distribution shall be made to the registered holder or holders of the relevant Shares at the time of the authorisation (or, at the Board's discretion, at the time the distribution is made).

**Distribution to joint holders**

- 14.4 If several persons are registered as joint holders of any Share, and such persons are entitled to receive distributions in respect of the Share, any one of them may give effectual receipts for any distribution in respect of the Share.

**Shareholder may waive distribution**

- 14.5 Notwithstanding Rule 14.3, a Shareholder may waive their entitlement to receive a distribution by giving a written notice to the Society signed by or on behalf of the Shareholder.

**Board may deduct from distribution amounts owed to Society**

- 14.6 The Board may, at its discretion, deduct from any distribution payable to any Shareholder any amount due and payable by the Shareholder to the Society or a Related Company of the Society. The Board must deduct from any distribution payable to any Shareholder any amount it is required by law to deduct, including withholding and other taxes.

**Distributions do not bear interest**

- 14.7 No distribution shall bear interest against the Society unless the applicable terms of issue of a Share expressly provide otherwise.

**Rebate account balances**

- 14.8 A Shareholder may not withdraw any amount standing at credit in its rebate account or other similar named account otherwise than in terms of this Rule 14 but the Board may, without obligation, pay any Shareholder the whole or any part of the amount standing at

credit in a Shareholder's deferred rebate account or other similar named account at any time and from time to time.

### **Unclaimed distributions**

- 14.9 All distributions unclaimed for **12 months** after the due date for payment may be invested or otherwise made use of by the Board for the benefit of the Society until claimed. The Society shall be entitled to mingle the distribution with other moneys of the Society and is not required to hold it on trust or regard it as being subject to any trust but, so long as any solvency test requirement is met, shall pay the distribution to the person producing evidence of entitlement. All dividends or other monetary Distributions unclaimed for more than **3 years** after having been authorised may be forfeited by the Board for the benefit of the Company. The Board shall nevertheless, at any time after such forfeiture, annul the forfeiture and agree to pay a claimant who produces satisfactory evidence of entitlement.

### **Manner of payment**

A distribution payable in cash may be paid in any manner as the Society determines to the person entitled to it (whether by direct credit to a Shareholder's bank account, credit to a Shareholders trading account or otherwise).

### **Right not transferred**

- 14.10 A transfer of any Share shall not pass the right to any distribution authorised for payment thereon where the date for payment of that distribution attached to those Shares has passed before the date of registration of the transfer.

### **Distribution of assets in satisfaction of distributions**

- 14.11 The Board may distribute in kind among the Shareholders by way of distribution, any of the assets of the Society, and in particular any shares or securities of other companies to which the Society is entitled.

## **15. Meetings of Shareholders**

### **Society must hold Annual General Meeting**

- 15.1 The Board must call an Annual General Meeting to be held:
- a. once in each calendar year; and
  - b. not later than **15 months** after the date of the previous Annual General Meeting; and
  - c. not later than **6 months** (or such longer or shorter period as may be permitted by the I & P Act) after the balance date of the Society.
- 15.2 The Society must hold the Annual General Meeting on the date on which it is called by the Board, subject to clause 10b of Schedule 2.

### **Business of Annual General Meeting**

- 15.3 The business to be transacted at the Annual General Meeting shall be:
- a. to approve the minutes of the previous Annual General Meeting and of any other general meeting which may have been held since the date of the last Annual General Meeting;
  - b. to receive the Society's annual financial statements and an accompanying report from the Board;
  - c. to elect members to the Board as provided by these Rules;

- d. to appoint the auditors of the Society; and
- e. to consider and decide any other matters which may properly be brought before the meeting.

#### **Society may hold special meetings of Shareholders**

15.4 A special meeting of Shareholders entitled to vote on an issue:

- a. may be called at any time by the Board; and
- b. must be called by the Board on the written request of not less than **10 percent** of the Shareholders having the right to vote at the meeting.

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

15.5 Schedule 2 governs the proceedings at meetings of Shareholders.

### **16. Appointment and removal of Directors**

#### **Number of Directors**

- 16.1 The minimum number of Directors shall be **five (5)**, of whom not less than **four (4)** must be elected by the Shareholders, and the maximum number of Directors shall be **nine (9)**. Up to **three (3)** Directors shall be Independent Directors.
- 16.2 The Shareholders may change the minimum and/or maximum number of Directors by Ordinary Resolution.

#### **Election or appointment of Directors**

- 16.3 Subject to Rule 16.15, the Directors in office at the date of adoption of these Rules shall remain in office but shall be subject to rotation in accordance with Rule 16.12. As from the 2023 Annual General Meeting:
  - a. up to **(six) 6 Directors** shall be elected by the Shareholders including any existing Directors who have retired by rotation under Rule 16.12 and are re-elected.
  - b. up to **(three) 3 persons** may be appointed by the Directors as Independent Directors,

provided that:

- c. a person shall not be appointed as an Independent Director if, immediately after his or her appointment the number of Independent Directors would be a majority of the total number of Directors then in office; and
  - d. if at any time the number of Directors elected by Shareholders is reduced below a majority of the total number of Directors in office, the Board shall ensure (whether by exercising its powers under Rule 16.20 or otherwise) that within 2 months of the date of that reduction, sufficient Directors are elected or appointed so that a majority of the total number of Directors then in office are Qualifying Directors.
- 16.4 The provisions of Rule 16.3 shall not preclude an existing Director offering himself or herself for re-election as a Director.

#### **Independent Directors**

- 16.5 In accordance with Rules 16.1 and 16.3, the Board may appoint up to the specified number of Independent Directors provided the persons so appointed have the experience and qualifications to be of special value to the Society to act as a Director and those persons so appointed do not need to meet the Director Qualification. The Board shall have the following powers in respect of those appointments:



- a. to determine the period for which they hold office which period shall be reviewed at least every **3 years**;
- b. the right to remove any person so appointed by a majority vote of the Directors appointed who are Qualifying Directors; and
- c. any other terms and conditions of holding office.

#### **Qualification as a Director**

16.6 No person (except the Independent Directors) shall be qualified to be a Director unless that person is a Transacting Shareholder at the date of nomination or re-election (as the case may be).

16.7 For the purposes of Rule 16.6, a person who is:

- a. a director of a company or other body corporate that holds Shares;
- b. the trustee of a trust that holds Shares;
- c. a member of the governing body of any other body corporate that holds Shares; or
- d. a member of a partnership (whether incorporated or unincorporated) or a joint holder of a trust that holds Shares,

where that company, trust, partnership other body corporate, or any of the persons jointly holding Shares, is a Transacting Shareholder, shall be deemed to be a Transacting Shareholder.

#### **Election Procedures**

16.8 Elections of Directors shall be conducted by Ordinary Resolution. No resolution to elect a Director (including a resolution to re-elect any Director appointed under Rule 16.20) shall be put to the Shareholders unless:

- a. the resolution is for the election of one Director; and
- b. nothing in this Rule 16.8 shall prevent the election of two or more Directors by ballot or poll including where the number of candidates for the office of Director exceeds the vacancies available in which case the candidates who receive the highest number of votes (and have more votes cast in their favour than against them) in that ballot or poll will be elected to fill those vacancies.

#### **Removal of Directors**

16.9 A Director (excluding any Independent Director appointed by the Board under Rule 16.5) may be removed from office by an Ordinary Resolution at a meeting called for the purpose of, or for purposes that include, removal of that Director.

16.10 The office of Director shall be vacated if the Director:

- a. ceases to be a Transacting Shareholder (other than an Independent Director);
- b. is in default of any obligation to pay any money to the Society or any Related Company of the Society;
- c. is or becomes disqualified from being a director of a company registered under the Companies Act by reason of section 151 of the Companies Act;
- d. is someone whose appointment or continued occupation of the position as a Director the Board considers is likely to prevent the Society from obtaining or retaining any licence, approval or certification required by law to operate the Society's business;

- e. becomes of unsound mind;
- f. resigns their office;
- g. is absent from 3 consecutive meetings of the Board without special leave of absence from the Board and the other Directors resolve that such Director's office be vacated by reason of such absence;
- h. becomes incapable of carrying out the duties of a Director and the other Directors resolve to that effect;
- i. is removed from office under Rule 16.9;
- j. becomes an employee of the Society or any Related Company; or
- k. is removed from office because a majority of at least 75% of the other Directors is of the opinion that the Director has failed to act in the best interests of the Society.

#### **Director's resignation procedure**

16.11 A Director may resign office:

- a. by signing a written notice of resignation and delivering it to the address for service of the Society, the notice being effective when it is received at that address or at a later time specified in the notice; or
- b. in any other manner permitted by the I & P Act.

#### **Rotation of Directors**

16.12 A Director elected by the Shareholders must not hold office (without re-election) past the third Annual General Meeting following the Director's election or 3 years, whichever is longer.

16.13 A Director retiring at an Annual General Meeting continues to hold office until:

- a. he or she is re-elected; or
- b. if he or she is not re-elected, until the Shareholders at any Annual General Meeting at which he or she retires (or any adjournment of that meeting) elect someone in his or her place; or
- c. if the Annual General Meeting does not elect someone in his or her place, until the end of the meeting or any adjournment of the meeting.

16.14 A retiring Director who is not disqualified under Rule 16.10 or by the I & P Act is eligible for re-election.

16.15 A Director may retire at any time by giving notice to the Board and specifying the date of retirement.

16.16 The provisions of Rules 16.12 and 16.13 shall only apply to a Director elected by the Shareholders. Any Independent Director appointed by the Board pursuant to these Rules shall not be required to retire from office by rotation.

16.17 No person, other than a Director retiring pursuant to Rule 16.12, will be eligible for election to the office of Director at any Annual General Meeting unless:

- a. he or she is a Transacting Shareholder or the appointee of a Transacting Shareholder;
- b. there has, at least **20 Working Days** before the meeting, been served on the Society a notice in writing, signed by a Shareholder qualified to attend and vote at the meeting for which the notice is given, of his or her intention to propose that

person for election and a notice in writing signed by the person of his or her willingness to be elected.

- 16.18 Notice of each and every eligible candidate for the office of Director must either be included in the notice of the meeting at which the election is to take place or be sent by the Society to all persons entitled to receive notice of the meeting at least **5 Working Days** prior to the meeting. Failure to send such notice to any such person will not invalidate the nomination but the meeting, as far as the election of Directors is concerned, must be adjourned until such notices have been sent. However, the accidental omission to give such notice to, or the non-receipt of notice of a meeting by, any person does not invalidate the election of a Director at that meeting.

### **Nominations**

- 16.19 No person (other than a Director retiring at the meeting and a Director appointed by the Board) shall be elected as a Director at an Annual General Meeting unless that person has been nominated by a Shareholder entitled to vote at the meeting. The closing date for nominations shall not be more than **20 Working Days**, before the date of the Annual General Meeting at which the election is to take place (the **Closing Date**). The Society shall advise all Shareholders at least **10 Working Days** prior to the Closing Date advising of the Closing Date for Director nominations. There shall be no restriction on the persons who may be nominated as Directors nor shall there be any precondition to the nomination of a Director other than compliance with provisions contained in Rule 16.17. Notice of every nomination received by the Company before the Closing Date for nominations shall be given by the Society to all persons entitled to attend the meeting together with, or as part of, the relevant notice of meeting.

### **Board may fill casual vacancy on the Board**

- 16.20 The Board may appoint any person to be a Director to fill a casual vacancy. Any person appointed to fill a casual vacancy must retire at the next Annual General Meeting after the date of appointment. If eligible that person may reoffer him or herself for re-election at that Annual General Meeting.

### **Chairpersons (and Deputy Chairpersons)**

- 16.21 At the first Board meeting following each Annual General Meeting:
- a. the Directors must elect one of their number as chairperson of the Board; and
  - b. the Directors may elect one of their number as deputy chairperson of the Board.

### **Tenure**

- 16.22 The maximum number of terms that a Director may hold office shall be three consecutive terms provided that the Board may, by resolution approved by 75% of the Directors, allow any Director who has held office for the specified maximum terms to stand for re-election or be re-appointed to hold office for one or more further terms.

## **17. Management of the Society**

### **Board to manage Society**

- 17.1 The Society's business and affairs must be managed by, and under the direction or supervision of, the Board, except to the extent that the I & P Act or these Rules provide otherwise.

### **Board has powers necessary to manage Society**

- 17.2 The Board has all the powers necessary for managing, and for directing and supervising the management of, the Society's business and affairs, except to the extent that the I & P Act or these Rules provide otherwise.

### **Special resolutions necessary for major transactions**

- 17.3 The Society must not enter into a major transaction as that term is defined in section 129(2) of the Companies Act with any necessary modifications as if the Society was a company incorporated under that Act, unless the transaction is approved by a Special Resolution of Shareholders.

## **18. Proceedings of the Board**

### **Meetings of the Board**

- 18.1 Schedule 3 governs the proceedings at meetings of the Board, except where otherwise agreed by all Directors.

### **Written resolutions of Board permitted**

- 18.2 A resolution in writing, signed or assented to by **75%** of the Directors is as valid and effective as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents (including originals or electronic copies) in like form each signed or assented to by one or more Directors. Within **5 Working Days** of a resolution being passed in accordance with this Rule 18.2, a copy of the resolution shall be sent to every Director who did not sign or assent to the resolution.

### **Board's right to delegate its powers**

- 18.3 Subject to any restrictions in the I & P Act or these Rules, the Board may delegate any one or more of its powers to a committee of Directors, a Director, an employee of the Society or any other person. The Board is responsible for the exercise of the power by the delegate as if the power had been exercised by the Board, unless the Board:
- a. believed on reasonable grounds, at all times before the exercise of the power, that the delegate would exercise the power in conformity with the duties imposed on Directors at law or under these Rules; and
  - b. has monitored, by means of reasonable methods properly used, the exercise of the power by the delegate.

## **19. Interested Directors**

### **Directors must disclose their interests**

- 19.1 As soon as a Director becomes aware of the fact that they are interested (as that term is defined by section 139 of the Companies Act with any necessary modifications as if the Society was a company incorporated under that Act) in a transaction or proposed transaction with the Society, that Director must disclose that interest.

### **Failure to disclose does not affect validity of transaction**

- 19.2 Any failure by a Director to comply with Rule 19.1 does not affect the validity of a transaction entered into by the Society or the Director. However, the transaction may be avoided under Rule 19.3.

### **Society may avoid transaction if Director interested**

- 19.3 Where the Society enters into a transaction in which a Director is interested, the Society may avoid that transaction at any time before the expiration of **3 months** after the transaction is disclosed to Shareholders (whether by means of the Society's annual report or otherwise). However a transaction cannot be avoided if the Society receives fair value under it. Sections 139 to 144 of the Companies Act shall apply (with any necessary modifications) as if the Society was a company incorporated under that Act.

**Interested Director may not vote**

19.4 A Director of the Society who is interested in a transaction entered into, or to be entered into, by the Society shall not, unless expressly permitted to do so by a majority of the Directors:

- a. vote on a matter relating to the transaction;
- b. attend a meeting of Directors at which a matter relating to the transaction arises, and be included among the Directors present at the meeting for the purpose of a quorum;
- c. sign a document relating to the transaction on behalf of the Society; or
- d. do anything else as a Director in relation to the transaction.

Notwithstanding any other provision of these Rules, nothing in this Rule 19 prevents a Director from voting on any resolution in relation to any of the following matters, which shall be expressly permitted as if the Director was not interested in the relevant transaction:

- e. Directors' indemnities and other matters requiring a directors' certificate;
- f. a transaction in the ordinary course of business with a Transacting Shareholder, where a Director is the Transacting Shareholder or is a director, officer or trustee of the Transacting Shareholder; or
- g. any matter where a Director is a Transacting Shareholder and the matter affects all Transacting Shareholders and not only that particular Director as a Transacting Shareholder.

**20. Directors' Remuneration****Board's power to authorise remuneration and other benefits is limited**

20.1 The Board may authorise the:

- a. payment of remuneration or the provision of other benefits by the Society to a Director for services as a Director or in any other capacity;
- b. payment by the Society to a Director of compensation for loss of office;
- c. entering into of a contract to do any of the things set out in this Rule 20.1;

only if the relevant action has been approved by an Ordinary Resolution and the Board is satisfied that to do so is fair to the Society. Each resolution must express Directors' remuneration as an annual monetary sum payable either:

- d. among all Directors; or
- e. to any person holding office as a Director.

20.2 If remuneration is expressed in accordance with Rule 20.1d and there is an increase in the number of Directors holding office, the Board may, without the authorisation of an Ordinary Resolution, increase the total remuneration by the amount required to enable the Society to pay the additional Director or Directors remuneration not exceeding the average amount then being paid to each of the other Directors (other than the chairperson).

20.3 No resolution which increases the amount fixed under a previous resolution is to be passed at a meeting of Shareholders of the Society unless notice of the amount of the proposed increase has been given in the notice of meeting.

20.4 The Board may not authorise the giving of guarantees by the Society for debts incurred by a Director.

## **Expenses**

- 20.5 In addition to remuneration paid in accordance with Rules 20.1 to 20.4, a Director shall be entitled to receive the following without requiring the prior authorisation of Shareholders:
- a. an allowance or reimbursement for reasonable travelling, accommodation and other expenses incurred or likely to be incurred in the course of performing duties or exercising powers as a Director; or
  - b. such additional remuneration as may be determined by the Board, whether by way of a fixed sum or at a fixed rate, for any Director or Directors forming a committee of the Board, rendering any special services requiring travel or otherwise for any of the purposes of or in the interests of the Society, or for undertaking any work in addition to that which is usually required of members of the governing body of a body corporate similar to the Society.

## **21. Officers**

### **Chief Executive Officer, Secretary and other officers**

The Board shall appoint a chief executive officer, determine their respective powers and remuneration and have the power to remove such appointees.

## **22. Auditors**

- 22.1 The Society must, at each Annual General Meeting, appoint an auditor to:
- a. hold office from the conclusion of the meeting until the conclusion of the next Annual General Meeting; and
  - b. audit the financial statements of the Society and, if the Society is required to complete group financial statements, those group financial statements, for the accounting period next after the meeting.
- 22.2 A person must not be appointed or act as an auditor of the Society unless that person meets the requirements in section 36 of the Financial Reporting Act 2013.
- 22.3 An auditor of the Society is automatically reappointed at an Annual General Meeting of the Society unless the:
- a. auditor is not qualified for appointment;
  - b. Society passes a resolution at the meeting appointing another person to replace them as auditor; or
  - c. auditor has given notice to the Society that they do not wish to be reappointed.
- 22.4 The Board may fill any casual vacancy in the office of auditor on terms that provide that the auditor so appointed shall cease to hold office as at the next Annual General Meeting of the Society unless that person is reappointed under Rule 22.3.
- 22.5 The fees and expenses of an auditor shall be fixed by the Board.

## **23. Indemnity and Insurance for Directors and Officers**

### **Society may indemnify directors and employees for certain costs**

- 23.1 The Society may indemnify a Director or employee of the Society or any of its Related Companies for any costs incurred by them in any proceeding:
- a. that relates to liability for any act or omission in their capacity as a Director or employee; and

- b. in which judgment is given in their favour, or in which they are acquitted, or which is discontinued.

### **Society may indemnify directors and employees for certain liabilities**

23.2 The Society may indemnify a Director or employee of the Society and any of its Related Companies in respect of:

- a. liability to any person other than the Society and any of its Related Companies for any act or omission in their capacity as a director or employee; or
- b. costs incurred by that Director or employee in defending or settling any claim or proceeding relating to any such liability,

not being criminal liability or liability in respect of a breach, in the case of a Director, of the Director's duties or, in the case of an employee, of any fiduciary duty owed to the Society or any of its Related Companies.

### **Society may effect insurance for Directors and employees**

23.3 The Society may, with the prior approval of the Board, effect insurance for a Director or employee of the Society and any of its Related Companies in respect of:

- a. liability, not being criminal liability, for any act or omission in their capacity as a Director or employee; or
- b. costs incurred by that Director or employee in defending or settling any claim or proceeding relating to any such liability; or
- c. costs incurred by that Director or employee in defending any criminal proceedings:
  - i. that have been brought against the Director or employee in relation to any act or omission in their capacity as a Director or employee; and
  - ii. in which they are acquitted.

23.4 The Directors who vote in favour of authorising the effecting of insurance under Rule 23.3 must sign a certificate stating that, in their opinion, the cost of effecting the insurance is fair to the Society.

23.5 The Board must ensure that particulars of any indemnity given to, or insurance effected for, any director or employee of the Society or related company are forthwith entered in the interests register.

23.6 In this Rule 23:

- a. the term **Director** shall include any former Director of the Society and a person elected or appointed as a director of a Related Company of the Society; and
- b. the term **employee** shall include any employee or former employee of the Society or of any Related Company of the Society.

## **24. Execution of Contracts**

### **Manner of execution**

24.1 A contract or other enforceable obligation may be entered into by the Society 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 by two or more directors or by one or more attorneys appointed in accordance with Rule 24.2;

- 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 Society in writing by a person acting under the Society'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 Society in writing or orally by a person acting under the Society's express or implied authority.

### **Society may appoint attorneys**

- 24.2 The Society may, by an instrument in writing executed in accordance with Rule 24.2a, 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 Society.

### **Common seal**

- 24.3 The Society may have a common seal which is to be kept in the custody of the Secretary of the Society. It may be applied to any document by order of the Board. Its application shall be witnessed by two Directors.

## **25. Liquidation**

### **Distribution of assets in kind**

- 25.1 If the Society is liquidated the liquidator may, with the approval of Shareholders by Special Resolution and any other sanction required by the I & P Act (or by the Companies Act to the extent it applies):

- a. divide among the Shareholders in kind the whole or any part of the assets of the Society and for that purpose the liquidator may:
  - i. fix such values for assets as the liquidator considers to be appropriate, and
  - ii. determine how the division will be carried out as between different classes of Shares; and
- b. vest the whole or any part of any such assets in trustees upon such trusts for the benefit such of those Shareholders as the liquidator thinks fit,

but so that no Shareholder is compelled to accept any Shares or other securities on which there is any liability.

### **Order of priority of payment of surplus assets**

- 25.2 Subject to the terms upon which any Shares may have been issued, if on the liquidation of the Society there are surplus assets after payments to secured and unsecured creditors of the Society and payment of all fees, expenses, costs of liquidation, and other preferential payments, the liquidator shall distribute that surplus in the following order of priority:
- a. First, in payment to holders of preference Shares (if any) the amount paid up on those Shares;
  - b. Secondly, in repayment of the nominal value (if any) paid up on Shares (if there is insufficient surplus to pay the nominal value of all such Shares the surplus shall be distributed to the Shareholders pro-rata to the amount paid up on such Shares); and
  - c. Thirdly, to holders of Ordinary Shares in proportion to their transactions with the Society for such period and on such basis as the Board in its discretion shall determine either prior to such liquidation commencing or at any time thereafter.



## 26. Notices

### Service

- 26.1 Notice may be served by the Society upon any Director or Shareholder, either personally or by post in a pre-paid envelope or package addressed to such Director or Shareholder at such person's last known address or by email to the email address of such Director or Shareholder.
- 26.2 A notice served by email is deemed to have been served at the time it is received by the addressee's designated information system if that time is before 5pm on a Working Day or, if that time is after 5pm on a Working Day, then the notice is deemed to have been served on the next Working Day following receipt of the notice at that designated information system.
- 26.3 A notice sent by post is deemed to have been served in the case of a person whose last known address is:
- a. in New Zealand, at the end of **48 hours** after posting; and
  - b. outside New Zealand, at the end of **7 days** after posting.
- 26.4 In proving service by post, it is sufficient to prove that the envelope or package containing the notice was properly addressed and posted or delivered with all attached postal or delivery charges paid. In proving service by email, it is sufficient to prove that the document was properly addressed and sent by email.
- 26.5 A notice may be given by the Society to the joint holders of a Share by giving the notice to the joint holder first named in the register in respect of the Share.
- 26.6 A notice may be given by the Society to a person or persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder by addressing it to such person or persons by name or by title or by any appropriate description, at the address (if any) within New Zealand supplied for the purpose by the person or persons claiming to be so entitled, or (until such time an address has been supplied) by giving the notice in any manner in which it might have been given if the death or bankruptcy had not occurred.

### Costs

- 26.7 In the event that the Society is required to recover any moneys from a Shareholder or a person who was a Shareholder the Society shall be entitled to recover all reasonable costs incurred by the Society (including legal fees) in recovering or seeking to recover such moneys for the Society.

**SCHEDULE 1  
CALLS, FORFEITURE AND LIENS**

**1. Interpretation**

Unless stated otherwise, references to clauses are references to clauses in this Schedule.

**2. Calls on Shares**

**Shareholders must pay calls**

- 2.1 Every Shareholder on receiving at least **10 Working Days'** written notice specifying the time or times and the place of payment must pay, in accordance with that notice, the amount called to be paid in respect of any Shares that they hold. The Board may revoke or postpone a call, or require a call to be paid by instalments.

**Call made when Board resolution passed**

- 2.2 A call is regarded as having been made at the time when the Board resolution authorising the call was passed.

**Joint holders are jointly and severally liable**

- 2.3 The joint holders of a Share are jointly and severally liable to pay all calls for that Share.

**Unpaid calls will accrue interest**

- 2.4 If an amount called is not paid in full at the time specified for payment, the person from whom the amount is due must pay the Society interest on the amount that remains unpaid at a rate determined by the Board and calculated from the time specified for payment until the day of actual payment. The Board may waive some or all of the payment of that interest.

**Amounts payable under terms of issue treated as calls**

- 2.5 A call will be deemed to have been made on any amount payable under the terms of issue of a Share and payable on a specified date. If the payment is not made by the specified date, the relevant provisions of these Rules will apply as if the amount had become payable by virtue of a call made in accordance with these Rules.

**Board may differentiate between holders as to calls**

- 2.6 On the issue of Shares, the Board may differentiate between the holders of Shares as to the amount of calls to be paid and the times of payment.

**Board may accept payment in advance for calls**

- 2.7 Where a Shareholder is willing to advance some or all of the money unpaid and uncalled on any Share or Shares of that Shareholder, the Board may accept the amount advanced on the Society's behalf. The Board may pay interest on that amount at a rate agreed between the Board and that Shareholder for the period between the date that the amount is accepted and the date it was payable.

**3. Forfeiture of Shares**

**Directors may serve notice**

- 3.1 The Directors may during the time that a call, instalment, or other amount remains unpaid on a Share, serve a notice on the Shareholder requiring payment of the unpaid call, instalment, or other amount, together with any accrued interest and all expenses incurred by the Society by reason of such non-payment.

**Notice of forfeiture must satisfy certain requirements**

- 3.2 The notice served on a Shareholder under clause 9 must specify a date for payment that is at least **10 Working Days** after the date the notice is served. The notice must also state that in the event of non-payment by the appointed date, the Shares to which the call, instalment, or other amount relates, will be liable to be forfeited by the Shareholder.

**Failure to comply with notice may lead to forfeiture**

- 3.3 Where a valid notice under clause 9 is served on a Shareholder and the Shareholder fails to comply with the notice, then the Board may:
- a. resolve that any Share for which that notice was given and all rebates and distributions authorised and not paid in respect of such Shares before the notice was served be forfeited; and
  - b. cancel any share certificate relating to any Share which has been forfeited pursuant to any such resolution.

**Board may deal with forfeited Share**

- 3.4 A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. However, the Board may cancel the forfeiture at any time before the sale or other disposition on such terms as the Board thinks fit if the call, instalment or other amount which remains unpaid on the Share is paid.

**Shareholder whose Shares are forfeited loses rights**

- 3.5 A person whose Shares have been forfeited immediately ceases to be a Shareholder in respect of those Shares notwithstanding any other provision of these Rules, but shall not be released from any obligation to pay any unpaid amount owed to the Society.

**Director's statutory declaration is conclusive**

- 3.6 A statutory declaration given by a Director that a Share has been duly forfeited on a stated date shall be conclusive evidence of the facts stated in that declaration against any person claiming an entitlement to that Share.

**Society may sell forfeited Share**

- 3.7 The Society may receive consideration, if any, given for a forfeited Share following a sale or disposition, and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of, and register that person as the holder of the Share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall the title to the Share be affected by any irregularity or invalidity in the procedures under these Rules in respect of the forfeiture, sale or disposal of that Share.

**4. Liens****Society's lien**

- 4.1 The Society shall have a first and continuing lien, ranking in priority over all other claims, on:
- a. all Shares registered in the name of a Shareholder (whether solely or jointly with others);
  - b. the proceeds of sale of such Shares; and
  - c. all rebates or other distributions declared in respect of those Shares from time to time,

for:

- d. amounts unpaid (whether presently payable or not) in respect of any such Shares;
- e. interest on any such calls or instalments;
- f. sale expenses owing to the Society in respect of any such Shares;
- g. any money, debts or other liabilities presently payable to the Society on any account whatsoever and whether solely or jointly with any other person; and
- h. any amounts that the Society may be called on to pay under any statute, regulation, ordinance or other law in respect of the Shares of a Shareholder, whether or not the period for payment has arrived.

#### **Waiver of lien**

- 4.2 Registration of a transfer of Shares on which the Society has any lien will operate as a waiver of the lien, unless the Society first gives notice to the contrary to the transferee.

#### **Society may sell Share on which it has a lien**

- 4.3 The Society may sell a Share on which it has a lien in such manner as the Board thinks fit, where:
- a. the lien on the Share is for a sum which is presently payable; and
  - b. the registered holder of the Share, or the person entitled to it on their death or bankruptcy, has failed to pay that sum within **10 Working Days** after the Society has served them with written notice demanding payment of that sum.

#### **The Society may transfer Share and apply proceeds**

- 4.4 The Society may receive consideration given for a Share sold under clause 4, and may execute a transfer of the Share in favour of the person to whom the Share is sold, and register that person as the holder of the Share discharged from all calls due prior to the purchase. The purchaser shall not be bound to see to the application of the purchase money, and their title to the Shares shall not be affected by any irregularity or invalidity in the enforcement of the lien.
- 4.5 The Society must apply the sale proceeds in payment of the sum presently payable on the lien, and the balance, if any, shall (subject to a like lien for sums not presently payable that existed upon the Share before the sale) be paid to the previous holder of the Shares.

**SCHEDULE 2**  
**PROCEEDINGS AT SHAREHOLDERS' MEETINGS**

**INTERPRETATION**

**1. Construction**

- 1.1 Unless stated otherwise, references to clauses are references to clauses in this Schedule.
- 1.2 A reference in this Schedule to a Shareholder present at a meeting or entitled to vote at a meeting includes a reference to a proxy of a Shareholder, a representative of a corporate Shareholder, an attorney of a Shareholder, and any person who may lawfully act on behalf of a Shareholder. The right to vote is subject to the provisions of clauses 20 and 26 of these Rules.

**NOTICE**

**2. Written notice must be given to Shareholders, Directors and auditors**

- 2.1 Written notice of the time and place of a meeting of Shareholders must be sent, not less than **10 Working Days** before the meeting, to:
- a. every Shareholder entitled to receive notice of the meeting;
  - b. every Director; and
  - c. any auditor of the Society.
- 2.2 Notice of any meeting may be given in electronic form and by electronic means to any person who has consented to receive such notice electronically and provided an electronic address for the purpose of receiving such notices.

**3. Notice must state nature of business**

The notice must state the:

- a. nature of the business to be transacted at the meeting in sufficient detail to enable a Shareholder to form a reasoned judgement in relation to it; and
- b. text of any Special Resolution to be submitted to the meeting.

**4. Irregularities in notice may be waived**

Any irregularity in a notice of a meeting is waived if all the Shareholders who attend and vote at the meeting do so without protest as to the irregularity, or if all such Shareholders agree to the waiver.

**5. Accidental failure to send notice or minor irregularity does not invalidate meeting**

The proceedings of a meeting are not invalidated by the accidental omission to give notice of meeting to a person entitled to that notice, or by the non-receipt of the notice by such a person, or any irregularity or defect in proceedings at the meeting if the Board determines the irregularity or defect was minor or immaterial.

**6. Notice of an adjournment**

- 6.1 If a meeting is adjourned for less than **30 days**, no notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting which is adjourned.
- 6.2 If a meeting is adjourned for **30 days** or more, notice of the adjourned meeting must be given in the same way as notice was given of the meeting from which the adjournment took place.

## MEETING AND QUORUM

### 7. Methods of holding meetings

A meeting of Shareholders may be held either by:

- a. a number of Shareholders, who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or
- b. means of an audio, or audio and visual, or electronic communication by which all Shareholders participating and constituting a quorum can simultaneously hear each other throughout the meeting; or
- c. a combination of both methods described in paragraphs a and b above.

The Society is not required to hold meetings of Shareholders in the manner specified in clause 7a or b. A meeting may comprise two or more sub-meetings at different times and locations that each comply with this clause 7. Meetings may be held in that manner only if specified in the notice of meeting or the Board otherwise decides to do so. For the avoidance of doubt, a Shareholder participating in a meeting by means of audio, audio and visual, or electronic communication is present and part of the quorum.

### 8. Business to be transacted only if a quorum is present

No business may be transacted at a meeting of Shareholders if a quorum is not present.

### 9. Quorum for Shareholders' meeting

A quorum for a meeting of Shareholders is present if **10** or more Shareholders having the right to vote at the meeting are present in person or by proxy or have cast postal votes.

**Explanatory Note:** Shareholders no longer have the right to vote (i.e. voting rights are suspended) where their Shares are not fully paid or where there is any money owing in respect of the Shares or the Shareholder is otherwise in default for any payment (i.e. suspension does not extend to any other debts owing to the Society unless in default).

### 10. Meeting convened at Shareholders' request dissolved if no quorum

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

- a. in the case of a meeting convened on the written request of Shareholders under Rule 15.4b of the Rules, the meeting will be dissolved automatically; and
- b. in the case of any other meeting, the meeting will be adjourned to the same day in the following week at the same time and place, or to such other day, time, and place as the Directors may appoint. If at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the Shareholders or their proxies present will constitute a quorum.

## CHAIRPERSON

### 11. Chairperson of Board to be chairperson of meeting

The chairperson of the Board, if one has been elected by the Directors and is present at a meeting of Shareholders, will chair the meeting.

**Directors may elect chairperson if chairperson of Board not available**

### 12. Directors may elect chairperson if chairperson of Board not available

If no chairperson of the Board has been elected or, if at any meeting of Shareholders the chairperson of the Board is not present within 15 minutes of the time appointed for the

commencement of the meeting or is unwilling to act, or if there is no deputy chairperson elected or the deputy chairperson is not present or is unwilling to act, the Directors present may elect one of their number to be chairperson of the meeting.

**13. As a last resort Shareholders may elect chairperson**

If at any meeting of Shareholders, no Director is willing 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 present may elect one of their number to be chairperson of the meeting.

**Chairperson's power to adjourn meeting**

**14. Chairperson's power to adjourn meeting**

The chairperson of a meeting at which a quorum is present:

- a. may adjourn the meeting with the consent of the Shareholders entitled to attend and vote at that meeting; and
- b. must adjourn the meeting if directed by the meeting to do so.

The only business that may be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place.

**VOTING**

**15. Voting by show of hands or voice vote at meeting**

In the case of a meeting of Shareholders assembled together, unless a poll is demanded, voting at the meeting will be by a show of hands or by voice vote, as the chairperson of the meeting may determine.

**16. Voting by voice if audio-conference meeting**

In the case of a meeting of Shareholders held by means of audio, or audio and visual communication, or electronic communication, unless a poll is demanded, voting at the meeting will be by the Shareholders signifying individually their assent or dissent by voice or by such other manner as the chairperson of the meeting may decide.

**17. Voting by electronic means**

The Society may allow Shareholders to vote by confirming their assent or dissent by electronic means (including, for the avoidance of doubt, voting on a computer or similar electronic device, with such vote being transmitted to the meeting), instead of the shareholder voting by another means permitted by these Rules.

**18. Votes of joint holders**

Where two or more persons are registered as the holders of a Share, either of those persons may vote but if more than one of such persons wishes to vote then the vote of the person named first in the share register and voting on a matter must be accepted to the exclusion of the vote of any other joint holder.

**19. Shareholder loses certain voting rights**

A Shareholder shall not have the right to vote on any resolution (however conducted) at a Shareholders' meeting if:

- a. the Shareholder has not been a Transacting Shareholder for **12 months** or more (refer to Rule 5.2 of the Rules); or

- b. their Shares are not fully paid or is in default of any obligation to pay any other sum that is due to the Society (refer to Rule 7.2 of the Rules).

**20. Chairperson not allowed casting vote**

In the case of an equality of votes, whether on a show of hands, voice vote or on a poll or by any other method, the chairperson of the meeting is not entitled to a casting vote.

**21. Chairperson's declaration of result**

Unless a poll is demanded, a declaration by the chairperson of the meeting that a resolution on a show of hands or voice vote or by such manner as the chairperson may have decided under clause 15 is carried by the requisite majority or lost, shall be conclusive evidence of that fact.

**POLLS**

**22. Poll may be demanded by chairperson or Shareholders**

At a meeting of Shareholders, a poll may be demanded, either before or after a vote is taken on a resolution, by:

- a. the Board at its absolute discretion;
- b. the chairperson of the meeting, at their absolute discretion;
- c. at least **5** Shareholders having the right to vote at the meeting;
- d. a Shareholder or Shareholders having the right to exercise at least **10 percent** of the total votes to be cast on the business to be transacted at the meeting; or
- e. a Shareholder or Shareholders holding Shares that confer a right to vote at the meeting and on which the total amount paid up is at least **10 percent** of the total amount paid up on all the Shares that confer that right.

**23. Time at which a poll is to be taken**

A poll demanded on the election of a chairperson of a meeting or on a question of adjournment must be taken immediately. A poll demanded on any other question is to be taken at such time as the chairperson of the meeting directs. The meeting may proceed to deal with any business other than that upon which a poll has been demanded pending the taking of the poll.

**24. Counting votes cast in a poll**

If a poll is taken, votes must be counted according to the votes attached to the Shares of each Shareholder present in person or by proxy and voting on the matter.

**25. Result of a poll to be treated as resolution of the meeting**

The result of a poll declared by the chairperson of the meeting will be treated as the resolution of the meeting at which the poll was demanded on the issue for which the poll was taken.

**26. Proxy allowed to demand a poll**

The instrument appointing a proxy to vote at a meeting confers authority to demand, or join in demanding, a poll and a demand by a person as proxy for a Shareholder has the same effect as a demand by the Shareholder.

**27. Chairperson may dissolve or adjourn unruly meetings**

The chairperson of a meeting may adjourn or dissolve the meeting if in their opinion the meeting has become so unruly, disorderly or inordinately protracted, that the business of



the meeting cannot be conducted in a proper and orderly manner. The chairperson may exercise this power without the consent of the meeting and without giving reasons.

**28. Dissolved meetings - unfinished business**

If the chairperson proposes to dissolve a meeting pursuant to clause 27, and there is any item of unfinished business of the meeting which in their opinion requires to be voted upon, then that item shall be dealt with by the chairperson directing it to be put to the vote by a poll without further discussion.

**SHAREHOLDER PROPOSALS**

**29. Shareholder proposals by written notice**

A Shareholder may give written notice to the Board of a matter the Shareholder proposes to raise for discussion or resolution at the next meeting of Shareholders at which the Shareholder is entitled to vote.

**30. Board to give notice of proposal at Society's expense if sufficient notice**

If the Board receives the notice at least **20 Working Days** before the last day on which notice of the relevant meeting of Shareholders is required to be given by the Board, the Board must, at the expense of the Society, give notice of the Shareholder proposal and the text of any proposed resolution to all Shareholders entitled to receive notice of the meeting.

**31. Board otherwise to give notice of proposal at Shareholder's expense**

If the Board receives the notice at least **5 Working Days** and not more than **20 Working Days** before the last day on which notice of the relevant meeting of Shareholders is required to be given by the Board, the Board must, at the expense of the Shareholder, give notice of the Shareholder proposal and the text of any proposed resolution to all Shareholders entitled to receive notice of the meeting.

**32. Board may give notice of proposal on short notice**

If the notice is received by the Board less than **5 Working Days** before the last day on which notice of the relevant meeting of Shareholders is required to be given by the Board, the Board may, if reasonably practicable, and at the expense of the Shareholder, give notice of the Shareholder proposal and the text of any proposed resolution to all Shareholders entitled to receive notice of the meeting.

**33. Shareholder to give security for costs for proposal with short notice**

Where the costs of giving notice of the Shareholder proposal and the text of any proposed resolution are required to be met by the proposing Shareholder, the proposing Shareholder must, on giving notice to the Board, deposit with the Society or tender to the Society a sum sufficient to meet those costs.

**34. Proposing Shareholder may include statement**

If the Board intends that Shareholders may vote on the proposal by proxy or by postal vote, they must give the proposing Shareholder the right to include in or with the notice given by the Board a statement of not more than **1,000 words** prepared by the proposing Shareholder in support of the proposal, together with the name and address of the proposing Shareholder.

**35. Board may exclude defamatory, frivolous or vexatious statements**

The Board is not required to include in or with the notice given by the Board a statement prepared by a Shareholder which the Board consider to be defamatory, frivolous or vexatious.

**36. Shareholder to give security for costs for proposal with short notice**

Where the costs of giving notice of the Shareholder proposal and the text of any proposed resolution are required to be met by the proposing Shareholder, the proposing Shareholder must, on giving notice to the Board, deposit with the Company or tender to the Company a sum sufficient to meet those costs.

**PROXIES****37. Proxies permitted**

A Shareholder may exercise the right to vote by being present in person or represented by proxy.

**38. Proxy to be treated as Shareholder**

A proxy for a Shareholder is entitled to attend and be heard at a meeting of Shareholders as if the proxy were the Shareholder.

**39. Appointment of proxy must be in writing and specify restrictions**

A proxy must be appointed by a notice in writing that is signed by the Shareholder, and the notice must state whether the appointment is for a particular meeting or a specified term not exceeding **12 months**. A proxy need not be a Shareholder of the Society or its specified agent.

**40. Notice of proxy to be produced at least 24 hours before meeting**

No proxy is effective in relation to a meeting unless a copy of the notice of appointment is produced to the Society or its specified agent at least **24 hours** before the time for holding the meeting or adjourned meeting at which the person named in the notice proposes to vote. If the written notice appointing a proxy is signed under power of attorney, a copy of the power of attorney (unless already deposited with the Society or its specified agent) and a signed certificate of non-revocation of the power of attorney must accompany the notice.

**41. Form of notice of proxy**

A notice appointing a proxy shall be in the form set out in the Schedule 4 or in a form as near to it as circumstances allow, or in such other form as the Board may direct including any electronic form and may be delivered or received by any means permitted by the Board.

**42. Vote by proxy valid where Society not notified before. meeting of disqualified proxy**

The vote of the proxy is valid where as

- a. Shareholder has died or become incapacitated; or
- b. proxy, or the authority under which the proxy was executed, has been revoked; or
- c. Share in respect of which a notice of proxy is given has been transferred,

before a meeting at which a proxy exercises a vote in terms of a notice of proxy but the Society does not receive written notice of that death, incapacity, revocation, or transfer before the start of the meeting.

## POSTAL VOTES

### 43. Postal votes are permitted

If the Board determines that a postal vote is to be held in respect of any resolution then a Shareholder may exercise the right to vote at a meeting by casting a postal vote in accordance with the following provisions.

### 44. Contents of Notice

44.1 The notice of a meeting at which Shareholders are entitled to cast a postal vote must state:

- a. the postal address to which postal votes may be sent and the name of the person authorised by the Board to receive and count postal votes at that meeting; and
- b. that the postal vote must be received by the person referred to in clause 44.1a at least **48 hours** prior to the start of the meeting; and/or
- c. if the Board has determined that postal votes may be cast by electronic means (for example using an online procedure), directions as to how to do so.

44.2 The notice referred to in this clause 44 may also state a website or an email or other address for communications to which votes may be sent. All references in these Rules to postal votes shall be read as references to votes cast by any means described in this clause and all the provisions in these Rules shall apply accordingly.

### 45. Directors may be regarded as authorised to receive and count postal votes

If no person has been authorised to receive and count postal votes at a meeting, or if no authorised person is named in the notice of the meeting, every Director is regarded as being authorised for that purpose.

### 46. Manner in which postal vote to be cast

A Shareholder may cast a postal vote on all or any of the matters to be voted on at the meeting by sending a notice setting out the manner in which that Shareholder's Shares are to be voted to a person authorised to receive and count postal votes at that meeting or, where postal votes may be cast by electronic means, by following the applicable procedure determined by the Board. Where a Shareholder sends a notice to the Society the notice must reach that person not less than **5 Working Days** before the start of the meeting.

### 47. Duties of person authorised to collect and count postal votes

It is the duty of a person authorised to receive and count postal votes at a meeting to:

- a. collect together all postal votes received by them or by the Society;
- b. in relation to each resolution to be voted on at the meeting, count the number of Shareholders voting and the number of votes cast by each Shareholder:
  - i. in favour of the resolution; and
  - ii. against the resolution;
- c. sign a certificate stating that they have carried out the duties set out in clauses 47a and 47b and setting out the results of the counts required by clause 47b; and
- d. ensure that the certificate required by clause 47c is presented to the chairperson of the meeting.

**48. Chairperson to take postal votes into account**

If a vote is taken at a meeting on a resolution on which postal votes have been cast, the chairperson of the meeting must

- a. on a vote by show of hands, count each Shareholder who has submitted a postal vote for or against the resolution; and
- b. on a poll, count the votes cast by each Shareholder who has submitted a postal vote for or against the resolution.

**49. Chairperson must call for poll if postal votes will affect result**

Where the chairperson of a meeting holds sufficient postal votes on a resolution so as to lead the chairperson to believe that if a poll were taken the result may differ from that obtained on a show of hands, then they must call for a poll on that resolution.

**50. Certificate of postal votes to be annexed to minutes**

The chairperson of a meeting must ensure that a certificate of postal votes held by them is annexed to the minutes of the meeting.

**51. Form of postal vote**

A postal vote shall be in the form set out in Schedule 5 or in a form as near to it as circumstances allow, or in such other form as the Board may direct.

**CORPORATE REPRESENTATIVES****52. Corporations may act by representative**

A body corporate which is a Shareholder may appoint a representative to attend any meeting of Shareholders on its behalf in the same manner as that in which it could appoint a proxy. The representative shall be entitled to attend and be heard at a meeting of Shareholders as if the representative were the Shareholder.

**MINUTES****53. Board must keep minutes of proceedings**

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

**OTHER PROCEEDINGS****54. Meeting may regulate other proceedings**

Except as provided in this Schedule, a meeting of Shareholders may regulate its own procedure through the chairperson.

**SCHEDULE 3  
PROCEEDINGS OF THE BOARD**

**NOTICE OF MEETING**

**1. Director's power to convene meetings**

A Director, or any other person at the request of a Director, may convene a meeting of the Board by giving notice in accordance with this Schedule.

**2. Notice to be sent to Director's address**

The notice of a meeting must be a written notice sent to the address or email address the Director has provided to the Society for that purpose. If none has been provided, the notice of meeting shall be sent to their last place of employment or residence or email address, known to the Society.

**3. Notice to contain certain details**

The notice of meeting must include the date, time and place of the meeting and an indication of the matters to be discussed in sufficient detail to enable a reasonable Director to appreciate the general importance of the matters.

**4. Period of notice required to be given to Directors**

At least **2 days'** notice of a meeting of the Board must be given unless the chairperson (or, in the chairperson's absence from New Zealand, any other Director) believes it is necessary to convene a meeting of the Board as a matter of urgency, in which case shorter notice of the meeting of the Board may be given, so long as at least **12 hours'** notice is given.

**5. Absent Directors**

If a Director, who is absent from New Zealand, supplies the Society with an address or email address to which notices are to be sent during their absence, then notice must be given to that Director. Otherwise notice need not be given to any Director who is absent from New Zealand. However, if he or she has an alternate Director who is in New Zealand, then notice must be given to that person.

**6. Directors may waive irregularities in notice**

Any irregularity in the notice of a meeting, or failure to comply with clauses 1 to 5 of this Schedule is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or failure, or if all Directors entitled to receive notice of the meeting agree to the waiver.

**MEETING AND QUORUM**

**7. Methods of holding meetings**

A meeting of the Board may be held either by:

- a. a number of 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, or electronic communication by which a quorum of Directors participating can simultaneously hear each other throughout the meeting; or
- c. a combination of both methods described in paragraphs a and b above.

## 8. **Quorum for Board meeting**

The quorum necessary for the transaction of business at a meeting of the Board is **50% or more Directors**, the majority of which must be Shareholder Directors. No business may be transacted at a meeting of the Board unless a quorum is present.

## 9. **Meeting adjourned if no 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 Working 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.

## **CHAIRPERSON**

### 10. **Chairperson to chair meetings**

The chairperson of the Board will chair all meetings of the Board at which they are present. If no chairperson of the Board is elected, or if at a meeting of the Board the chairperson of the Board is not present within **5 minutes** from the time appointed for the meeting, then the Directors present may elect one of their number to chair the meeting.

## **VOTING**

### 11. **Voting on resolutions**

Each Director has one vote. A resolution of the Board is passed if it is agreed to by all Directors present without dissent or if a majority of the votes cast on it are in favour of it. A Director present at a meeting of the Board may abstain from voting on a resolution, and any Director who abstains from voting on a resolution will not be treated as having voted in favour of it for the purposes of the I & P Act.

### 12. **Chairperson has no casting vote**

In the case of an equality of votes, the chairperson of the Board shall not have a casting vote.

## **MINUTES**

### 13. **Board must keep minutes of proceedings**

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

## **OTHER PROCEEDINGS**

### 14. **Board may regulate other proceedings**

Except as set out in this Schedule, the Board may regulate its own procedure.

**SCHEDULE 4  
PROXY FORM**

**ASHBURTON TRADING SOCIETY LIMITED**

**PROXY FORM**

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

---

Full name:

Full address:

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

Full name:

Full address:

Full name:

Full address:

**SECTION 2: APPOINTMENT OF PROXY**

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

I appoint

Full name:

Full address:

as my proxy to exercise my vote at the \*[Annual/Special] Meeting of Shareholders of the Society to be held on \*[date], and at any adjournment of that meeting. If the person I have appointed is unable to be my proxy then I appoint:

Full name:

Full address:

**SECTION 3: VOTING INSTRUCTIONS**

---

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

(Tick the box that applies)

I/We vote in the following manner:

**\*[General Business]**

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

**\*[Special Business]**

*[4. Identify resolution]	<input type="checkbox"/>	<input type="checkbox"/>
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**Signed by each Shareholder named in Section 1**

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**Date:****NOTES**

- 
- 1 *As a Shareholder you may attend the meeting and vote, or you may appoint a proxy to attend the meeting. A proxy need not be a Shareholder of the Society.*
  - 2 *If you are joint holders of shares each of you must sign this proxy form. If you are a company this proxy form must be signed on behalf of the company by a person acting under the company's express or implied authority.*
  - 3 *For this proxy form to be valid, you must complete it and produce it to the Society at least **24 hours** before the time for holding the meeting. You can produce it to the Society by:*
    - *Delivering it to the \*[Society's registered office at [full address]/other addressee details]; or*
    - *Posting it to the \*[Society's registered office at [postal address]/other] addressee details]; or*
    - *Emailing it to the Society's Secretary at: \*[give email address],**in each case, so that it is received at least **24 hours** before the time for holding the meeting.*
  - 4 *If this proxy form has been signed under a power of attorney a copy of the power of attorney (unless already deposited with the Society) and a signed certificate of non-revocation of the power of attorney must be produced to the Society with this proxy form.*
  - 5 *If you return this form without directing the proxy how to vote on any particular matter, the proxy will vote as they think fit.*



**SCHEDULE 5  
POSTAL VOTING FORM  
ASHBURTON TRADING SOCIETY LIMITED  
POSTAL VOTING FORM**

To:     \*[Name of person authorised to receive and count postal votes at the meeting]  
          \*[Full postal address]

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

---

Full name:

Full address:

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

Full name:

Full address:

Full name:

Full address:

**SECTION 2: VOTE**

---

(Tick the box that applies)

I/We vote in the following manner:

	For	Against
<b>*[General Business]</b>		
1.	<input type="checkbox"/>	<input type="checkbox"/>
2.	<input type="checkbox"/>	<input type="checkbox"/>
3.	<input type="checkbox"/>	<input type="checkbox"/>
<b>*[Special Business]</b>		
*[4. Identify resolution]	<input type="checkbox"/>	<input type="checkbox"/>

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Date:**

**NOTES**

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- 1     *As a Shareholder you may attend the meeting and vote, or you may cast a postal vote. In casting a postal vote you may vote on any one or more of the matters set out in Section 2 of this form.*

- 2 *If you are joint holders and intend to cast a postal vote, ideally each of you should sign this form. But if for any reason that is not possible, at least one of you must sign this form. If you are a company this form must be signed on behalf of the company by a person acting under the company's express or implied authority.*
- 3 *For this postal voting form to be valid, you must complete it and send it to \*[name of person authorised to receive and count postal votes] at \*[full postal address] so as to ensure that it reaches \*[him/her] by \*[time] on \*[day and date]. If it has been signed under a power of attorney please send a copy of the power of attorney (unless already deposited with the Society) and a signed certificate of non- revocation of the power of attorney with this form.*