

**CONSTITUTION  
OF  
SPARK NEW ZEALAND LIMITED**

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**CONSTITUTION**  
**OF**  
**SPARK NEW ZEALAND LIMITED**

**PART A - INTRODUCTION**

**1. DEFINED TERMS**

1.1 The following expressions have the following meanings:

"**the Act**" means the Companies Act 1993;

"**ASX**" means ASX Limited or a financial market for equity securities operated by ASX Limited, as the context requires;

"**ASX Rules**" means the listing rules of ASX and any other rules of ASX or its subsidiaries which are applicable while the Company is listed by ASX, each as amended or replaced from time to time, except to the extent of any express written waiver;

"**the Company**" means Spark New Zealand Limited;

"**this constitution**" means this constitution as it may be altered from time to time in accordance with the Act;

"**Court**" means the High Court of New Zealand;

"**NZX**" means NZX Limited, its successors and assigns and, as the context permits, includes any duly authorised delegate of NZX;

"**ordinary resolution**" has the same meaning given to that term by the Rules;

"**the Rules**" means the Listing Rules applying to the NZX Main Board (or any successor to that market) as altered or substituted from time to time by NZX;

"**Secretary**" means any person or persons appointed as Secretary of the Company pursuant to clause 27, and includes a deputy secretary;

"**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;

"**treasury stock**" means shares in the Company acquired by the Company and held as treasury stock pursuant to the Act and includes shares in the Company held by a subsidiary other than in accordance with section 82(6) of the Act; and

"**written**" or "**in writing**" in relation to words, figures and symbols includes all modes of presenting or reproducing those words, figures and symbols in a tangible and visible form.

1.2 Expressions and words (whether or not expressed with initial capital letters) which are defined in the Rules and which are not defined in clause 1.1 have the meanings given by the Rules.

- 1.3 Subject to clause 1.2, expressions which are defined in the Act and/or the Financial Markets Conduct Act 2013 (whether in section 2/section 6, or elsewhere for the purposes of a particular subsection, section or sections) have the meanings given to them by the Act and/or the Financial Markets Conduct Act 2013. Where an expression is defined in the Act and/or the Financial Markets Conduct Act 2013 more than once and in different contexts, its meaning will be governed by the context in which it appears in this constitution.

## **2. CONSTRUCTION**

### **2.1 In this constitution:**

- (a) headings appear as a matter of convenience and do not affect the interpretation of this constitution;
- (b) the singular includes the plural and vice versa, and words importing one gender include the other genders;
- (c) a reference to an enactment or any regulations is a reference to that enactment or those regulations as amended, or to any enactment or regulations substituted for that enactment or those regulations;
- (d) a reference to a Rule or the Rules includes that Rule or the Rules as from time to time amended or substituted;
- (e) a reference to an ASX Rule or the ASX Rules includes that ASX Rule or the ASX Rules as from time to time amended or substituted;
- (f) the Schedules form part of this constitution;
- (g) where in any document entered into by the Company prior to the date that this constitution came into effect there is a reference to the articles of association or any previous constitution of the Company and to defined terms in the articles or constitution, such references shall be read and construed as references to this constitution and to the nearest equivalent defined term in the constitution; and
- (h) a reference to permitted by the Act or permitted by the Rules or permitted by the ASX Rules means not prohibited by the Act or not prohibited by the Rules or not prohibited by the ASX Rules.

## **3. USE OF ELECTRONIC MEANS**

- 3.1 Where a legal requirement under the Act is reproduced in this Constitution, that legal requirement may be met, for the purposes of this Constitution, by using electronic means in accordance with Part 4 of the Contract and Commercial Law Act 2017 to meet that legal requirement under the Act. In this clause, the term "legal requirement" has the same meaning given to it by section 219(2) of the Contract and Commercial Law Act 2017.

## **4. CONFIRMATION IN OFFICE**

- 4.1 All offices, elections, and appointments (including of or to the Board and committees of the Board), registers, registrations, records, instruments, delegations, plans (including any currency selection, dividend selection, share investment, and dividend reinvestment plan)

and generally all acts of authority that originated under the articles of association or any previous constitution of the Company and are subsisting and in force on the day on which this constitution is adopted by the shareholders in a meeting shall continue and be deemed to be effective and in full force under this constitution.

## **5. THE RELATIONSHIP BETWEEN THIS CONSTITUTION AND THE ACT**

### **Effect of the Act on this constitution**

- 5.1 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, in accordance with the Act, by this constitution.

### **Effect of this constitution**

- 5.2 This constitution has no effect to the extent that it contravenes the Act, or is inconsistent with it.

## **6. THE RELATIONSHIP BETWEEN THIS CONSTITUTION AND THE RULES**

### **Company must comply with listing rules of exchanges while listed**

- 6.1 Notwithstanding anything else in this constitution, for so long as the Company is listed on the relevant stock exchange:

- (a) the Company must comply with the Rules and ASX Rules (as modified by any waiver or ruling); and
- (b) subject to clause 6.3, if this constitution contains any provision inconsistent with the Rules or ASX Rules, then the relevant Rules or ASX Rules prevail.

### **Incorporation of Rules while listed**

- 6.2 For so long as the Company is listed:

- (a) this constitution is deemed to incorporate all provisions of the Rules required under the Rules to be contained or incorporated by reference in this constitution, as those provisions apply from time to time (and as modified by any waiver or ruling relevant to the Company); and
- (b) if the Rules or ASX Rules are changed so that any act or omission by the Company, which was formerly prohibited by the relevant Rules or ASX Rules, is subsequently required or permitted by the change, the act or omission is deemed to be authorised by this constitution with effect from the date of the change, provided this clause shall not negate the need to comply with whichever of the Rules or ASX Rules has not been so changed (subject to any waiver or ruling relevant to the Company).

### **Effect of a waiver or ruling from a Stock Exchange**

- 6.3 If any act or omission which in the absence of a ruling and/or waiver from either or both of NZX or ASX would be in contravention of the Rules, the ASX Rules and/or this constitution, and rulings or waivers are granted by the relevant stock exchange or stock exchanges, that

act or omission will, unless a contrary intention appears in this constitution, be regarded as being authorised by this constitution and the relevant listing rules.

#### **Failure to comply with Rules has limited effect in some cases**

6.4 Any failure to comply with:

- (a) the Rules; or
- (b) a provision of this constitution corresponding with a provision of the Rules (whether such wording is set out in full in this constitution or incorporated in it pursuant to clause 6.2),

does not affect the validity or enforceability of any transaction, contract, action, decision or vote taken at a meeting of shareholders, or other matter done or 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 Rules or those provisions of this constitution.

## **7. ALTERATION OR REVOCATION OF THIS CONSTITUTION**

### **Shareholders may alter or revoke this constitution by special resolution**

7.1 The shareholders may alter or revoke this constitution by special resolution.

## **PART B - SHARES AND SHAREHOLDERS**

### **8. THE COMPANY'S SHARES**

#### **Company's shares**

8.1 The Company has fully paid ordinary shares with the rights set out in clause 14.1. No money is payable for calls or otherwise on those ordinary shares.

### **9. ISSUE OF NEW EQUITY SECURITIES**

#### **Board may issue equity securities**

9.1 The Board may issue equity securities that rank as to voting or distribution rights or both, equally with or prior to any existing equity securities in the Company in accordance with this constitution and (for so long as the Company is listed) the provisions of the Rules and ASX Rules. Any such issue shall not be treated as an action affecting the rights attached to the existing equity securities.

#### **Board need not comply with statutory pre-emptive rights**

9.2 Section 45(1) and section 45(2) of the Act do not apply to the Company. If the Board issues equity securities that rank as to voting or distribution rights, or both, equally with or prior to the equity securities already issued by the Company, the Board need not first offer those equity securities for acquisition to existing holders.

## 10. SHARE REGISTER

### Company must maintain a share register

10.1 The Company must maintain a share register in the manner required by the Act.

### Share register may be divided

10.2 The share register may be divided into 2 or more registers kept in different places.

### Share register kept by means of computer or other electronic system

10.3 Where the Board has determined that the principal share register is to be kept by means of a computer or other electronic system:

- (a) the non-removable disc storage system or other central information storage system (the "central information storage system") of the computer or other electronic system must be located in New Zealand;
- (b) notwithstanding that the computer or other electronic system is capable of being accessed by remote terminals (whether within or outside New Zealand), the record of the principal share register on the central information storage system shall constitute the principal share register, which shall be located where the central information storage system is located; and
- (c) where information deriving from any such computer or other electronic system is capable of being accessed by remote terminals, in the event of any difference between information provided at terminals located at the office in New Zealand where the central information storage system is located and information provided at remote terminals, the former shall be conclusive for all purposes.

### Share register is conclusive

10.4 The Company may treat the registered holder of equity securities as the only person entitled to:

- (a) exercise the right to vote attaching to the equity securities;
- (b) receive notices;
- (c) receive a distribution in respect of the equity securities; and
- (d) exercise the other rights and powers attaching to the equity securities.

The Board may determine in a notice of meeting that for the purposes of voting at that meeting those registered holders as at 5 pm (New Zealand time) on the second working day before the meeting shall be the only persons entitled to exercise the right to vote at that meeting and only the equity securities registered in the name of those holders at that time may be voted at that meeting. This clause 10.4 does not limit the right of a registered holder to appoint a proxy or corporate representative.

### Trusts not to be entered on share register

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



not bound to recognise (even when having notice) any equitable, contingent, future, or partial interest in any equity security or an interest in any fractional part of an equity security or (except only as otherwise provided by this constitution or required by law) any other rights in respect of an equity security except an absolute right to the entirety of the equity security in the registered holder.

#### **Option holders' register**

10.6 The Company must maintain a register of all option holders.

## **11. TRANSFER OF EQUITY SECURITIES**

### **Methods of transfer**

11.1 Subject to any determination of the Board, equity securities may be transferred by the following methods:

- (a) by the delivery of a form of transfer signed by the present holder of the equity securities, or by that holder's attorney, personal representative, or by any other person who may lawfully sign on behalf of that holder, to the Company or an agent of the Company who maintains the register for those equity securities under the Act. The transferee must sign the transfer form if the registration as holder of those equity securities imposes a liability to the Company on the transferee; or
- (b) in accordance with any system of transfer approved under section 376 of the Financial Markets Conduct Act 2013.

### **Equity securities transferred by entry on register**

11.2 Equity securities may be transferred by entry of the name of the transferee on the Company's register for those equity securities.

### **Board may refuse or delay a transfer**

11.3 The Board may in its absolute discretion refuse or delay the registration of any transfer of financial products if permitted to do so by the Act, Rules, ASX Rules, in any of the following circumstances:

- (a) the Company has a lien on those financial products; or
- (b) the transfer is not accompanied by documentation that establishes the entitlement to transfer; or
- (c) registration of the transfer, together with the registration of any further transfer or transfers then held by the Company and awaiting registration, would result in the proposed transferee or transferor holding financial products of less than the minimum holding; or
- (d) such action is permitted by the Rules.

### **The Board may require forfeiture of financial products**

11.4 The Board may by notice to a holder of financial products require the forfeiture of that holder's financial products where those financial products have been registered under a

system of transfer approved under section 376 of the Financial Markets Conduct Act 2013 and the Board has reasonable grounds to believe that it would have had grounds under clause 11.3 to refuse to register the transfer at the time the transfer was registered.

#### **Registration not to affect other powers**

- 11.5 The registration of any transfer shall not prejudice or affect in any way the powers exercisable by the Board.

#### **Sale of minimum holdings**

- 11.6 The Company may sell financial products of less than a minimum holding in accordance with the procedures set out in the First Schedule.

#### **Transfer of options**

- 11.7 Subject to the conditions attaching to options and rights, options and rights may be transferred by an instrument of transfer, and clauses 11.1 to 11.6 apply with such modifications as are necessary to any option or right.

### **12. CALLS, FORFEITURE AND LIENS**

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

- 12.1 The Board may make calls on any holder of financial products for any money that is unpaid on that holder's financial products and not otherwise payable at a specified time or times under this constitution or the terms of issue of those financial products or any contract for the issue of those financial products. An obligation to pay amounts unpaid of the issue price of any financial products must not be cancelled, reduced or deferred without the authority of an ordinary resolution. The Second Schedule governs calls on financial products.

#### **Forfeiture of financial products where calls or other amounts unpaid**

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

#### **Company's lien**

- 12.3 The Company has a lien on the financial products and dividends in respect of such financial products on the terms and conditions set out in the Second Schedule.

### **13. ACQUISITION OF OWN SHARES AND REDEMPTIONS**

#### **Company may acquire and hold its own equity securities**

- 13.1 The Company may purchase or otherwise acquire equity securities issued by the Company and may hold those equity securities as treasury stock in accordance with the Act. Subject to the Rules, the ASX Rules, the Act and this constitution the Board may make an offer to one or more holders of equity securities to acquire equity securities issued by the Company

in such number or proportions as the Board thinks fit in accordance with the Act, the Rules and the ASX Rules.

#### **Company may issue or redeem redeemable equity securities**

13.2 The Company may issue or redeem redeemable equity securities subject to this constitution, the Act, the Rules and the ASX Rules. The Company may redeem redeemable equity securities:

- (a) at its option if permitted by the terms of issue; or
- (b) at the option of the holder of the equity securities if permitted by the terms of issue; or
- (c) on a date for redemption specified by a special resolution which alters this constitution by adding such a date, or (to the extent permitted by law) on a date for redemption specified as such in the terms of issue of such redeemable equity securities,

in each case for a consideration that is specified, or calculated by reference to a formula, or required to be fixed by a suitably qualified person who is not associated with or interested in the Company, in accordance with the Act.

13.3 Subject to this constitution, the Act, the Rules and the ASX Rules, the Company may exercise an option to redeem redeemable equity securities issued by the Company in relation to one or more holders of redeemable equity securities in accordance with this constitution, the Act, the Rules and the ASX Rules.

## **14. SHAREHOLDER RIGHTS**

### **Share confers rights on shareholder**

14.1 Subject to clause 14.4 and the terms on which a share is issued, a share in the Company confers on the holder:

- (a) subject to clauses 10.4 and 14.2, the right to one vote at a meeting of shareholders on any resolution, including any resolution to:
  - (i) appoint or remove a director or an auditor;
  - (ii) adopt a constitution;
  - (iii) alter this constitution;
  - (iv) approve a major transaction;
  - (v) approve an amalgamation under the Act; and
  - (vi) put the Company into liquidation;
- (b) the right to an equal share in dividends authorised by the Board; and
- (c) the right to an equal share in the distribution of the Company's surplus assets.

14.2 Where there are financial products of the same class, some of which are fully paid and some of which are not fully paid, each financial product which is not fully paid shall carry only a fraction of the vote which would be exercisable if the financial product were fully paid. The fraction shall be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited and amounts paid in advance of a call).

14.3 Equity security holders of all classes (whether or not they have a right to vote) are entitled to attend meetings and special meetings of shareholders and to receive copies of all notices, reports and financial statements issued generally to holders of financial products carrying votes.

#### **Voting restrictions under Rules**

14.4 A person who is prohibited by the Rules from casting a vote in favour of any resolution must not cast a vote on any financial products held by that person in favour of any such resolution.

#### **Statement of rights to be given to shareholders**

14.5 Where the Act, the Rules or the ASX Rules require, the Company must issue a statement of rights complying with the Act, the Rules or the ASX Rules (if applicable) to any holder of financial products who asks for one.

#### **Company must obtain approval before altering quoted equity security holders' rights**

14.6 The Company must not take any action that affects the rights attached to quoted equity securities unless that action has been approved by a special resolution of each interest group. For the purposes of this clause:

- (a) "**class**" means a class of equity securities having attached to them identical rights, privileges, limitations and conditions;
- (b) "**interest group**", in relation to any action or proposal affecting rights attached to equity securities, means a group of holders of equity securities whose affected rights are identical, and whose rights are affected by the action or proposal in the same way, and (subject to clause 14.6(c)) who comprise the holders of one or more classes of equity securities in the Company;
- (c) one or more interest groups may exist in relation to any action or proposal, and if:
  - (i) action is taken in relation to some holders of equity securities in a class and not others; or
  - (ii) a proposal expressly distinguishes between some holders of equity securities in a class and other holders of equity securities in that class, holders of equity securities in the same class may fall into 2 or more interest groups; and
- (d) the rights attached to an equity security include:
  - (i) the rights, privileges, limitations and conditions attached to the equity security by the Act, this constitution, or the document which governs the rights of that equity security, including voting rights and rights to distributions;

- (ii) the right to have the procedure set out in this clause observed by the Company; and
- (iii) the right that a procedure required by this constitution or the document which governs the rights of that equity security for the amendment or alteration of rights not be amended or altered.

#### **Non compliance in certain circumstances**

- 14.7 The Company shall not be required to comply with clause 14.6 in respect of actions that affect the rights attached to equity securities which are not shares of the Company if those equity securities were issued on terms which expressly permitted the action in question to be taken without the prior approval of holders of those equity securities, and those terms were clearly disclosed in the offering document (if any) pursuant to which those equity securities were offered provided that this clause shall not exempt the Company from compliance with covenants or undertakings which are contained in the document pursuant to which those equity securities are issued or constituted.

## **15. DISTRIBUTIONS**

### **Board may authorise distributions**

- 15.1 The Board may authorise a distribution by the Company in accordance with the Act.

### **Board's power to authorise dividend is restricted**

- 15.2 The Board must 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 or under a contract for the issue of the share. Nothing in this clause prevents the Board issuing shares wholly or partly in lieu of dividend in accordance with the Act.

- 15.3 Notwithstanding clauses 14.1(b) and 15.1, but subject to the Act, this constitution, the Rules and the ASX Rules, the Board may authorise a supplementary dividend to be paid by the Company to non-resident shareholders who qualify for such a dividend in terms of the Income Tax Act 2007. Supplementary dividends shall be authorised and paid at the same times as ordinary dividends are authorised and paid and the amount of the supplementary dividend shall be calculated in accordance with the applicable provisions of the Income Tax Act 2007.

### **Shareholder may waive dividend**

- 15.4 Notwithstanding clause 15.2, a shareholder may waive its, his or her entitlement to receive a dividend by giving a written notice to the Company signed by or on behalf of the shareholder.

**No interest on distributions**

- 15.5 A distribution shall not bear interest against the Company, unless the terms of issue or the contract for issue expressly provide otherwise.

**Board may deduct from distribution amounts owed to Company or as required by law**

- 15.6 The Board:
- (a) may, at its discretion, deduct from any distribution payable to any shareholder any amount owed by the shareholder to the Company on account of any call or otherwise; and
  - (b) must deduct from any distribution payable to any shareholder any amount it is required by law to deduct.

**Unclaimed dividends or other distributions**

- 15.7 All dividends or other distributions unclaimed for one year after having been authorised may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. The Company shall be entitled to mingle the amounts of any such dividends or other distributions with other money of the Company or spend any such dividends or other distributions, and shall not be required to hold them or regard them as being impressed with any trust.
- 15.8 All dividends or other distributions, and any other moneys payable to any shareholder or former shareholder in respect of shares and/or interests in respect of debt securities issued by the Company remaining unclaimed for five years after having been authorised or otherwise having become payable, may, at the expiry of such period of five years after having been authorised or otherwise having become payable, be forfeited by resolution of the Board for the benefit of the Company. The Board must at any time after such forfeiture annul the forfeiture, and subject to compliance with the solvency test, pay the dividend or other distribution to any person producing evidence of its, his or her entitlement.

**16. MEETINGS OF SHAREHOLDERS****Company must hold annual meeting of shareholders**

- 16.1 The Board must call an annual meeting of shareholders to be held:
- (a) not later than 15 months after the date of the previous annual meeting of shareholders; and
  - (b) not later than 6 months after the balance date of the Company.
- 16.2 The Company must hold the meeting on the date on which it is called by the Board to be held.

**Company may hold special meetings of shareholders**

- 16.3 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 shareholders holding shares carrying together not less than 5% of the voting rights entitled to be exercised on the issue.

**Proceedings at meetings of shareholders and interest groups**

- 16.4 The Third Schedule governs the proceedings at meetings of shareholders. The Third Schedule also governs the proceedings of meetings of any interest group required to be held by the Act, the Rules, the ASX Rules or this constitution, with all necessary consequential modifications, except that the quorum shall be members of the interest group holding 5% or more of the total number of financial products held by all members of that group having the right to vote at the meeting.

**PART C: DIRECTORS****17. APPOINTMENT AND REMOVAL****Board Composition**

- 17.1 The minimum number of directors (other than alternate directors) is 5. The maximum number of directors (other than alternate directors) is 12. The shareholders may increase the maximum number of directors by an ordinary resolution. Subject to these limitations the number of directors to hold office shall be fixed from time to time by the Board.
- 17.2 At least two directors must be ordinarily resident in New Zealand. There is no shareholding qualification for directors.
- 17.3 At least two directors must be independent directors as defined in the Rules.

**Fewer than 5 directors may act for limited purposes**

- 17.4 The Board may act notwithstanding any vacancy, but if and for so long as the number of directors is reduced below the minimum number of 5, the continuing directors may act for the purpose of increasing the number of directors to that minimum number (by the Board making an appointment to fill the vacancy in accordance with this constitution), or of summoning a meeting of financial product holders, but for no other purpose.

**Appointment of directors by financial product holders**

- 17.5 Any person who is not disqualified under the Act and, if required under the Rules or ASX Rules, has been nominated in compliance with the time limits under the Rules or ASX Rules, may be appointed as a director by an ordinary resolution of financial product holders either to fill a casual vacancy or, subject to clause 17.1, as an additional director.

**Restriction on appointment of several directors by single resolution**

- 17.6 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 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 and the ballot or poll will result in the election of those candidates, equal to the number of vacancies to be filled, who receive more than 50% of the votes cast and the highest number of votes.

**Removal of directors**

- 17.7 Any director may be removed from office by an ordinary resolution passed at a meeting called for the purpose of, or for purposes that include, removal of the director.

**Rotation of directors**

- 17.8 At the annual meeting in every year the directors required to retire at that meeting by the Rules or the ASX Rules must retire from office, but shall be eligible for re-election at that meeting.

- 17.9 A retiring director continues to hold office until:

- (a) he or she is re-elected at a meeting at which he or she retires and offers himself or herself up for re-election; or
- (b) if he or she is not re-elected, or does not offer himself or herself up for re-election, until the end of the shareholders' meeting at which he or she retires (or any adjournment of that meeting).

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

- 17.10 The Board may appoint any person who is not disqualified under the Act to be a director to fill a casual vacancy or as an addition to the existing directors, but subject to the maximum number of directors under clause 17.1.

**18. CHAIRPERSON****Directors to elect chairperson of the Board**

- 18.1 The directors may elect one of their number as chairperson of the Board and (if they think fit) a deputy chairperson, and determine the period for which each is to hold office.

**19. VACATION OF OFFICE****Office of director vacated in certain cases**

- 19.1 The office of director is vacated if the person holding that office:

- (a) dies; or
- (b) becomes disqualified from being a director pursuant to section 151 of the Act; or
- (c) resigns that office in accordance with clause 19.2; or



- (d) absents himself or herself from attendance at meetings of the Board continuously for the space of six months without special leave of absence from the Board and his or her alternate (if any) shall not have attended any such meetings in his or her stead, unless the Board resolves otherwise; or
- (e) is removed from office in accordance with this constitution or the Act; or
- (f) retires from office under clauses 17.8 to 17.9 and is not re-elected.

#### **Directors' resignation procedure**

- 19.2 A director may resign office by delivering a signed notice of resignation in writing to the address for service of the Company. The notice is effective when it is received at that address or at any later time specified in the notice.

## **20. MANAGEMENT OF THE COMPANY**

### **Board to manage Company**

- 20.1 The Company's business and affairs must be managed by, or under the direction or supervision of, the Board, except to the extent that the Act or this constitution provides otherwise.

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

- 20.2 The Board has all the powers necessary for managing, and for directing and supervising the management of, the Company's business and affairs, except to the extent that the Act or this constitution provides otherwise.

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

- 20.3 The Company must not enter into a major transaction unless the transaction is:
- (a) approved by a special resolution of shareholders; or
  - (b) contingent on approval by a special resolution of shareholders.

## **21. PROCEEDINGS OF THE BOARD**

### **Meetings of the Board**

- 21.1 The Fourth Schedule governs the proceedings at meetings of the Board except where otherwise agreed by all the directors for the time being in relation to any particular meeting or meetings. The third schedule to the Act does not apply to proceedings of the Board.

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

- 21.2 A resolution in writing signed or assented to by all of the directors entitled to vote on that resolution (or their alternate directors) is as valid and effective as if it had been passed at a meeting of the Board duly convened and held provided that prior notice of the resolution has

been given to those directors not entitled to vote and those directors have acknowledged in writing that they do not require a meeting to be held.

#### **Written resolutions of all available directors permitted in certain cases**

- 21.3 A resolution in writing which is signed or assented to by all of the available directors who are entitled to vote on that resolution (or by their alternate directors) is valid and effective as if it had been passed at a meeting of the Board duly convened and held, provided the resolution is signed by at least a majority of 75% of directors who are entitled to vote (or their alternate directors). For the purposes of this clause a director is not "available" if the Secretary has not been able to contact the director after using all reasonable endeavours to do so.

#### **Written resolutions may be in counterparts**

- 21.4 Any written resolution may consist of several copies of the resolution, each signed or assented to by one or more of the directors (or their alternate directors). A copy of a written resolution, which has been signed and is sent by email or any similar means of communication, will satisfy the requirements of this clause. A copy must be sent to any director who did not sign the resolution.

## **22. DELEGATION OF POWERS**

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

- 22.1 The Board may delegate to a committee of directors, a director, an employee of the Company or any other person, any one or more of its powers other than its powers under any of the sections of the Act set out in the second schedule to the Act.

#### **Board delegates to comply with regulations**

- 22.2 In exercising the Board's delegated powers, any committee of directors, director, employee of the Company or any other person must comply with any regulations that the Board may impose.

#### **Committee proceedings**

- 22.3 A committee of the Board comprising more than one person may elect a chairperson of its meetings. If no such chairperson is elected, or if at any meeting the chairperson is not present within 15 minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairperson of the meeting.
- 22.4 A committee of the Board may meet and adjourn as it thinks proper. Questions arising at any meeting of a committee comprising more than one person shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairperson of the meeting shall have a second and casting vote except when only two members are present at the meeting.
- 22.5 The provisions of this constitution (including those relating to the signing of written resolutions and to teleconference meetings) relating to the meetings and proceedings of the Board shall, so far as not altered by any regulations made by the Board, apply also to the meetings and proceedings of any committee. The quorum of any committee shall be:
- (a) the number of members of the committee where the committee comprises not more than two members; and

- (b) two members where the committee comprises three or more members;
- in both cases unless the Board specifies otherwise.

## **23. INTERESTED DIRECTORS**

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

23.1 As soon as a director becomes aware of the fact that he or she is interested in a transaction or proposed transaction with the Company, that director must cause to be entered in the interests register, and disclose to the Board:

- (a) the nature and monetary value of his or her interest (if the monetary value of the interest is able to be quantified); or
- (b) the nature and extent of his or her interest (if the monetary value of the interest cannot be quantified).

The word "interested" where used in this constitution in relation to a director has the meaning set out in section 139 of the Act.

### **Exception**

23.2 The provisions of clause 23.1 shall not apply to a director if:

- (a) the transaction or proposed transaction is between the director and the Company; and
- (b) the transaction or proposed transaction is or is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.

### **General disclosure in certain cases will suffice**

23.3 For the purposes of clause 23.1 a general notice entered in the interests register or disclosed to the Board to the effect that a director:

- (a) is a shareholder, director, officer, or trustee of another named company or other person; and
- (b) is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that other company or person,

is a sufficient disclosure of that interest in relation to that transaction.

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

23.4 Any failure by a director to comply with clause 23.1 does not affect the validity of a transaction entered into by the Company or the director. However, the transaction may be avoided under clause 23.5.

### **Company may avoid transaction if director interested**

23.5 Where the Company enters into a transaction in which a director is interested, the Company may avoid that transaction in accordance with the Act.

**No voting by interested directors**

- 23.6 Subject to clause 23.7, 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.

**Exception to voting**

- 23.7 Notwithstanding clause 23.6, 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.

**24. REMUNERATION****Directors' remuneration**

- 24.1 The power of the Board to authorise the payment of remuneration by the Company to a director in his or her capacity as a director is subject to the Rules and the ASX Rules.
- 24.2 Notwithstanding clause 24.1 a director is entitled to be paid or reimbursed for reasonable travelling, accommodation and other expenses incurred in relation to management of the Company without requiring authorisation of shareholders.
- 24.3 Notwithstanding clause 24.1, in no instance will remuneration paid by the Company to a director (whether that director is an executive or non-executive director), or remuneration paid by the Company to a managing director in his or her capacity as an executive, include a commission on, or percentage of, operating revenue.

**Shareholders may determine directors' remuneration**

- 24.4 The shareholders may at any shareholders' meeting by ordinary resolution determine the sum or sums to be paid to the directors for their services as directors of the Company (but excluding services as an executive director) in accordance with the Rules and ASX Rules.

**25. ALTERNATE DIRECTORS****Directors may appoint and remove alternate directors**

- 25.1 Every director may:
- (a) appoint any person who is not a director and is not disqualified by this constitution or the Act from being a director, and whose appointment has been approved in writing by a majority of the other directors, to act as an alternate director in his or her place either for a specified period, or generally during the absence or inability to act from time to time of such director; and
  - (b) remove his or her alternate director from that office,
- by giving written notice to that effect to the Company. A majority of the other directors may similarly remove an alternate of a director from that office. No director shall appoint a deputy or agent otherwise than by way of appointment of an alternate director, under this clause.

**Alternate director has powers of appointor**

- 25.2 While acting in the place of the director who appointed him or her, the alternate director:
- (a) has, and may exercise and discharge, all the powers, rights, duties and privileges of that director (including the right to receive notice of, and participate in, meetings of the Board, and the power to sign any document, including a written resolution, but excluding the right to act as chairperson, deputy chairperson or managing director, and the right to appoint an alternate); and
  - (b) is also subject to the same terms and conditions of appointment as that director, except that he or she shall not be entitled to receive remuneration other than such proportion (if any) of the remuneration otherwise payable to his or her appointor as the appointor may by notice in writing to the Company from time to time direct.

**Automatic termination of appointment of alternate director**

- 25.3 The appointment of an alternate director terminates automatically if the director who appointed him or her ceases to be a director, or if an event occurs which if he or she were a director would cause him or her to vacate such office. A director retiring by rotation at a meeting of the Company and being re-elected at that meeting shall not be treated as having ceased to be a director.

**26. MANAGING DIRECTOR****Board may appoint managing director**

- 26.1 The Board may appoint one of the directors to the office of managing director subject to the Rules and the ASX Rules and on such other terms as the Board thinks fit. If the Board determines, a managing director may be referred to as the Chief Executive of the Company.
- Managing director subject to same provisions**

- 26.2 Subject to this constitution, the Rules and the terms of any agreement entered into between the Board and the director concerned, the managing director is subject to the same provisions regarding rotation, resignation, removal and disqualification as the other directors of the Company, and the Board may revoke, or amend the terms of, the appointment.. The appointment of a managing director shall terminate automatically if he or she ceases to be a director.

**Remuneration of managing director**

- 26.3 A managing director will receive in addition to remuneration for services as a director such remuneration and benefits as the Board may determine.

**Powers conferred on managing director**

- 26.4 Subject to clause 22.1, the Board may:
- (a) confer on a managing director any of the powers exercisable by the Board;
  - (b) without affecting the powers of the managing director to act as a member of the Board, impose such terms and conditions and such restrictions as the Board thinks fit; and

- (c) withdraw, alter, vary or revoke any of the powers it confers under this clause 26.4.

**Managing director has no power to appoint alternate managing director**

- 26.5 The power to appoint an alternate director conferred on directors by this constitution does not confer on any managing director the power to appoint an alternate managing director.

**PART D: GENERAL**

**27. SECRETARY**

- 27.1 The Board may from time to time appoint one or more persons (other than a body corporate) to act as Secretary or deputy Secretary of the Company for such terms, at such remuneration, and upon such conditions as the Board thinks fit.
- 27.2 Subject to clause 22.1, the Secretary has the powers conferred by this constitution and any other powers the Board may confer on the Secretary.
- 27.3 If the Board thinks fit, two or more persons may be appointed under clause 27.1 as joint Secretaries.
- 27.4 Any Secretary or joint Secretary may, at any time, be removed from office by the Board, but without prejudice to any claim for damages for breach of any contract of service between him or her and the Company.

**A director may apply to change Company name**

- 27.5 A director may apply to the Registrar of Companies to change the name of the Company if the Board has approved the director doing so. An application to change the name of the Company shall not be an amendment to this constitution in terms of the Act.

**28. INDEMNITY AND INSURANCE FOR DIRECTORS AND EMPLOYEES**

**Indemnity for directors and others**

- 28.1 Subject to clause 28.3 every director of the Company 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 of the Company 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 of the Company or a director of a subsidiary of the Company, or costs incurred by him or her in defending or settling any claim or proceeding relating to any such liability.

**Indemnity power**

- 28.2 Subject to clause 28.3 the Company may, with the prior approval of the Board, indemnify a director 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, or costs incurred by him or her in defending or settling any claim or proceeding relating to any such liability.

#### **Exceptions and definitions**

28.3 An indemnity conferred by clause 28.1(b) or given pursuant to clause 28.2(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 of the Company or a director of a related company, any liability in respect of a breach of the duty specified in section 131 of the Act; or
- (d) any other liability in respect of which an indemnity is prohibited by any legislation.

#### **Company may effect insurance for directors and employees**

28.4 The Company may, with the prior approval of the Board, effect insurance for a director or employee of the Company or a related company for any liability or costs for which a company may effect insurance for a director or employee under the Act. The Board may determine the amounts and the terms and conditions of any such insurance.

#### **Definitions**

28.5 In clause 28 "director" includes a former director and other words given extended meanings in section 162(9) of the Act have those extended meanings.

### **29. NOTICES**

29.1 **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.

29.2 **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.

29.3 **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.

29.4 **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.

29.5 **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.

29.6 **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.

## 30. EXECUTION OF CONTRACTS

### Manner of execution

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

- (a) an obligation which, if entered into by a natural person, would, by law, be required to be by deed, may be entered into on behalf of the Company in writing signed under the name of the Company by:
  - (i) two or more directors; or
  - (ii) a director, or other person or class of persons authorised by the Board whose signature or signatures must be witnessed; or
  - (iii) one or more attorneys appointed by the Company in accordance with clause 30.2;
- (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 Company in writing by a person acting under the Company's express or implied authority; and
- (c) an obligation which, if entered into by a natural person, is not, by law, required to be in writing, may be entered into on behalf of the Company in writing or orally by a person acting under the Company's express or implied authority.

### Company may appoint attorneys

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



**31. REMOVAL OF COMPANY FROM NEW ZEALAND REGISTER****Directors may remove Company from New Zealand register**

31.1 If the Company:

- (a) has ceased to carry on business, discharged in full its liabilities to all known creditors, and distributed its surplus assets in accordance with the Act; or
- (b) has no surplus assets after paying its debts in full or in part, and no creditor has applied to the Court for an order putting the Company into liquidation,

the Board may request the Registrar to remove the Company from the New Zealand register.

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**FIRST SCHEDULE  
SALE OF LESS THAN MINIMUM HOLDINGS**

**INTERPRETATION**

**1. Construction**

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

**NOTICE**

**2. Notice to financial product holder with less than a minimum holding**

2.1 Where financial products registered in the name of a holder are less than a minimum holding, the Board may at any time give written notice of that fact and of the provisions of clause 3 to that holder. Notice must not be given before enquiry has been made as to whether any further transfers which may affect the number of financial products registered in the name of the holder are pending and the effect of those transfers has been taken into account.

**3. Company may sell less than minimum holdings**

3.1 Where notice has been given under clause 2, the Company may at any time during the period commencing not less than 3 months after the date on which notice is given and ending 5 months after that date, if the financial products then registered in the name of the financial product holder are less than a minimum holding, sell the financial products on market (including through a broker acting on the Company's behalf).

**4. Sale procedures**

4.1 The Board may authorise the transfer of the financial products sold to a purchaser of the financial products through NZX or in some other manner approved by NZX, and the holder is deemed to have authorised the Company to act on behalf of the holder and to sign all necessary documents relating to the sale. The purchaser shall not be bound to see to the application of the purchase money, nor shall the title to the financial products be affected by any irregularity or invalidity in the procedures under this constitution relating to the sale. The remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. If the certificate, if any, for the shares is not delivered to the Company, the Board may issue a new certificate in such manner as it thinks fit and the certificate not delivered shall be deemed to be cancelled.

**5. Application of proceeds**

5.1 The proceeds of the sale of any financial products sold under clauses 3 and 4 must be applied as follows:

- (a) first, in payment of any reasonable sale expenses;
- (b) second, in satisfaction of any unpaid calls or any other amounts owing to the Company in respect of the financial products; and
- (c) the residue, if any, must be paid to the person who was the holder of the financial products immediately before the sale or his or her executors, administrators or assigns.

**6. Evidence of power of sale**

- 6.1 A certificate signed by a director and countersigned by the Secretary or by a second director that the power of sale under this Schedule has arisen and is exercisable by the Company shall be conclusive evidence of the facts stated in that certificate.

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## SECOND SCHEDULE CALLS, FORFEITURE AND LIEN

### INTERPRETATION

#### 1. Construction

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

### CALLS ON FINANCIAL PRODUCTS

#### 2. Holders of financial products must pay calls

- 2.1 Every holder of financial products 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 financial products that the holder holds. The Board may revoke or postpone a call, or require a call to be paid by instalments.

#### 3. Call made when Board resolution passed

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

#### 4. Joint holders are jointly and severally liable

- 4.1 The joint holders of a financial product are jointly and severally liable to pay all calls for that financial product.

#### 5. Unpaid calls will accrue interest

- 5.1 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 Company 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.

#### 6. Amounts payable under terms of issue treated as calls

- 6.1 Any amount that becomes payable on issue or at any specified date under this constitution or under the terms of issue of a financial product or under a contract for the issue of a financial product, will be regarded as being a call duly made and payable on the specified date. If the payment is not made, the relevant provisions of this constitution will apply as if the amount had become payable by virtue of a call made in accordance with this constitution.

#### 7. Board may differentiate between holders as to calls

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

#### 8. Board may accept payment in advance for calls

- 8.1 Where a holder of financial products is willing to advance some or all of the money unpaid and uncalled on any financial product of that holder, the Board may accept the amount advanced on the Company's behalf. The Board may pay interest on that amount at a rate agreed between the Board and that holder of financial products for the period between the date that the amount is accepted and the date that the amount becomes payable pursuant to

a call or the date specified for its payment. The Board may at any time repay to any holder of financial products the whole or any portion of any money so advanced upon giving such holder at least 10 working days' notice in writing and as from the date of such repayment interest (if any) shall cease to accrue on the money so repaid. Holders of financial products shall not be entitled as of right to any payment of interest on any amount so paid in advance and the Board may decline to pay any interest. Any amount so paid in advance shall not be taken into account in ascertaining the amount of any dividend or other distribution payable upon the financial products concerned.

## **9. Proof of liability**

9.1 The amount of any unpaid call may be recovered as a debt due from the holder of a financial product to the Company by proceedings commenced at any time after the call becomes payable. In any such proceedings it shall be sufficient to prove that:

- (a) the name of the holder of financial products sued is entered in the applicable register of financial products as the holder or one of the holders of the financial product in respect of which such debt accrued;
- (b) a resolution of the Board making the call is duly recorded in the Company's records; and
- (c) notice of such call was duly given to the holder sued.

The proof of such matters shall be conclusive evidence of the debt and it shall not be necessary to prove the appointment or qualification of any member of the Board that made such call nor any other matter whatsoever.

## **FORFEITURE OF FINANCIAL PRODUCTS**

### **10. Board may by notice require forfeiture of financial products if calls unpaid**

10.1 The Board may during the time that a call, instalment, or other amount remains unpaid on a financial product, serve a notice on the holder of that financial product requiring payment of the unpaid call, instalment, or other amount, together with any accrued interest and any expenses that may have been incurred by the Company by reason of non-payment and failure to comply with such notice will result in forfeiture of the financial product.

### **11. Notice of forfeiture must satisfy certain requirements**

11.1 The notice served on a holder of financial products under clause 10.1 must specify a date not earlier than 10 working days after the date the notice is served by which the payment is to be made. The notice must also state that in the event of non-payment by the appointed time, the financial products to which the call, instalment, or other amount relates, will be liable to be forfeited by the holder of financial products.

### **12. Failure to comply with notice may lead to forfeiture**

12.1 Where a valid notice under clause 10.1 is served on a holder of financial products and the holder of financial products fails to comply with the notice, then the Board:

- (a) may resolve that any financial product for which that notice was given and all distributions authorised and not paid before the notice was served be forfeited; and
- (b) may cancel any certificate relating to any financial product which has been forfeited pursuant to any such resolutions.

**13. Board may deal with forfeited financial product**

- 13.1 A forfeited financial product 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 financial product is paid.

**14. Holder whose financial products are forfeited loses rights**

- 14.1 A person whose financial products have been forfeited immediately ceases to be a holder in respect of those financial products notwithstanding any other provision of this constitution, and remains liable to pay the unpaid amount that the holder owes the Company, but that liability shall cease if the Company receives payment in full of all money owing for those financial products.

**15. Notice of forfeiture**

- 15.1 On the forfeiture of a financial product the Board shall cause a note of the forfeiture and the date to be entered in the applicable register of financial products and shall cause notice of the forfeiture and the date to be given to the holder in whose name the financial product stood immediately prior to the forfeiture. The Board shall upon the disposal of any forfeited financial product cause a note of the manner and date of such disposal to be similarly entered in the applicable register of financial products.

**16. Certificate is conclusive**

- 16.1 A certificate signed by a director that a financial product has been duly forfeited on a stated date shall be conclusive evidence of the facts stated against any person claiming an entitlement to that financial product.

**17. Company may sell forfeited financial product**

- 17.1 The Company may receive consideration, if any, given for a forfeited financial product following a sale or disposition, and may execute a transfer of the security in favour of the person to whom the financial product is sold or disposed of, and register that person as the holder of the financial product. That person shall not be bound to see to the application of the purchase money, if any, nor shall the title to the financial product be affected by any irregularity or invalidity in the procedures under this constitution in respect of the forfeiture, sale or disposal of that financial product. Where the certificate, if any, for the forfeited financial product is not delivered to the Company, the Board may issue a new certificate distinguishing it as it thinks fit from the certificate not delivered, which shall be deemed to be cancelled. Any residue after satisfaction of unpaid calls, instalments, premiums or other amounts and interest, and expenses, shall be paid to the previous owner, or his or her executors, administrators or assigns.

**18. Surrender of financial products**

- 18.1 The Board may accept from any holder of financial products a surrender of all or any part of that holder's financial products which are liable to forfeiture upon such terms as may be agreed between the holder and the Board.

**LIEN ON FINANCIAL PRODUCTS**

**19. Company's lien**

- 19.1 The Company has a lien, ranking in priority over all other equities, on:
- (a) all financial products registered in the name of a holder of financial products (whether solely or jointly with others);

- (b) all dividends authorised in respect of such financial products; and
  - (c) the proceeds of sale of such financial products,
- for:
- (d) unpaid calls and instalments payable in respect of any such financial products;
  - (e) interest on any such calls or instalments; and
  - (f) any amounts that the Company may be called on to pay under any statute, regulation, ordinance or other legislation in respect of the financial products of that holder of financial products, whether the period for payment has arrived or not.

No equitable interest in any financial products other than such lien shall be created except upon the footing and condition that clause 10.5 of this constitution is to have full effect and such lien shall extend to all dividends and other distributions from time to time authorised in respect of such financial products.

## **20. Waiver of lien**

- 20.1 Registration of a transfer of financial products on which the Company has any lien will operate as a waiver of the lien, unless the Company gives notice to the contrary to the transferee prior to registration.

## **21. Company may sell financial products on which it has a lien**

- 21.1 The Company may sell a financial product on which it has a lien in such manner as the Board thinks fit, where:
- (a) the lien on the financial product is for a sum which is presently payable; and
  - (b) the registered holder of the financial product, or the person entitled to it on his or her death or bankruptcy, has failed to pay that sum within 10 working days after the Company has served the registered holder with written notice demanding payment of that sum.

## **22. The Company may transfer financial product and apply proceeds**

- 22.1 The Company may receive consideration given for a financial product sold under clause 21, and may execute a transfer of the financial product in favour of the person to whom the financial product is sold, and register that person as the holder of the financial product 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 the purchaser's title to the financial product shall not be affected by any irregularity or invalidity in the proceedings relating to the sale. The remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. If the certificate, if any, for the forfeited financial product is not delivered to the Company, the Board may issue a new certificate distinguishing it as it thinks fit from the certificate not delivered, which shall be deemed to have been cancelled.
- 22.2 The Company must apply the sale proceeds in payment of the sum presently payable in respect of the lien, and the balance, if any, shall (subject to a like lien for sums not presently payable that existed upon the financial product before the sale) be paid to the person who held the financial product immediately before the date of sale or his or her executors, administrators or assigns.

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**THIRD SCHEDULE  
PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

**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.

**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 to every shareholder entitled to receive notice of the meeting and to every director and any auditor of the Company not less than 10 working days before the meeting.

**3. Service of notices outside New Zealand**

- 3.1 If a holder of a quoted financial product has only supplied an address outside New Zealand or an electronic address, then notices must be sent to that physical address or sent electronically to such electronic address.

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

- 4.1 The notice must:
- (a) state 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) state the text of any special resolution to be submitted to the meeting;
  - (c) state the text of any resolution for the purposes of section 207I or 207J of the Act to be submitted to the meeting;
  - (d) in the case of a special resolution required by section 106(1)(a) or (b) of the Act, state the right of a shareholder under section 110 of the Act;
  - (e) contain or be accompanied by sufficient explanation to enable a reasonable person to understand the effect of the resolutions proposed in the notice of meeting; and
  - (f) for so long as the Company is listed, comply with the requirements of the Rules and the ASX Rules.

Without limiting this clause, notices in respect of proposed changes to this constitution must be sufficiently explicit to enable the effect of such changes to be understood without reference to the existing or proposed constitution.



**5. Form of proxy must be included with notice**

5.1 A proxy form must be sent with every notice of meeting of shareholders or quoted financial product holders.

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

6.1 Any irregularity in a notice of a meeting is waived if all the shareholders entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity or if all such shareholders agree to the waiver.

**7. Company's accidental failure to give notice does not invalidate meeting**

7.1 The proceedings at a meeting are not invalidated if the Company accidentally omits to give notice of a meeting to any person entitled to that notice, or if any person entitled to that notice fails to receive notice of a meeting.

**8. Notice of an adjournment**

8.1 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 from which the adjournment took place.

8.2 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**

**9. Methods of holding meetings**

9.1 A meeting of shareholders may be held by a quorum of the shareholders:

- (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 of the methods described in paragraphs (a) and (b).

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 the Board approves those means and 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).

The Company is not required to hold meetings of shareholders in the manner specified in clause 9.1(b) or (c). Meetings will be held in that manner only if the notice of meeting so specifies or the Board otherwise decides that the Company should do so.

**10. Business to be transacted only if a quorum is present**

10.1 Subject to clauses 12.1 and 13.1, business may be transacted at a meeting of shareholders only if a quorum is present at the time when the meeting proceeds to business.

**11. Quorum for shareholders' meeting**

- 11.1 A quorum for a meeting of shareholders is present if two or more shareholders are present having the right to vote at the meeting.
- 11.2 To avoid doubt, a shareholder participating in a meeting by means of audio, audio and visual, or electronic communication is present at the meeting and part of the quorum.

**12. Meeting convened at shareholders' request dissolved if no quorum**

- 12.1 If a quorum is not present within 30 minutes after the time appointed for the meeting convened on the written request of shareholders holding shares together carrying at least 5% of the voting rights entitled to be exercised, the meeting will be dissolved automatically.

**13. Other meetings to be adjourned if no quorum**

- 13.1 If a quorum is not present within 30 minutes after the time appointed for a meeting (other than a meeting convened under clause 16.3(b) of this constitution), 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 present will constitute a quorum.

**CHAIRPERSON**

**14. Chairperson of Board to be chairperson of meeting**

- 14.1 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.

**15. Directors may elect chairperson if chairperson or deputy chairperson of Board not available**

- 15.1 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, the deputy chairperson (if any) of the Board, shall be the chairperson, or failing him or her, the directors present may elect one of their number to be chairperson of the meeting.

**16. As a last resort shareholders may elect chairperson**

- 16.1 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.

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

- 17.1 The chairperson of a meeting at which a quorum is present:
- (a) may adjourn the meeting to enable the result of a poll to be declared if the chairperson in his or her sole and absolute discretion believes the meeting will become inordinately protracted due to the time expected to be taken to count votes;
  - (b) may adjourn the meeting with the consent of the shareholders present who are entitled to attend and vote at that meeting; and
  - (c) must adjourn the meeting if directed by the meeting to do so.

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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.

**18. Power to dissolve meeting**

- 18.1 If any meeting shall become 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, either adjourn or dissolve the meeting.
- 18.2 If any meeting is dissolved by the chairperson pursuant to clause 18.1, the unfinished business of the meeting shall be dealt with by the chairperson directing that any item of business which is uncompleted at the meeting and which in his or her opinion must be voted upon be put to the vote by a poll without further discussion.
- 18.3 The chairperson may dissolve any meeting prior to completion of the taking of a poll, and the taking of, and counting of votes for, such poll may continue notwithstanding the dissolution of such meeting.

**19. Chairperson's discretion to determine relevancy**

- 19.1 The chairperson may determine in his or her absolute discretion whether or not any particular matter raised for question, discussion or comment at a meeting, or any resolution proposed by a shareholder at a meeting, concerns the management of the Company.

**VOTING**

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

- 20.1 In the case of a meeting of shareholders held under clause 9.1(a), unless a poll is demanded, voting at the meeting will be by a show of hands or by voice vote, as the chairperson may determine. On a vote by voices or show of hands, each shareholder present at the meeting is entitled to one vote.

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

- 21.1 In the case of a meeting of shareholders held under clause 9.1(b) or (c), unless a poll is demanded, voting at the meeting will be by any method permitted by the chairperson of the meeting.

**22. Voting by electronic means**

- 22.1 To the extent permitted by the Act, and if applicable, the Rules, the board 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.

**23. Votes of joint holders**

- 23.1 Where two or more persons are registered as the holders of a share, 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.

**24. Shareholder loses voting rights if calls unpaid**

24.1 A shareholder is not entitled to vote at any meeting of shareholders other than a meeting of an interest group, unless all sums due to the Company by that shareholder in respect of any share registered in that shareholder's name have been paid.

**25. Chairperson shall not have a casting vote**

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

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

26.1 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 other manner as the Chairperson may have decided under clause 20.1 is carried by the requisite majority or lost without proof of the number or proportion of the votes recorded in favour of or against the resolution, shall be conclusive evidence of that fact.

**POLLS**

**27. Poll may be demanded by chairperson before a meeting**

27.1 The chairperson may in his or her absolute discretion demand a poll before a meeting.

**28. Poll may be demanded at a meeting**

28.1 At a meeting of shareholders, a poll may be demanded, either before or after a vote by show of hands or voice vote is taken on a resolution, by:

- (a) the chairperson; or
- (b) at least 5 shareholders having the right to vote at the meeting; or
- (c) a shareholder or shareholders having the right to exercise at least 10% of the total votes entitled to be exercised on the business to be transacted at the meeting; or
- (d) 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% of the total amount paid up on all the shares that confer that right.

**29. Time at which polls to be taken**

29.1 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.

**30. Votes need not be cast in same way**

30.1 On a poll, a shareholder entitled to more than one vote need not use all its, his or her votes, or cast all the votes it, he or she uses in the same way.

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

31.1 If a poll is taken, votes must be counted according to the votes attached to the shares of each shareholder present at the meeting and voting. A poll may otherwise be taken in such manner as the chairperson directs. If there is any dispute as to the admission or rejection of

a vote, the chairperson shall determine that dispute. The chairperson's determination, if made in good faith, will be final and conclusive.

**32. Counting votes in a particular order is optional**

32.1 The chairperson may direct that proxy votes, votes of corporate representatives and the votes of other shareholders present be counted in any particular order, and that counting cease once the requisite majority is attained with reference to the total number of shares. The chairperson may direct that the votes of any proxy holder be excluded if the chairperson in his or her absolute discretion is satisfied that the appointor of that proxy is present at the meeting and expresses a wish to vote.

**33. Auditor of Company to be scrutineer**

33.1 The auditor of the Company for the time being, or if the auditor of the Company is unable or unwilling to act, then such person as the chairperson nominates, shall act as scrutineer for the purposes of a poll.

**34. Outcome of Poll**

34.1 The chairperson may declare the result of a poll (at or after the meeting) after its outcome is known regardless of whether all votes have been counted.

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

35.1 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. The chairperson's declaration must state that the resolution has or has not been passed by the requisite majority. The chairperson may, but need not, declare the number of the votes recorded in favour of or against the resolution.

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

36.1 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.

**SHAREHOLDER PROPOSALS**

**37. Shareholder proposals by written notice**

37.1 A shareholder may give written notice to the Board of a matter concerning the management of the Company that the shareholder proposes to raise for discussion or resolution at the next meeting of shareholders at which the shareholder is entitled to vote.

37.2 The chairperson may determine in his or her absolute discretion whether or not any matter so proposed by a shareholder to be raised for discussion or resolution concerns the management of the Company.

**38. Board to give notice of proposal at Company's expense**

38.1 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 Company, give notice of the shareholder proposal and the text of any proposed resolution to all shareholders entitled to receive notice of the meeting.

**39. Board to give notice of proposal at shareholder's expense**

- 39.1 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.

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

- 40.1 If the notice is received by the Board less than 5 working days before the last day on which notice of the relevant meeting of shareholders is required to be given by the Board, the Board must, if practicable, and at the expense of the shareholder, give notice of the shareholder proposal and the text of any proposed resolution to all shareholders entitled to receive notice of the meeting.

**41. Proposing shareholder may include statement**

- 41.1 If the directors intend that shareholders may vote on the proposal by proxy 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.

**42. Board may exclude statement in some cases**

- 42.1 The Board is not required to include in or with the notice given by the Board any part of a statement, proposal or resolution prepared by a shareholder which the directors consider to be defamatory (within the Defamation Act 1992), frivolous or vexatious.

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

- 43.1 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**

**44. Proxies permitted**

- 44.1 A shareholder may exercise the right to vote by being present in person or represented by proxy.
- 44.2 A shareholder may appoint more than one proxy for a particular meeting, provided that more than one proxy is not appointed to exercise the rights attached to a particular share held by the shareholder.

**45. Proxy to be treated as shareholder**

- 45.1 A proxy for a shareholder is entitled to attend and be heard at a meeting of shareholders as if the proxy were the shareholder.

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

- 46.1 A proxy must be appointed by a notice in writing that is signed by or, in the case of an electronic notice, sent by the shareholder, and the notice must state whether the appointment is for a particular meeting or a specified term. A proxy need not be a shareholder of the Company.

**47. Notice of proxy to be produced at least 48 hours before meeting**

47.1 No proxy is effective in relation to a meeting unless a copy of the notice of appointment is received at the registered office, or such other place within New Zealand as is specified for that purpose in the notice convening the meeting, at least 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the notice proposes to vote, unless the Board agrees otherwise in any particular case. 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). If the written notice appointing a proxy is signed under power of attorney, a copy of the power of attorney and a signed certificate of non-revocation of the power of attorney must accompany the notice.

**48. Form of notice of proxy**

48.1 A notice appointing a proxy shall be in such form as the Board may direct.

**49. Vote by proxy valid where Company not notified before meeting of disqualified proxy**

49.1 Where:

- (a) the shareholder has died or become incapacitated; or
- (b) the proxy, or the authority under which the proxy was executed, has been revoked; or
- (c) the share in respect of which the notice of proxy is given has been transferred,

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

**CORPORATE REPRESENTATIVES**

**50. Corporations may act by representative**

50.1 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.

**POSTAL VOTES**

**51. Postal votes**

51.1 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 shareholders may exercise the right to vote at a meeting by casting postal votes, the procedures in relation to postal voting shall be those set out in clause 7 of the first schedule of the Act.

**MINUTES**

**52. Board must keep minutes of proceedings**

52.1 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 correct by the chairperson of the meeting are evidence of the proceedings at the meeting unless they are shown to be inaccurate.

**OTHER PROCEEDINGS**

**53. Meeting may regulate other proceedings**

- 53.1 Except as provided in this Schedule, a meeting of shareholders may regulate its own procedure.



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## FOURTH SCHEDULE PROCEEDINGS OF THE BOARD

### INTERPRETATION

#### 1. Construction

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

### NOTICE OF MEETING

#### 2. Convening meetings

- 2.1 Subject to clauses 3.1 and 6.1, the Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. The chairperson, or in his or her absence the deputy chairperson (if any), or in the absence of both, the managing director (if any), may at any time, and the Secretary of the Company at the request of a director shall, convene a meeting of the Board (including a teleconference meeting as provided for in clause 16.1) in accordance with this Schedule. Notice of the meeting shall be given in accordance with clause 7.1.

#### 3. Notice to contain certain details

- 3.1 The notice of meeting must be in writing, except in the case of meetings convened by telephone or other oral communication on short notice under clause 8.1, and include the date, time (being the time in the city in which the meeting is to be held) and place of the meeting. In the case of a meeting by means of audio, audio and visual, or electronic communication, specify the manner in which each director may participate in the proceedings of the meeting.

#### 4. Directors may waive irregularities in notice

- 4.1 Any irregularity in the notice of a meeting is waived if all directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity, or if all directors entitled to receive notice of the meeting agree to the waiver.

#### 5. Omission of notice

- 5.1 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any director, does not invalidate the proceedings at that meeting.

#### 6. Regular meetings

- 6.1 The Board shall schedule its regular meetings in advance as follows:
- (a) as soon as reasonably practicable after the commencement of each calendar year, the Board shall decide upon the date, time and place of every meeting ("**scheduled meeting**") of the Board then proposed to be held during the remainder of the then current calendar year;
  - (b) as soon as reasonably practicable after the Board has decided upon the date, time and place of every scheduled meeting of the Board for any calendar year, the Secretary shall give a notice to every director setting out that information and such notice shall serve as notice of each such meeting for the purposes of this clause 6.1.

## **7. Notice periods**

7.1 The following periods of notice shall apply to the convening of meetings of the Board:

- (a) in the case of a scheduled meeting of the Board, where notice of that meeting has previously been given in accordance with clause 6.1(b) no further notice shall be required. The minimum period of notice required in order to change the scheduled date, time or place of a scheduled meeting of the Board shall be 10 clear days;
- (b) except in the case of urgency falling within clause 7.1(c), the minimum period of notice for convening a meeting of the Board other than a scheduled meeting shall be 10 clear days;
- (c) in the case of urgency where, in the opinion of the chairperson or in his or her absence the deputy chairperson (if any) or in the absence of both the managing director (if any) a meeting of the Board is required in the interests of the Company to be convened on less than 10 clear days' notice, the meeting may be convened on shorter notice provided that:
  - (i) not less than three-quarters of the directors consent to such shorter notice; or
  - (ii) the chairperson or in his or her absence the deputy chairperson (if any) or in the absence of both the managing director (if any) and at least one other director consider that by reason of extreme urgency, a meeting on shorter notice determined by them is required in the interests of the Company and that it is not practicable to comply with clause 7.1(c)(i).

## **8. Meetings convened on short notice**

8.1 In the case of a meeting convened on short notice pursuant to clause 7.1(c):

- (a) notice to a director of a meeting may be given to every director prior to the holding of the meeting either:
  - (i) personally; or
  - (ii) to the address provided to the Company by that person for the receipt of documents electronically; or
  - (iii) shall be given to the director in person by telephone or other oral communication;
- (b) the Secretary shall use all reasonable endeavours to contact every director personally or by telephone prior to the holding of the meeting to try to ensure that every director is aware that the meeting is to be held;
- (c) every director shall be entitled to attend the meeting telephonically notwithstanding his or her failure to give the required notice provided for under clause 14.1; and
- (d) the business to be transacted at the meeting shall be limited to business related to the urgent matter or matters which necessitated the meeting being called on short notice.

## **9. Despatch of notices**

9.1 Subject to the requirements of clause 8.1(a) in the case of a meeting convened at short notice, a copy of a notice convening the meeting shall be delivered in such manner as the Board may decide.

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**10. Board papers**

- 10.1 The documentation required for each meeting of the Board (in this clause referred to as "**board papers**") shall comprise:
- (a) an agenda of the general nature of the business to be transacted at the meeting;
  - (b) where practicable, details of the resolutions to be put to the meeting; and
  - (c) such explanatory or background papers as the Secretary acting in consultation with the chairperson or in his or her absence the deputy chairperson (if any) or in the absence of both the managing director (if any) shall think fit.
- 10.2 The requirements concerning the despatch of the board papers relating to a meeting of the Board shall be determined by the Board from time to time.

**11. Notices**

- 11.1 Each director shall from time to time give written notice to the Company of his or her address, email, and telephone number or numbers for the purposes of service of notices convening meetings of the Board.
- 11.2 A notice convening a meeting of the Board given to a director shall be deemed to be given when:
- (a) delivered at the address of the addressee; or
  - (b) in the case of transmission electronically at the time of transmission; or
  - (c) in the case of communication in person by telephone or other oral communication, at the time of communication.

**MEETING AND QUORUM**

**12. Methods of holding meetings**

- 12.1 A meeting of the Board may be held by a number of directors who constitute a quorum, either:
- (a) by being assembled together at the place, date and time appointed for the meeting; or
  - (b) by means of audio, audio and visual, or electronic, communication by which all directors participating can simultaneously hear each other throughout the meeting; or
  - (c) by a combination of the methods described in clauses 11.1(a) and 11.1(b) of this Schedule.

**13. Quorum for Board meeting**

- 13.1 Unless otherwise determined by the Board, the quorum necessary for the transaction of business at a meeting of the Board is 3 of the directors present and entitled to vote on the matter. No business may be transacted at a meeting of the Board unless a quorum is present.

#### **14. Presence by telephonic means**

- 14.1 Subject to clause 8.1 and without limiting clause 16.1, each director may elect to attend any meeting of the Board by telephone or other instantaneous audio (or audio and visual) or electronic communication provided such director has given notice in writing of his or her intention to do so to the Secretary at least 48 hours prior to the scheduled commencement time of such meeting. Any such director:
- (a) must throughout the meeting be able to hear each of the other directors taking part;
  - (b) must, at the commencement of the meeting, acknowledge his or her presence for the purpose of the meeting, to all the other directors taking part;
  - (c) may not leave such meeting by disconnecting his or her telephone or other means of communication unless he or she has first obtained the express consent of the chairperson; and
  - (d) shall (for the purposes of this constitution) be conclusively presumed to have been physically present and to have formed part of the quorum at all times during the meeting unless he or she has first obtained the express consent of the chairperson of the meeting to leave the meeting as set out above. Neither the meeting, nor any business conducted at the meeting, shall be invalidated if a director does leave a meeting conducted in this manner without the express consent of the chairperson.

#### **15. Meeting adjourned if no quorum**

- 15.1 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 after the time appointed for the meeting, the directors present will constitute a quorum.

#### **TELECONFERENCE MEETINGS**

#### **16. Teleconference meeting**

- 16.1 For the purpose of this constitution the contemporaneous linking together by telephone or other means of instantaneous audio (or audio and visual) or electronic communication of a number of the directors not less than the quorum provided in clause 13, together with a person acting as secretary (who may be one of the directors), whether or not any one or more of the directors or the Secretary is out of New Zealand, shall be deemed to constitute a meeting of the Board and all the provisions in this constitution as to meetings of the Board shall apply to such meetings so long as the following conditions are met:
- (a) all the directors shall be entitled to notice of a meeting by telephone or other means of communication and to be linked by telephone or such other means for the purposes of such meeting. Notice of any such meeting may be given on the telephone or by other means of communication;
  - (b) each of the directors taking part in the meeting by telephone or other means of communication and the secretary must throughout the meeting be able to hear each of the other directors taking part; and
  - (c) at the commencement of the meeting each director must acknowledge his or her presence for the purpose of a meeting of the Board to all the other directors taking part.

**17. Restriction on leaving teleconference**

- 17.1 A director may not leave a meeting conducted pursuant to clause 16.1 by disconnecting his or her telephone or other means of communication unless he or she has first obtained the express consent of the chairperson of the meeting. A director shall for the purposes of this constitution be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting by telephone or other means of communication unless he or she first obtained the express consent of the chairperson of the meeting to leave the meeting as set out above. Neither the meeting nor any business conducted at the meeting shall be invalidated if a director does leave a meeting conducted pursuant to this clause without the express consent of the chairperson.

**18. Minutes at teleconference**

- 18.1 A minute of the proceedings at such a meeting by telephone or other means of communication shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as a correct minute by the chairperson and by the secretary of the meeting.

**CHAIRPERSON**

**19. Chairperson to chair meetings**

- 19.1 The chairperson of the Board or in his or her absence the deputy chairperson (if any) will chair all meetings of the Board.

**20. Directors may elect chairperson of meeting if chairperson of Board is not present**

- 20.1 If no chairperson is elected, or if at a meeting of the Board neither the chairperson nor the deputy chairperson (if any) is present within 15 minutes after the time appointed for the commencement of the meeting, then the directors present may elect one of their number to be chairperson of the meeting.

**VOTING**

**21. Voting on resolutions**

- 21.1 Subject to clause 22.1, each director has one vote. However, a director must not vote where that director is not permitted to vote by the Rules or this constitution. 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 Act.

**22. Chairperson shall not have a casting vote**

- 22.1 The chairperson shall not have a casting vote.

**MINUTES**

**23. Board must keep minutes of proceedings**

- 23.1 The Board must ensure that minutes are kept of all proceedings of meetings of the Board and that a record is kept of all written resolutions of directors. 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**

**24. Board may regulate other proceedings**

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

