

Constitution of The Warehouse Group Limited

I certify that this document was adopted as
the Constitution of the Company by Special
Resolution on 22 November 2019.

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CONSTITUTION
OF
THE WAREHOUSE GROUP LIMITED

1. DEFINITIONS AND INTERPRETATION

1.1 **Definitions:** In this Constitution, unless the context otherwise requires:

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

"**Alternate Director**" means a person appointed by a Director as his or her alternate under section 27.

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

"**Class**" means a class of Financial Products having identical rights, privileges, limitations and conditions, and includes or excludes Financial Products which NZX in its discretion deems to be, or not to be, of that class.

"**Company**" means The Warehouse Group Limited.

"**Constitution**" means this constitution, as altered from time to time.

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

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

"**Equity Security**" means an Equity Security as defined in the NZX Rules issued, or to be issued, by the Company, as the case may require.

"**Financial Product**" has the meaning given to that term in the NZX Rules.

"**Interest Group**" has the meaning set out in section 116 of the Act.

"**Interested**", in relation to a Director, has the meaning set out in section 139 of the Act.

"**Main Board**" means the main board financial product market operated by NZX.

"**Managing Director**" means a person appointed as a managing director of the Company under clause 28.

"**month**" means calendar month.

"**NZX**" means NZX Limited and includes its predecessors, successors and assigns and, as the context permits, includes any duly authorised delegate of the NZX (including the Tribunal).

"**NZX Incorporation Rules**" means those provisions of the NZX Rules specified in NZX Rule 2.20.1(a), as those provisions may be amended or modified from time to time.

"**NZX Rules**" means the listing rules of the Main Board in force from time to time.

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

"**person**" includes an individual, partnership, firm, company, body corporate, corporation, association, organisation, trust, a state or government or any agency thereof, a municipal, local or regional authority, and any other entity or organisation, whether incorporated or not (in each case whether or not having a separate legal personality).

"**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 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 thereunder, and a donee of an enduring power of attorney complying with that Act.

"**Records**" means the documents required to be kept by the Company under section 189(1) of the Act.

"**Renounceable**" has the meaning given to it in the Listing Rules.

"**Representative**" means:

- (a) a person appointed as a proxy under section 23;
- (b) a Personal Representative; or
- (c) a representative appointed by a corporation under section 24.

"**Ruling**" has the meaning given to that term in the NZX Rules.

"**Share**" means a share issued, or to be issued, by the Company, as the case may require.

"**Shareholder**" means a person whose name is entered in the Share Register as the holder for the time being of one or more Shares.

"**Share Register**" means the share register for the Company kept in accordance with the Act.

"**Share Registrar**" means an agent appointed by the Company to maintain the Share Register.

"**Special Resolution**" means a resolution approved by a majority of 75% or more of the votes of those Shareholders entitled to vote and voting on the question.

"**Tribunal**" has the meaning given to that term in the NZX Rules.

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

1.2 **Definitions in the NZX Rules:** Words and expressions in this Constitution which commence with initial capital letters and are not defined in clause 1.1 but are defined in the NZX Rules have the respective meanings given to them by the NZX Rules.

1.3 **Interpretation:** In this Constitution, unless the context otherwise requires:

- (a) the table of contents, headings, and descriptions relating to sections of the Act, are inserted for convenience only and shall be ignored in construing this Constitution;
- (b) the singular includes the plural and vice versa;
- (c) one gender includes the other genders;
- (d) reference to any legislation or to any provision of any legislation (including regulations and orders) includes:
 - (i) that legislation or provision as from time to time amended, re-enacted or substituted;
 - (ii) any statutory instruments, regulations, rules and orders issued under that legislation or provision;
- (e) "written" and "in writing" include any means of representing or reproducing words, figures and symbols in a tangible and visible form;
- (f) references to clauses and sections (other than sections of the Act) are references to clauses and sections in this Constitution, unless stated otherwise;
- (g) where any word or expression is defined in this Constitution, any other grammatical form of that word or expression has a corresponding meaning; and
- (h) words and expressions defined or explained in the Act have the same meaning in this Constitution.

1.4 **Constitution to prevail over Act:** If there is any conflict between:

- (a) a provision in this Constitution and a provision in the Act which is expressly permitted to be altered by this Constitution; or
- (b) a word or expression defined or explained in the Act and a word or expression defined or explained in this Constitution,

the provision, word or expression in this Constitution prevails.

2. GENERAL - NZX RULES

2.1 **Companies Act 1993:** The Company, the Board, each Director and each Shareholder have the rights, powers, duties and obligations set out in the Act except to the extent that they are negated or modified by this Constitution.

- 2.2 **NZX Incorporation Rules:** Except as set out in clause 29.4, the NZX Incorporation Rules are deemed to be incorporated in this Constitution, and shall have effect as if they were set out in full in this Constitution.
- 2.3 **Compliance with NZX Rules:** The Company shall comply with the NZX Rules, subject to:
- (a) the requirements of the Act and any other applicable legislative or regulatory requirements; and
 - (b) the terms of any Ruling given from time to time by NZX.
- 2.4 **Effect of failure to comply:** Failure to comply with the NZX Rules, or failure to comply with a provision of the Constitution corresponding with a provision of the NZX Rules (whether such wording is set out in full in this Constitution or is incorporated in it pursuant to clause 2.2), shall not affect the validity or enforceability of any transaction, contract, action, decision or vote taken at a meeting of shareholders, or other matter entered into by, or affecting, the Company, except that a party to a transaction or contract who knew of the non-compliance is not entitled to enforce that transaction or contract. This clause does not limit the rights of any holder of Equity Securities of the Company against the Company or the Directors arising from failure to comply with the NZX Rules or those provisions of this Constitution.
- 2.5 **Effect of Ruling:** Except as set out in clause 29.4, if the NZX has given a Ruling authorising any act or omission, which in the absence of that Ruling would be in contravention of the NZX Rules or this Constitution, that act or omission is deemed to be authorised by the NZX Rules and by this Constitution notwithstanding such contravention or inconsistency.
- 2.6 **References to NZX Rules:** A reference in this Constitution to a specific NZX Rule includes that NZX Rule as it may be amended from time to time and any NZX Rule which may be substituted for that NZX Rule.
- 2.7 **Inconsistency with NZX Rules:** Except as set out in clause 29.4, if any provision of this Constitution is inconsistent with the NZX Rules, the NZX Rules shall prevail, and that provision shall be deemed to be amended, or deleted, to the extent necessary to make that provision consistent with the NZX Rules.
- 2.8 **Cessation:** Clauses 2.2 to 2.7 apply only for so long as the Company is party to a listing agreement with NZX. If the Company ceases to be party to a listing agreement with NZX those clauses shall cease to have effect.

3. SHARES

- 3.1 **Classes of Shares:** Different Classes of Shares may be issued by the Company. Without limiting the Classes which may be issued, any Share may be issued upon the basis that it:
- (a) confers preferential rights to distributions of capital or income;
 - (b) confers special, limited or conditional voting rights;
 - (c) does not confer voting rights; or
 - (d) is redeemable in accordance with section 68 of the Act.

3.2 **Consolidation and subdivision:** The Board may:

- (a) consolidate and divide the Shares or any Class; and
- (b) subdivide the Shares or any Class,

in each case in proportion to those Shares or the Shares in that Class, as the case may be.

4. **ISSUE OF NEW EQUITY SECURITIES**

4.1 **Powers of Board to issue:** Subject to the NZX Rules, the Board may issue Shares or other Equity Securities, to any person and in any number it thinks fit. The provisions of sections 45(1) and 45(2) of the Act shall not apply to any issue or proposed issue of Shares by the Company.

4.2 **Transfer of Rights:** Every person to whom unissued Equity Securities are offered pursuant to an offer complying with NZX Rule 4.3.1(a) may decline or accept the offer, or if the offer is Renounceable, transfer their Rights thereunder to any person or persons to whom the Equity Securities, when issued, could be transferred but the Directors have the same right to decline to accept any such transfer as they would have if the transfer were a transfer of Shares, and the provisions of this Constitution as to the transfer of Shares, with all necessary modifications, apply to transfers of Rights to unissued Equity Securities.

4.3 **Bonus issues:** Subject to the NZX Rules, the Board may resolve to apply any amount which is available for Distribution either:

- (a) in paying up in full Shares or other Financial Products of the Company to be issued credited as fully paid to:
 - (i) the Shareholders who would be entitled to that amount if it were distributed by way of dividend, and in the same proportions; and
 - (ii) if applicable, the holders of any other Financial Products of the Company who are entitled by the terms of issue of such Financial Products to participate in bonus issues by the Company, whether at the time the bonus issue is made to the Shareholders, or at some later time, in accordance with their respective entitlements; or
- (b) in paying up any amount which is unpaid on any Shares held by the Shareholders referred to in clause 4.3(a)(i),

or partly in one way and partly in the other.

5. **ALTERATION OF RIGHTS OF EQUITY SECURITY HOLDERS**

5.1 **Procedure in respect of Shares:** The Company shall, before taking action affecting the rights attached to any Shares, comply with the provisions of sections 116 and 117 of the Act.

5.2 **Issue of equal or prior ranking Equity Securities:** For the purposes of clause 5.1, the issue of further Shares which rank equally with, or in priority to, any existing Shares, whether

as to voting rights, Distributions or otherwise, is deemed not to be action affecting the rights attaching to those existing Shares.

6. ACQUISITION AND REDEMPTION OF EQUITY SECURITIES

6.1 **Powers to acquire, redeem and hold Equity Securities:** The Company may:

- (a) purchase or otherwise acquire Shares or other Equity Securities from one or more Shareholders;
- (b) redeem any redeemable Shares or other Equity Securities; and
- (c) hold any Shares or other Equity Securities so purchased, acquired or redeemed,

in accordance with the provisions, and subject to the restrictions, of the Act and this Constitution (including the NZX Rules).

7. EQUITABLE INTERESTS IN SHARES

7.1 **No notice of trusts:** No notice of a trust, whether express, implied, or constructive, may be entered on the Share Register.

7.2 **No recognition of equitable interests:** Except as required by law or by this Constitution, no person shall be recognised by the Company as holding any Share upon trust and the Company shall not be bound by, nor be compelled to recognise (even after notice), any equitable, contingent, future or partial interest in any Share, or any interest in any fraction or part of a Share or (except as provided by this Constitution or by law) any other rights in respect of any Share, except an absolute right of the registered holder to the entire Share.

8. CALLS ON SHARES

8.1 **Board may make calls:** The Board may, from time to time, make such calls as it thinks fit upon the Shareholders in respect of any amounts unpaid on any Shares held by them which are not made payable at fixed times by the terms of issue of those Shares. A call may be made payable by instalments. The Board may revoke or postpone any call.

8.2 **Time of call:** A call is deemed to be made at the time when the resolution of the Board making the call is passed.

8.3 **Fixed instalments deemed calls:** An amount which, by the terms of issue of a Share, is payable on allotment or at a fixed date is deemed for the purposes of this Constitution to be a call duly made and payable on the date on which the amount is payable.

8.4 **Notice of call:** At least 14 days' notice of any call shall be given to the holder of the Share in respect of which the call is made, specifying the time and place of payment.

8.5 **Differential calls:** The Board may, on the issue of Shares, differentiate between the Shareholders as to the amounts to be paid in respect of the Shares and the times of payment of such amounts.

- 8.6 **Manner of payment:** A Shareholder by whom a call is payable shall pay the amount of the call to the Company at the time and place specified by the Board.
- 8.7 **Joint Shareholders:** Joint Shareholders are jointly and severally liable to pay all calls in respect of Shares registered in their names.
- 8.8 **Default interest:** If a call in respect of a Share is not paid on or before the due date, the Shareholder by whom the call is payable shall pay interest on the call from the due date to the date of actual payment at such rate as the Board determines, unless the Board waives payment of interest wholly or in part.
- 8.9 **Proceedings for recovery of call:** In any proceedings for recovery of a call:
- (a) it is sufficient to prove that:
 - (i) the name of the relevant Shareholder is entered in the Share Register as the holder, or one of the holders, of the Shares to which the call relates; and
 - (ii) except in relation to any amount which, by the terms of issue of a Share, is payable on allotment or at a fixed date, the resolution making the call is entered in the Records and notice of the call has been duly given,and proof of the matters mentioned in this clause is conclusive evidence of the debt; and
 - (b) it is not necessary to prove the appointment or qualification of any member of the Board which made the call nor any other matter.
- 8.10 **Payment in advance of calls:** The Company may receive from any Shareholder in advance any amount uncalled and unpaid upon any Shares held by that Shareholder and may, until the date on which the amount becomes payable pursuant to a call, pay interest on the amount at such rate as the Board and the Shareholder agree.
- 8.11 **Cancellation of unpaid amounts:** No obligation to pay any amount which is unpaid on any Equity Security shall be cancelled, reduced or deferred without the authority of an Ordinary Resolution.
- 9. FORFEITURE OF EQUITY SECURITIES**
- 9.1 **Notice requiring payment of call:** If a holder of Equity Securities fails to pay any call or instalment of a call on the due date, the Company may at any time thereafter by written notice to that holder of Equity Securities require payment of the amount unpaid together with any accrued interest and all expenses incurred by the Company by reason of such non-payment.
- 9.2 **Contents of notice:** The notice shall specify a further date (not earlier than 14 days after the date of service of the notice) on or before which the payment is to be made, and shall state that, if payment is not made by the specified date, the Equity Security in respect of which the call or instalment of a call is due, is liable to be forfeited.
- 9.3 **Forfeiture for non-payment:** If payment is not made by the date specified in the notice then, at any time thereafter before the payment required by the notice has been made, any

Equity Security in respect of which the notice has been given may be forfeited by a resolution of the Board to that effect. The forfeiture shall include all Distributions declared in respect of the forfeited Equity Security and not paid before the forfeiture.

- 9.4 **Notice of forfeiture:** When an Equity Security has been forfeited, the Company shall give notice of the resolution to the holder of Equity Securities in whose name the Equity Security stood immediately prior to the forfeiture, and shall enter in the register details of the forfeiture.
- 9.5 **Cancellation of forfeiture:** A forfeiture may be cancelled at any time before the sale of the forfeited Equity Security, on such terms as the Board thinks fit.
- 9.6 **Effect of forfeiture:** The holder of an Equity Security which has been forfeited ceases to be a holder of Equity Securities in respect of the Equity Security, but remains liable to the Company for all money payable in respect of the forfeited Equity Security.

10. LIEN ON EQUITY SECURITIES

- 10.1 **Lien on Equity Securities:** The Company has a first and paramount lien upon each Equity Security, the proceeds of sale of the Equity Securities, and all Distributions made in respect of the Equity Securities, for:
- (a) all unpaid calls, instalments, premiums or other amounts, and any interest payable on such amounts, relating to the specific Equity Securities; and
 - (b) any amount which the Company may be called upon to pay under any legislation in respect of the specific Equity Securities, whether or not the due date for payment has passed.
- 10.2 **Waiver of lien:** Unless otherwise agreed between the Company and the relevant holder of Equity Securities, the registration of a transfer of an Equity Security shall operate as a waiver of any lien which the Company may have on that Equity Security, except as provided in clause 13.2.

11. SALE OF SHARES SUBJECT TO FORFEITURE OR LIEN

- 11.1 **Company may sell Shares:** The Company may sell any forfeited Share, or any Share on which the Company has a lien, in such manner as the Board thinks fit, but the Company shall not sell any Share:
- (a) unless the amount in respect of which a lien exists is due and payable; and
 - (b) until the expiry of 14 days after written notice demanding payment of the amount has been given to the person entitled to receive notice of meetings of Shareholders in respect of the Share.
- 11.2 **Proceeds of sale:** The net proceeds (after deduction of any expenses) of the sale of a forfeited Share or of any Share sold for the purpose of enforcing a lien shall be applied in or towards satisfaction of any unpaid calls, interest or other amount in respect of which any lien exists (as the case may require). The residue, if any, shall be paid to the holder of the Share at the time of its forfeiture or, in the case of a Share sold for the purpose of enforcing a lien, the

holder immediately prior to the sale or, if applicable in either case, to the Personal Representative of the holder.

- 11.3 **Evidence:** A certificate by a Director that any power of sale has arisen and is exercisable by the Company under this Constitution, or that a Share has been forfeited on the date stated in the certificate, shall be conclusive evidence of those facts.
- 11.4 **Sale procedure:** For giving effect to any sale after forfeiture of any Share or for enforcing a lien over any Share, the Board may authorise any person to transfer any Share to the purchaser. The purchaser shall be registered as the holder of the Share and shall not be bound to see to the application of the purchase money, and the title of the purchaser shall not be affected by any irregularity or invalidity in relation to the sale. The remedy of any person having a cause of action in relation to the sale is in damages only and solely against the Company.

12. TRANSFER OF SHARES

- 12.1 **Right to transfer:** Subject to any restrictions contained in this Constitution, a Shareholder or Personal Representative may transfer any Share:
- (a) by an instrument of transfer which complies with this Constitution; or
 - (b) under any other share transfer system which operates in relation to the trading of financial products on any stock exchange outside New Zealand on which Shares are listed and which is applicable to the Company; or
 - (c) under a system of transfer approved under subpart 9 of Part 5 of the Financial Markets Conduct Act 2013 which is applicable to the Company.
- 12.2 **Method of Transfer:** A Share which is disposed of in a transaction which complies with the requirements of a system of transfer authorised under clause 12.1(b) or 12.1(c) may be transferred in accordance with the requirements of that system. Where an instrument of transfer executed by a transferor outside New Zealand would have complied with the provisions of the Financial Markets Conduct Act 2013 if it had been executed in New Zealand, it may nevertheless be registered by the Company if it is executed in a manner acceptable to the Company or the Share Registrar.
- 12.3 **Other forms of transfer:** An instrument of transfer of Shares to which the provisions of clause 12.2 are not applicable shall:
- (a) be in any common form or any other form approved by the Company 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.
- 12.4 **Delivery to Company:** An instrument transferring Shares must be delivered to the Company or to the Share Registrar, together with such evidence (if any) as the Company or the Share Registrar reasonably requires to prove the title of the transferor to, or right of the transferor to transfer, the Shares.

- 12.5 **Board may refuse to register:** Subject to section 84 of the Act (which imposes certain procedural requirements on a board), the Board may refuse to register a transfer of any Share if:
- (a) the Company has a lien on the Share;
 - (b) the transferor fails to produce such evidence as the Company or the Share Registrar reasonably requires to prove the title of the transferor to, or right of the transferor to transfer, the Share; or
 - (c) registration of the transfer (together with registration of any further transfer or transfers then held by the Company and awaiting registration) would result in less than a Minimum Holding of Shares of the relevant Class standing in the name of the transferee or transferor,
- provided that the Board resolves to exercise its power under this clause 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 five Working Days of the resolution being passed by the Board.
- 12.6 **When transfer effective:** A transferor of a Share is deemed to remain the holder of the Share until the name of the transferee is entered in the Share Register in respect of the Share.
- 12.7 **Company to retain transfer:** If the Company registers an instrument of transfer it shall retain the instrument.
- 12.8 **Multiple registers:** The Share Register may, by resolution of the Board, be divided into two or more registers, which may be kept in different places, and may be kept by one or more Share Registrars.
- 12.9 **Compulsory disposal when holding less than Minimum Holding:** The Board may at any time give notice to a Shareholder holding less than a Minimum Holding of Shares of any Class that if at the expiration of three months after the date the notice is given the Shareholder still holds less than a Minimum Holding of Shares of that Class, the Board may exercise the power of sale of those Shares set out in this clause. If that power of sale becomes exercisable:
- (a) The Board may arrange for the sale of the relevant Shares on behalf of the Shareholder, on market (including through a broker acting on the Company's behalf).
 - (b) The Shareholder shall be deemed to have authorised the Company to act on behalf of the Shareholder in relation to the sale of the relevant Shares, and to sign all necessary documents relating to such sale.
 - (c) The Company shall account to the Shareholder for the net proceeds of sale (after deduction of reasonable sale expenses) which shall be held on trust by the Company for, and paid (together with interest at such rate (if any) as the Board deems appropriate) to, the Shareholder, on surrender of the certificate (if any) relating to the relevant Shares.
 - (d) The title of the purchaser of any Shares sold pursuant to this clause shall not be affected by any irregularity in the exercise or purported exercise of the power of sale specified in this clause and the receipt of the Company shall be a good discharge to the purchaser for the purchase price.

12.10 **Financial Products other than Shares:** The provisions of this section 12 shall apply, with any necessary modifications, to Financial Products of the Company other than Shares except to the extent (if any) provided otherwise by the terms of issue of such Financial Products, by the NZX Rules, or by law.

13. TRANSMISSION OF SHARES

13.1 **Transmission on death of Shareholder:** If a Shareholder dies the survivor, if the deceased was a joint Shareholder, or the Personal Representative, shall be the only persons recognised by the Company as having any title to or interest in the Shares of the deceased Shareholder but nothing in this clause shall release the estate of a deceased joint Shareholder from any liability in respect of any Share or constitute a release of any lien which the Company may have in respect of any Share.

13.2 **Rights of Personal Representatives:** A Personal Representative of a Shareholder:

- (a) is entitled to exercise all rights (including without limitation the rights to receive Distributions, to attend meetings and to vote in person or by Representative), and is subject to all limitations, attached to the Shares held by that Shareholder; and
- (b) is entitled to 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 Company was entitled prior to registration of the Personal Representative pursuant to this sub-clause.

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

14. DISTRIBUTIONS

14.1 **Power to authorise:** The Board, if satisfied on reasonable grounds that the Company will immediately after the Distribution satisfy the solvency test may, subject to the Act and this Constitution, authorise Distributions by the Company at times, and of amounts, and to any Shareholders, as it thinks fit and may do everything which is necessary or expedient to give effect to any such Distribution.

14.2 **Form of Distribution:** Subject to the rights of holders of any Shares in a Class, the Board may make a Distribution in such form as it thinks fit, but except as provided in clause 14.3 shall not differentiate between Shareholders as to the form in which a Distribution is made without the prior approval of the Shareholders.

14.3 **Currency of payment:** The Board, if its thinks fit, may differentiate between Shareholders as to the currency in which any Distribution is to be paid. In exercising its discretion the Board may have regard to the registered address of a Shareholder, the register on which a Shareholder's Shares are registered and such other matters (if any) as the Board considers appropriate. If the Board determines to pay a Distribution in a currency other than New Zealand currency, the amount payable shall be converted from New Zealand currency in such manner, at such time, and at such exchange rate, as the Board thinks fit.

14.4 **Entitlement to dividends:** The Board shall not authorise a dividend:

- (a) in respect of some but not all the Shares in a Class; or
- (b) that is of a greater value per Share in respect of some Shares of a Class than it is in respect of other Shares of that Class,

unless the amount of the dividend in respect of a Share of that Class is in proportion to the amount paid to the Company in satisfaction of the liability of the Shareholder under this Constitution or under the terms of issue of the Share, but a Shareholder may waive that Shareholder's entitlement to receive a dividend or any part thereof by written notice to the Company signed by or on behalf of the Shareholder.

- 14.5 **Deduction of money:** The Board may deduct from a Distribution payable to a Shareholder any amount which is due and payable by the Shareholder to the Company on account of calls or otherwise in relation to any Shares held by that Shareholder.
- 14.6 **Method of payment:** A Distribution payable in cash may be paid in such manner as the Board thinks fit to the entitled Shareholder or, in the case of joint Shareholders, to the Shareholder named first in the Share Register, or to such other person and in such manner as the Shareholder or joint Shareholders may in writing direct.
- 14.7 **No interest on Distributions:** The Company is not liable to pay interest in respect of any Distribution.
- 14.8 **Payment of small Distribution amounts:** Where the net amount of a Distribution payable to a Shareholder is less than such minimum amount as may be determined from time to time by the Board for the purposes of this clause, the Company may, with the prior approval of that Shareholder, defer payment of the Distribution to that Shareholder until the earlier of:
- (a) such time as that Shareholder has an aggregate entitlement to net Distributions of not less than such minimum amount; and
 - (b) the date upon which that Shareholder ceases to hold any Shares.
- 14.9 **Unclaimed Distributions:** Dividends or other monetary Distributions unclaimed for more than one year after having been authorised, may be used for the benefit of the Company until claimed. All dividends or other monetary Distributions unclaimed for more than five 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.

15. EXERCISE OF POWERS OF SHAREHOLDERS

- 15.1 **Alternative forms of meeting:** A meeting of Shareholders may be held by a number of Shareholders, who constitute a quorum:
- (a) being assembled together at the place, date and time appointed for the meeting; or
 - (b) participating in the meeting by means of audio, audio and visual, or electronic communication; or
 - (c) by a combination of both the methods described in 15.1(a) and 15.1(b).

For the avoidance of doubt, a Shareholder participating in a meeting by means of audio, audio and visual, or electronic communication is present at the meeting and part of the quorum.

15.2 **Participation by electronic means:** A Shareholder, or the Shareholder's proxy or representative, may participate in a meeting by means of audio, audio and visual, or electronic communication if:

- (a) the Board approves those means; and
- (b) the Shareholder, proxy, or representative complies with any conditions imposed by the Board in relation to the use of those means (including, for example, conditions relating to the identity of the shareholder, proxy, or representative and that person's approval or authentication (including electronic authentication) of the information communicated by electronic means).

15.3 **Powers exercisable by Ordinary Resolution:** Unless otherwise specified in the Act or this Constitution, a power or right of approval reserved to Shareholders may be exercised by an Ordinary Resolution.

16. MEETINGS OF SHAREHOLDERS

16.1 **Annual meetings:** The Company shall hold annual meetings of Shareholders in accordance with section 120 of the Act.

16.2 **Special meetings:** A special meeting of Shareholders entitled to vote on an issue:

- (a) may be called by the Board at any time;
- (b) shall be called by the Board on the written request of Shareholders holding Shares carrying together not less than 5% of the voting rights entitled to be exercised on any of the questions to be considered at the meeting.

16.3 **Time and place of meetings:** Each meeting of Shareholders shall be held at such time and place as the Board appoints.

16.4 **Equity Security holders entitled to attend:** Equity Security holders of all Classes are entitled to attend meetings of Shareholders and to receive copies of all notices, reports and financial statements issued generally to the holders of all Financial Products entitled to vote at meetings of Shareholders but are not entitled to vote at any such meeting unless the terms of the relevant Equity Securities so provide.

16.5 **Meetings of Interest Groups:** A meeting of the Shareholders constituting an Interest Group may be called by the Board at any time. All the provisions of this Constitution relating to meetings of Shareholders shall apply, with all necessary modifications, to meetings of Interest Groups, except that:

- (a) the necessary quorum for a meeting is one Shareholder having the right to vote at the meeting, present in person or by Representative;
- (b) any Shareholder in the relevant Interest Group, present in person or by Representative, may demand a poll; and

- (c) if the Board so elects, one meeting may be held of Shareholders constituting more than one Interest Group, so long as voting at that meeting is by way of a poll, and proper arrangements are made to distinguish between the votes of the Shareholders in each Interest Group.

17. NOTICE OF MEETINGS OF SHAREHOLDERS

17.1 **Written notice:** Written notice of the time and place of a meeting of Shareholders shall be sent to every Shareholder entitled to receive notice of the meeting, to every Director, and to the auditor of the Company, not less than 10 Working Days before the meeting, but with the consent of all Shareholders entitled to attend and vote at a meeting, it may be convened by such shorter notice, and in such manner, as those Shareholders agree.

17.2 **Contents of notice:** A notice of meeting shall state:

- (a) the nature of the business to be transacted at the meeting in sufficient detail to enable a Shareholder to form a reasoned judgment in relation to it;
- (b) the text of any Special Resolution to be submitted to the meeting;
- (c) in the case of Special Resolutions required by sections 106(1)(a) or 106(1)(b) of the Act, the right of a shareholder section 110 of the Act; and
- (d) that a Shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of the Shareholder and that a proxy need not be a Shareholder.

17.3 **Form of resolutions:** So far as reasonably practicable, the resolutions to be proposed at a meeting shall be framed in a way which facilitates the giving of two way voting instructions to proxies.

17.4 **Waiver of notice irregularity:** An irregularity in a notice of a meeting is waived if all the Shareholders entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity, or if all such Shareholders agree to the waiver.

17.5 **Accidental omission of notice:** The accidental omission to give notice of a meeting to, or the non-receipt or late receipt of notice of a meeting by, any person entitled to receive notice, does not invalidate the proceedings at the meeting.

17.6 **Notice of adjourned meeting:** If a meeting of Shareholders is adjourned for less than 30 days it is not necessary to give notice of the time and place of the adjourned meeting other than by announcement at the meeting which is adjourned. In any other case, notice of the adjourned meeting shall be given in accordance with clause 17.1.

18. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

18.1 **Requirement for quorum:** Subject to clause 18.3, no business may be transacted at a meeting of Shareholders if a quorum is not present.

18.2 **Quorum:** Subject to clause 18.3, a quorum for a meeting of Shareholders is five Shareholders having the right to vote at the meeting, present in person or by Representative.

- 18.3 **Lack of quorum:** If a quorum is not present within 30 minutes after the time appointed for the meeting:
- (a) in the case of a meeting called by the Board on the written request of Shareholders entitled to exercise that right, the meeting is dissolved;
 - (b) in the case of any other meeting, the meeting is adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the Board may appoint and, if at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the Shareholders or their Representatives present are a quorum.
- 18.4 **Regulation of procedure:** Subject to the provisions of the Act, and except as otherwise provided in this Constitution, a meeting of Shareholders may regulate its own procedure.
- 18.5 **Adjournment of meeting:** The chairperson may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business may be transacted at an adjourned meeting other than the business left unfinished at the relevant meeting.
- 18.6 **Adjournment or dissolution of disorderly meeting:** If a meeting becomes so unruly, disorderly or inordinately protracted, that in the opinion of the chairperson the business of the meeting cannot be conducted in a proper and orderly manner, the chairperson, notwithstanding any provision to the contrary contained in this Constitution and without the consent of the meeting, may, in his or her sole and absolute discretion and without giving any reason therefor, either adjourn or dissolve the meeting.
- 18.7 **Completion of unfinished business if meeting dissolved:** If a meeting is dissolved by the chairperson pursuant to clause 18.6, the unfinished business of the meeting shall be dealt with as follows:
- (a) in respect of a resolution concerning the approval or authorisation of a Distribution, the Board may, in the exercise of the powers conferred on it by the Act or this Constitution, authorise such Distribution;
 - (b) in respect of a resolution concerning the remuneration of the auditors, the meeting shall be deemed to have resolved that the Board be authorised to fix the remuneration of the auditors; and
 - (c) the chairperson may direct that any other item of uncompleted business, which in his or her opinion requires to be voted upon, be put to the vote by a poll without further discussion, in accordance with clause 22.4.

19. CHAIRPERSON OF MEETINGS OF SHAREHOLDERS

- 19.1 **Chairperson:** If the Directors have elected a chairperson of the Board and he or she is present at a meeting of Shareholders, he or she shall chair the meeting, unless or except to the extent that the chairperson considers it not proper or desirable to act as chairperson, either in relation to the entire meeting or in relation to any particular business to be considered at the meeting.

- 19.2 **Directors may appoint chairperson:** 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 after the time appointed for the commencement of the meeting, or considers it not proper or desirable to act as chairperson, either in relation to the entire meeting or in relation to any particular business to be considered at the meeting, the Directors present may elect one of their number to chair the meeting or that part of the meeting which relates to the particular business, as the case may require.
- 19.3 **Shareholders may appoint chairperson:** If at any meeting of Shareholders no Director is willing to act as chairperson or no Director is present within 15 minutes after the time appointed for the commencement of the meeting, the Shareholders present may choose one of their number to chair the meeting.

20. VOTING AT MEETINGS OF SHAREHOLDERS

- 20.1 **Voting at meeting in one place:** In the case of a meeting of Shareholders held under clause 15.1(a), unless a poll is demanded in accordance with clause 22.1, the chairperson of the meeting shall determine whether voting will be by voice or by show of hands.
- 20.2 **Voting by electronic means:** To the extent permitted by the Act, and if applicable, the NZX Rules, the Company may allow Shareholders to vote by signifying their assent or dissent by electronic means (including, for the avoidance of doubt, voting on a personal computer, with such vote being transmitted to the meeting), instead of the Shareholder voting by another method permitted by the Act or this Constitution.
- 20.3 **Postal votes:** Unless the Board determines otherwise, Shareholders may not exercise the right to vote at a meeting by casting postal votes. If the Board determines that postal voting will be permitted at a meeting, the provisions of clause 7 of the first schedule to the Act shall apply, with such modifications (if any) as the Board thinks fit.
- 20.4 **Entitlement to vote:** A Shareholder may exercise the right to vote either in person or by Representative.
- 20.5 **Number of votes:** Subject to clauses 21.1 and to any rights or restrictions for the time being attached to any Share:
- (a) where voting is by show of hands or by voice every Shareholder present in person or by Representative has one vote;
 - (b) on a poll every Shareholder present in person or by Representative has:
 - (i) in respect of each fully paid Share held by that Shareholder, one vote;
 - (ii) in respect of each Share held by that Shareholder which is not fully paid, a fraction of the vote or votes which would be exercisable if that Share were fully paid equivalent to the proportion, which the amount paid (excluding amounts credited as paid) on that Share bears to the total amount paid and payable thereon (excluding amounts credited as paid and amounts paid in advance of calls).
- 20.6 **Vote of overseas protected persons:** A Shareholder who is not living in New Zealand, and who is of unsound mind or in respect of whom an order has been made by any court having

appropriate jurisdiction, may vote in respect of any Shares held by that Shareholder, by his or her committee, manager, or other person of a similar nature appointed by that court, voting in person or by proxy.

- 20.7 **Declaration by chairperson:** A declaration by the chairperson of a meeting that a resolution is carried by the requisite majority is conclusive evidence of that fact unless a poll is demanded in accordance with clause 22.1.
- 20.8 **Chairperson not allowed casting vote:** The chairperson of a meeting of Shareholders is not entitled to a casting vote.
- 20.9 **Joint Shareholders:** Where two or more persons are registered as joint Shareholders, the vote of the person named first in the Share Register and voting on a matter must be accepted to the exclusion of the votes of the other joint holders.

21. RESTRICTIONS ON VOTING

- 21.1 **No vote when amount owing on Share:** A Shareholder is not entitled to vote at any meeting of Shareholders (including a meeting of an Interest Group) in respect of any Share if any amount is due and payable on that Share by the Shareholder to the Company.

22. POLLS

- 22.1 **Right to demand poll:** At a meeting of Shareholders a poll may be demanded by:
- (a) the chairperson; or
 - (b) not less than five Shareholders having the right to vote at the meeting; or
 - (c) a Shareholder or Shareholders representing not less than 10% of the total voting rights of all Shareholders having the right to vote at the meeting; or
 - (d) a Shareholder or Shareholders holding Shares that confer a right to vote at the meeting and on which the aggregate amount paid up is not less than 10% of the total amount paid up on all Shares that confer that right.
- 22.2 **When poll may be demanded:** A poll may be demanded either before or after the vote is taken on a resolution. The demand for a poll may be withdrawn.
- 22.3 **When poll taken:** A poll demanded on the election of a chairperson of a meeting or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken at such time as the chairperson directs and any business, other than that upon which a poll is demanded, may proceed pending the taking of the poll.
- 22.4 **Poll procedure:** A poll shall be taken in such manner as the chairperson directs and the result of the poll is deemed to be a resolution of the meeting at which the poll is demanded.
- 22.5 **Votes:** On a poll:
- (a) votes may be given either personally or by Representative;

- (b) votes shall be counted according to the votes attached to the Shares of each Shareholder present in person or by Representative and voting in respect of those Shares; and
- (c) a Shareholder need not cast all the votes to which the Shareholder is entitled and need not exercise in the same way all of the votes which the Shareholder casts.

22.6 **Scrutineers:** The auditors shall be scrutineers unless they are unable or unwilling to act, or the chairperson of the meeting directs otherwise, in which case the scrutineers shall be appointed by the chairperson.

22.7 **Declaration of result:** The chairperson is entitled to declare the result of a poll upon receipt of a certificate from the scrutineers stating that sufficient votes to determine the result of the resolution have been counted and setting out the basis of that determination.

23. PROXIES

23.1 **Right to appoint:** A Shareholder may appoint a proxy to vote on behalf of the Shareholder at a meeting of Shareholders. The proxy is entitled to attend and be heard at the meeting, and to demand or join in demanding a poll, as if the proxy were the Shareholder.

23.2 **Notice of appointment:** A proxy shall be appointed by written notice signed by the appointing Shareholder and the notice shall state whether the appointment is for a particular meeting or for a specified term. The notice shall (so far as the subject matter and form of the resolutions to be proposed at the relevant meeting reasonably permit) must be framed in a matter which facilitates binary voting instructions, enabling the appointor to instruct the proxy as to the casting of the vote.

23.3 **Proxy form to be sent with notice of meeting:** The Company shall send a form of notice of appointment of proxy to every Shareholder entitled to attend and vote at a meeting, with the notice convening the meeting.

23.4 **Production of notice:** No appointment of a proxy is effective in relation to a meeting unless a copy of the notice of appointment is received by such person (such as the Company or the Share Registrar) at such address and by such time period as is specified for that purpose in the form of notice of appointment referred to in clause 23.3 or in the notice convening the meeting. The notice of meeting may provide for different matters for different kinds of proxies (for example, a different specified time for the production of a proxy by electronic means).

23.5 **Validity of proxy vote:** A vote given in accordance with the terms of a notice of appointment of a proxy is valid notwithstanding the previous death or mental disorder of the principal, or the revocation of the appointment or of the authority under which the notice of appointment was executed, or the transfer of the Share in respect of which the proxy is appointed, if no written notification of such death, mental disorder, revocation, or transfer is received by the Company at its registered office, or by the Share Registrar, before the commencement of the meeting or adjourned meeting for which the proxy is appointed.

24. CORPORATE REPRESENTATIVE

- 24.1 **Appointment of representative:** A corporation which is a Shareholder may appoint a person to attend a meeting of Shareholders on its behalf in the same manner as that in which it could appoint a proxy.

25. SHAREHOLDER PROPOSALS AND MANAGEMENT REVIEW

- 25.1 **Shareholder proposals:** A Shareholder may give written notice to the Board of a matter which the Shareholder proposes to raise for discussion or resolution at the next meeting of Shareholders at which the Shareholder is entitled to vote. The provisions of clause 9 of the first schedule to the Act apply to any notice given pursuant to this clause.
- 25.2 **Management review by Shareholders:** The chairperson of a meeting of Shareholders shall allow a reasonable opportunity for Shareholders at the meeting to question, discuss, or comment on the management of the Company. The Shareholders may pass a resolution relating to the management of the Company at that meeting but no such resolution is binding on the Board.

26. DIRECTORS

- 26.1 **Composition of the Board:** The Company shall comply with the minimum Board composition requirements of the NZX Rules.
- 26.2 **Number of Directors:** The number of Directors shall not at any time be less than five and subject to this limitation and the composition requirements of the NZX Rules, the number of Directors to hold office shall be fixed from time to time by the Board.
- 26.3 **Appointment by Shareholders:** Subject to clause 26.1 and the NZX Rules, a person may be appointed as a Director at any time by an Ordinary Resolution.
- 26.4 **Appointment by Board:** Subject to clause 26.1 and the NZX Rules, the Board may at any time appoint a person to be a Director.
- 26.5 **Existing Directors to continue:** The persons holding office as Directors on the date of adoption of this Constitution continue in office and are deemed to have been appointed as Directors pursuant to this Constitution.
- 26.6 **Rotation:** Each Director shall retire from office when required to do so by the NZX Rules, but subject to the NZX Rules, shall be eligible for re-election (including at any meeting at which the Director retires).
- 26.7 **Restriction on appointment of several Directors by single resolution:** Each resolution to appoint, elect or re-elect a Director must be for the appointment, election or re-election of one Director only. Nothing in this clause 26.7 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.
- 26.8 **Vacation of office:** A Director ceases to be a Director if he or she:

- (a) is removed from office by an Ordinary Resolution; or
- (b) dies, or becomes mentally disordered or subject to a property order or personal order made under the Protection of Personal and Property Rights Act 1988; or
- (c) resigns by written notice delivered to the Company at its address for service or at its registered office (such notice to be effective at the time when it is so received unless a later time is specified in the notice); or
- (d) becomes disqualified from being a Director pursuant to the Act; or
- (e) becomes bankrupt or makes an arrangement or composition with his or her creditors generally; or
- (f) is absent for more than three consecutive meetings of the Board without approval of the Board and the Board resolves that the office be vacated.

26.9 **Timing of retirement and appointment:**

- (a) A retiring Director continues to hold office:
 - (i) until he or she is re-elected, or deemed re-elected, at a meeting at which he or she retires and offers himself or herself up for re-election; or
 - (ii) if he or she is not re-elected, or does not offer himself or herself up for re-election, until the conclusion of the meeting;
- (b) If a Director is removed from office at a meeting of shareholders by Ordinary Resolution, the Director shall remain in office until, and his or her removal shall take effect at, the conclusion of the meeting;
- (c) If a person who is not already a Director is appointed or elected as a Director at a meeting of shareholders, that person shall take office as a Director immediately after the conclusion of the meeting.

27. **ALTERNATE DIRECTORS**

27.1 **Power to appoint:** A Director may from time to time by written notice to the Company appoint any person, who is not already a Director and who is approved by a majority of the other Directors, to be that Director's alternate. No Director may appoint a deputy or agent except by way of appointment of an Alternate Director under this section 27.

27.2 **Rights of Alternate Director:** Unless otherwise specified by the terms of his or her appointment, an Alternate Director:

- (a) is entitled, in the absence or unavailability of the Director who appointed him or her (the "**Appointor**"), to exercise the same rights, powers and privileges (other than the right to be elected as chairperson and power to appoint an Alternate Director) as the Appointor;

- (b) when acting as an Alternate Director, is subject to the same duties and obligations as the Appointor;
- (c) is not entitled to be given notice of a meeting of the Directors unless the Appointor has given written notice to the Company requesting that notice be given to the Alternate Director.

27.3 **Remuneration and expenses:** An Alternate Director is not entitled to any remuneration from the Company in his or her capacity as an Alternate Director but is entitled to be reimbursed by the Company for all expenses incurred in attending meetings of the Directors and in the discharge of his or her duties, to the same extent as if he or she were a Director.

27.4 **Cessation of appointment:** An Alternate Director ceases to be an Alternate Director:

- (a) if the Appointor ceases to be a Director, or revokes the appointment by written notice to the Company; or
- (b) on the occurrence of any event which would disqualify the Alternate Director if he or she were a Director; or
- (c) if a majority of the other Directors resolve to revoke the Alternate Director's appointment.

28. MANAGING DIRECTORS

28.1 **Appointment:** The Board may from time to time appoint one or more Directors to the office of Managing Director, and on such terms as the Board thinks fit. Subject to the NZX Rules and the terms of any agreement entered into in any particular case, the Board may at any time revoke such appointment.

28.2 **Resignation:** A Managing Director is subject to the same provisions as regards rotation, resignation, removal, and disqualification as the other Directors, and if a Managing Director ceases to hold the office of Director from any cause he or she automatically ceases to be a Managing Director.

28.3 **Remuneration:** A Managing Director is entitled to receive such remuneration for his or her services as an employee (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Board may determine.

29. REMUNERATION AND OTHER BENEFITS OF DIRECTORS

29.1 **Restriction on authorisation:** The Board may, subject to the NZX Rules, exercise the power conferred by section 161 of the Act to authorise any payments and other benefits to and for Directors.

29.2 **Payment of expenses:** Directors are entitled to be paid for all travelling, accommodation and other expenses properly incurred by them in attending meetings of the Board, or any committee of the Board, or meetings of Shareholders, or in connection with the business of the Company.

29.3 **Special remuneration:** Without limiting 29.1, the Board may authorise the Company to pay special remuneration to any Director who is, or has been, engaged by the Company to carry out work in a capacity other than that of Director.

29.4 **Retirement benefits:** The Company may make a payment to a Director or former Director, or to his or her dependants, by way of a lump sum or pension, upon or in connection with the retirement or cessation of office of that Director, only if the payment is authorised by an Ordinary Resolution. Nothing in this clause shall affect any amount paid to an executive Director upon or in connection with the termination of his or her employment with the Company, or the payment of any amount attributable to the contribution (or any normal subsidy related thereto) made by a Director to a superannuation scheme. Clauses 2.2, 2.5 and 2.7 of this Constitution shall not apply to this clause 29.4 to permit the making of any payment to a Director or former Director, or to his or her dependants, by way of a lump sum or pension, upon or in connection with the retirement or cessation of office of that Director, that is not approved by an Ordinary Resolution.

30. INDEMNITY AND INSURANCE

30.1 **Indemnity of Directors:** Subject to clause 30.3, every Director shall be indemnified by the Company:

- (a) for any costs incurred by him or her in any proceeding that relates to liability for any act or omission in his or her capacity as a Director or a director of a subsidiary of the Company and in which judgment is given in his or her favour, or in which he or she is acquitted, or which is discontinued; and
- (b) in respect of liability to any person other than the Company or a related company for any act or omission by him or her in his or her capacity as a Director or a director of a subsidiary of the Company, and costs incurred by him or her in defending or settling any claim or proceeding relating to any such liability,

and this indemnity shall continue in force, despite any subsequent revocation or amendment of this clause, in relation to any liability which arises out of any act or omission by a Director prior to the date of such revocation or amendment.

30.2 **Other indemnities:** Subject to clause 30.3, the Company may, with the prior approval of the Board, indemnify a director of a related company, or an employee of the Company or a related company:

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

30.3 **Exceptions:** An indemnity conferred by clause 30.1(b), or given pursuant to clause 30.2(b), shall not apply in respect of:

- (a) any criminal liability; or

- (b) in the case of an employee of the Company or a related company, any liability in respect of a breach of any fiduciary duty owed to the Company or related company; or
- (c) in the case of a Director or a director of a related company, any liability in respect of a breach of the duty specified in section 131 of the Act.

30.4 **Insurance:** The Company may, with the prior approval of the Board, effect insurance for a Director or employee of the Company or a director or employee of a related company, in respect of:

- (a) liability, not being criminal liability, for any act or omission by him or her in such capacity; or
- (b) costs incurred by him or her in defending or settling any claim or proceeding relating to any such liability; or
- (c) costs incurred by him or her in defending any criminal proceedings that have been brought against the Director or employee in relation to any act or omission in his or her capacity as a Director or employee and in which he or she is acquitted.

30.5 **Definitions:** In this section 30:

- (a) "Director" includes a former Director and "director" includes a former director; and
- (b) other words given extended meanings in section 162(9) of the Act have those extended meanings.

31. POWERS OF DIRECTORS

31.1 **Management of Company:** The business and affairs of the Company shall be managed by, or under the direction or supervision of, the Board.

31.2 **Exercise of powers by Board:** The Board may exercise all the powers of the Company which are not required, either by the Act or this Constitution, to be exercised by the Shareholders.

31.3 **Delegation of powers:** The Board may delegate to a committee of Directors, a Director, an employee of the Company, or to any other person, any one or more of its powers, other than a power set out in the second schedule to the Act.

31.4 **Appointment of attorney:** The Company may exercise the power conferred by section 181 of the Act to appoint a person as its attorney, either generally or in relation to a specified matter. Any such power of attorney may contain such provisions for the protection of persons dealing with the attorney as the Board thinks fit, and may also authorise any attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

31.5 **Ratification by Shareholders:** Subject to the provisions of section 177 of the Act (relating to ratification of directors' actions) the Shareholders, or any other person in whom a power is vested by this Constitution or the Act, may ratify the purported exercise of that power by a Director or the Board in the same manner as the power may be exercised. The purported

exercise of a power that is ratified under this clause is deemed to be, and always to have been, a proper and valid exercise of that power.

32. INTERESTS OF DIRECTORS

32.1 **Disclosure of Interests:** A Director shall comply with the provisions of section 140 of the Act (relating to disclosure of interest of directors) but failure to comply with that section does not affect the operation of clause 32.4.

32.2 **No voting by Interested Directors:** Subject to clause 32.3 of this Constitution, a Director shall not vote on a Board resolution in respect of any matter in which that Director is Interested, nor shall the Director be counted in the quorum for the purposes of that matter.

32.3 **Exception to voting:** Notwithstanding clause 32.2, a Director may vote in respect of, and be counted in the quorum for the Board for the consideration of, a matter in which that Director is Interested if that matter is one in respect of which Directors are expressly required to sign a certificate under the Act or which relates to the grant of indemnity under section 162 of the Act.

32.4 **Personal involvement of Directors:** Notwithstanding any rule of law or equity to the contrary, but subject to the NZX Rules and to sections 107(3) and 141 of the Act (relating to avoidance of transactions in which a Director is Interested) and section 36(4) of the Financial Reporting Act 2013 (prohibiting a director from acting as auditor of a company), a Director may:

- (a) contract with the Company in any capacity;
- (b) be a party to any transaction with the Company;
- (c) have any direct or indirect personal involvement or Interest in any transaction or arrangement to which the Company is a party or in which it is otherwise directly or indirectly interested or involved;
- (d) become a director or other officer of, or otherwise Interested in, any corporation promoted by the Company or in which the Company may be directly or indirectly interested as a shareholder or otherwise; and
- (e) retain any remuneration, profit or benefits in relation to any of the foregoing,

and no contract or arrangement of any kind referred to in this clause may be avoided by reason of a Director's Interest.

33. PROCEEDINGS OF BOARD

33.1 **Third schedule of Act not to apply:** The provisions of the third schedule to the Act (relating to proceedings of a board) do not apply to the Company, except to the extent expressly incorporated in this Constitution.

33.2 **Alternative forms of meeting:** A meeting of the Board may be held either:

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

33.3 **Procedure:** Except as provided in this Constitution, the Board may regulate its own procedure.

33.4 **Notice of meeting:** The following provisions apply in relation to meetings of the Board (except where otherwise agreed by all Directors in relation to any particular meeting or meetings or as provided in clause 33.5):

- (a) Not less than two clear days' notice of a meeting of the Board shall be sent to each Director, unless:
 - (i) the Director waives that right; or
 - (ii) the issue which is to be the subject of the meeting is, in the reasonable opinion of a majority of the Directors, a matter of urgency, in which event such notice as is practicable in the circumstances shall be given.
- (b) Notice to a Director of a meeting of the Board may be:
 - (i) given to the Director in person by telephone or other oral communication;
 - (ii) delivered to the Director;
 - (iii) posted to the address given by the Director to the Company for such purpose;
 - (iv) sent by facsimile transmission to the facsimile telephone number given by the Director to the Company for such purpose; or
 - (v) sent by electronic means in accordance with any request made by the Director from time to time for such purpose.
- (c) A notice of meeting shall specify the date, time and place of the meeting and, in the case of a meeting by means of audio, or audio and visual, communication, the manner in which each Director may participate in the proceedings of the meeting.
- (d) A notice of meeting given to a Director pursuant to this clause is deemed to be given:
 - (i) in the case of oral communication, at the time of notification;
 - (ii) in the case of delivery, by handing the notice to the Director or by delivery of the notice to the address of the Director;
 - (iii) in the case of posting, three days after it is posted;

- (iv) in the case of facsimile transmission, when the Company receives a transmission report by the sending machine which indicates that the facsimile was sent in its entirety to the facsimile telephone number given by the Director;
- (v) in the case of electronic means, at the time of transmission.

- 33.5 **Director may convene meeting:** Without limiting the provisions of clauses 33.3 or 33.4, a Director has the right at any time to convene a meeting of the Board, or to require an employee of the Company to convene a meeting of the Board, at the registered office of the Company or at the place where the meetings of the Board for the time being are customarily held, by giving not less than seven days' written notice signed by or on behalf of the Director to each of the other Directors stating the date, time and place of the meeting and the matters to be discussed.
- 33.6 **Waiver of notice irregularity:** An irregularity in the giving of notice of a meeting is waived if each of the Directors either attends the meeting without protest as to the irregularity or agrees (whether before, during, or after the meeting) to the waiver.
- 33.7 **Quorum:** A quorum for a meeting of the Board is a majority of Directors or such greater number as the Board may from time to time determine. No business may be transacted at a meeting of Directors if a quorum is not present.
- 33.8 **Insufficient number of Directors:** The Directors may act notwithstanding any vacancy in their body, but if and so long as the number of Directors holding office is less than the minimum number (if any) fixed by this Constitution or the NZX Rules, the continuing Directors may act only for the purpose of increasing the number of Directors to that number or of summoning a meeting of the Shareholders.
- 33.9 **Election of chairperson:** The Directors may from time to time elect a chairperson and (if they think fit) a deputy chairperson, of their meetings, and determine the period for which they respectively are to hold office. The chairperson, or failing the chairperson the deputy chairperson (if any), shall preside at all meetings of the Directors but if no such chairperson or deputy chairperson is elected, or if at any meeting the chairperson or deputy chairperson is not present within 5 minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairperson of the meeting.
- 33.10 **Voting:** Every Director has one vote. The chairperson has a casting vote provided there are three or more Directors present at the meeting and entitled to 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 the resolution. A Director present at a meeting of the Board is presumed to have agreed to, and to have voted in favour of, a resolution of the Board unless he or she expressly dissents from or votes against, or expressly abstains from voting on, the resolution at the meeting.
- 33.11 **Written resolution:** A resolution in writing, signed or assented to by all the Directors is as valid and effective as if passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents (including electronic or other similar means of communication) in similar form, each signed or assented to by one or more Directors. A copy of any such resolution shall be entered in the Records.

- 33.12 **Committees:** A committee of Directors shall, in the exercise of the powers delegated to it, comply with any procedural or other requirements imposed on it by the Board. Subject to any such requirements, the provisions of this Constitution relating to proceedings of Directors apply, with appropriate modification, to meetings of a committee of Directors.
- 33.13 **Validity of actions:** The acts of a person as a Director are valid even though the person's appointment was defective or the person is not qualified for appointment.
- 33.14 **Minutes:** The Board shall ensure that minutes are kept of all proceedings at meetings of the Shareholders and of the Board. Minutes which have been signed correct by the chairperson of the meeting are prima facie evidence of the proceedings.

34. METHOD OF CONTRACTING

- 34.1 **Deeds:** A deed which is to be entered into by the Company may be signed on behalf of the Company, by:
- (a) two or more Directors; or
 - (b) any Director, together with any other person authorised by the Board whose signature must be witnessed; or
 - (c) one or more attorneys appointed by the Company.
- 34.2 **Other written contracts:** An obligation or contract which is required by law to be in writing, and any other written obligation or contract which is to be entered into by the Company, may be signed on behalf of the Company by a person acting under the express or implied authority of the Company.
- 34.3 **Other obligations:** Any other obligation or contract may be entered into on behalf of the Company in writing or orally by a person acting under the express or implied authority of the Company.

35. FOUNDER OF THE COMPANY

- 35.1 **Appointment of Founder:** In recognition of the outstanding contribution which he has made to the Company and its associated companies, Sir Stephen Tindall shall be the holder of the office of founder of the Company ("**Founder**").
- 35.2 **Founder holds office for life:** The Founder shall hold such office for life irrespective of whether he also holds office as a Director of the Company.
- 35.3 **Where the Founder is also a Director:** If the Founder is also a Director then all the provisions of this Constitution and of the NZX Rules as to Directors shall apply to the Founder.

36. INSPECTION OF RECORDS

36.1 **Inspection by Directors:** Subject to section 191(2) of the Act (which relates to the power of a court to limit inspection), all accounting and other records of the Company shall be open to the inspection of any Director.

36.2 **Inspection by Shareholders:** No Shareholder who is not also a Director is entitled to inspect any accounting or other records of the Company except as expressly authorised by law or permitted by the Board. Subject to the provisions of section 216 of the Act (which permits inspection of certain records by Shareholders) the Board may from time to time determine whether, to what extent, at what times and places, and under what conditions, the accounting or other records of the Company or any of them are open to the inspection of Shareholders (who are not also Directors).

37. NOTICES

37.1 **Method of service:** All notices, reports, accounts and other documents required to be sent:

- (a) to a Shareholder, shall be sent in the manner provided in section 391 of the Act;
- (b) to a holder of any other Equity Security, shall be sent in the same manner, as though that holder were a Shareholder.

37.2 **Service of notices overseas:** If the holder of a Share or other Equity Security has not given to the Company or the Share Registrar an address within New Zealand for the giving of notices, but has supplied an address outside New Zealand or an electronic address, then notices shall be sent to that physical address or sent electronically to such electronic address.

37.3 **Accidental omissions:** The failure to send an annual report, notice, or other document to a Shareholder or other Equity Security holder in accordance with the Act or this Constitution does not invalidate the proceedings at a meeting of Shareholders if the failure to do so was accidental.

37.4 **Joint Shareholders:** A notice may be given by the Company to the joint holders of an Equity Security by giving the notice to the joint holder named first in the register in respect of that Equity Security.

37.5 **Shareholder deceased or bankrupt:** If the holder of an Equity Security dies or is adjudicated bankrupt, notice may be given in any manner in which notice might have been given if the death or bankruptcy had not occurred, or by giving notice in the manner provided in section 391 of the Act to the Personal Representative of the holder at the address supplied to the Company for that purpose.

37.6 **Waiver by Shareholders:** Subject to section 212(2) of the Act, a Shareholder may from time to time, by written notice to the Company, waive the right to receive all or any documents from the Company and may at any time thereafter revoke the waiver in the same manner. While any waiver is in effect, the Company need not send to the Shareholder the documents to which the waiver relates.

38. LIQUIDATION

38.1 **Distribution of assets:** If the Company is liquidated the liquidator may, with the approval of Shareholders and any other sanction required by the Act:

- (a) divide among the Shareholders in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose fix such value as the liquidator deems fair in respect of any property to be so divided, and may determine how the division shall be carried out as between Shareholders or between different Classes; and
- (b) vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the persons so entitled as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other financial products on which there is any liability.