

**CONSTITUTION OF
RANFURLY VETERAN CARE LIMITED**



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CONSTITUTION

RANFURLY VETERAN CARE LIMITED

1. CONSTITUTION AND THE COMPANIES ACT

The provisions of the Companies Act 1993 ("the Act") are negated, modified, adopted and extended as provided by this constitution and to the extent that the constitution contravenes, or is inconsistent with the Act, the Act shall prevail.

2. CAPACITY OF COMPANY

2.1 Capacity limited

The company shall have the capacity both within and outside New Zealand to carry on or undertake the following businesses or activities, to do the following acts and enter into the following transactions and no others:

- (1) Any businesses or activities for the benefit of the Ranfurly Trust Board established by deed dated 19 July 1999 and duly registered under the Charitable Trusts Act 1957; and
- (2) Any businesses or activities for the benefit of any other charitable trust recognised as such by the Commissioner of Inland Revenue under section CW35 of the Income Tax Act 2004 or any similar statutory provision; and
- (3) Any businesses or activities for the benefit of any society or institution established exclusively for charitable purposes within New Zealand and recognised as such by the Commissioner of Inland Revenue under section CW35 of the Income Tax Act 2004 or any similar statutory provision; and
- (4) To further the charitable objects and purposes of the Ranfurly Trust Board and/or any other such charitable trust and/or any such charitable society or institution.

The income and property of the company whether during its life or on its dissolution shall be applied solely towards the promotion of those objects and purposes and shall be devoted solely and exclusively to benefiting and carrying out within New Zealand the charitable purposes of the Ranfurly Trust Board and/or any such other charitable society or institution and the company shall from time to time pay the same to Ranfurly Trust Board and/or any such other charitable trust and/or any such charitable society or institution for expenditure within New Zealand solely for such objects and purposes accordingly.

In performing any business or activities the company shall ensure that it does all things required of it in order to effect and maintain its charitable status pursuant to the Charities Act 2005.

2.2 Rights, powers and privileges

Any rights, powers and privileges conferred on the company by section 16(1) of the Act which are inconsistent with the provisions of 2.1 above are prohibited. Such prohibition shall apply to the capacity to revoke or alter the constitution pursuant to section 32 of the Act.

3. CALLS ON SHARES

3.1 Directors May Make Calls

The directors may from time to time make such calls as they think fit upon the shareholders in respect of any moneys unpaid on their shares which is not by the terms of issue of such shares or by the terms of any agreement between the shareholders and the company to pay in capital made payable at a fixed time or times. Each shareholder shall, subject to receiving at least 10 working days' written notice specifying the time or times and place of payment, pay to the company at the time or times and place so specified the amount called. A call may be revoked or postponed as the directors may determine.

3.2 Timing of Calls

A call may be made payable at such times and in such amount as the directors may decide.

3.3 Liability of Joint Holders

The joint holders of a share shall be jointly and severally liable to pay all calls in respect of such share.

3.4 Interest

If a sum called in respect of a share is not paid before or on the time appointed for payment, the person from whom the sum is due shall pay interest on that sum from the time appointed for payment to the time of actual payment at such rate as the directors may determine after having regard to generally prevailing bank rates of interest at the relevant times, but the directors shall be at liberty to waive payment of that interest wholly or in part.

3.5 Instalments

Any sum which by the terms of issue of a share or by the terms of any agreement between the shareholders and the company to pay in capital becomes payable on issue or at any fixed time shall for all purposes be deemed to be a call duly made and payable at the time at which by the terms of issue or by the said agreement the same becomes payable. In case of non-payment all the relevant provisions of the constitution relating to payment of interest and expenses, forfeiture, or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.

3.6 Differentiation as to Amounts

The directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

4. FORFEITURE OF SHARES

4.1 Notice of Default

If any person fails to pay any call or any instalment of any call in relation to shares for which that person is liable at the time appointed for payment, the directors may at any time thereafter serve notice on such person requiring payment of the moneys unpaid together with any interest which may have accrued.

4.2 Final Payment Date

The notice shall name a further day (not earlier than the expiration of 10 working days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the time appointed, the shares in respect of which the money was owing will be liable to be forfeited.

4.3 Forfeiture

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may be forfeited at any time before the required payment has been made, by a resolution of the directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

4.4 Sale of Forfeited Shares

A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors in their sole discretion think fit and, at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the directors think fit. If any forfeited share shall be sold within 12 months of the date of forfeiture, the residue, if any, of the proceeds of sale after payment of all costs and expenses of such sale or any attempted sale and all moneys owing in respect of the forfeited share and any interest payable pursuant to the provisions of clause 3.4 of the constitution shall be paid to the person whose share has been forfeited or to such person's executors, administrators or assigns.

4.5 Cessation of Shareholding

A person whose share has been forfeited shall cease to be a shareholder in respect of the forfeited share, but shall, nevertheless, remain liable to pay to the company all money which, at the time of forfeiture, was payable by such person to the company in respect of the share. That liability shall cease if and when the company receives payment in full of all such money in respect of the share.

4.6 Evidence of Forfeiture

A statutory declaration in writing declaring that the declarant is a director of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated in that declaration as against all persons claiming to be entitled to the share.

4.7 Validity of Sale

The company may receive the consideration, if any, given for a forfeited share on any sale or disposition of the share and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. Such person shall then be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall such person's title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

5. CONSOLIDATION AND SUBDIVISION OF SHARES

5.1 Board's Right to Consolidate Shares

The board may consolidate shares so that each shareholder holds, as near as mathematically possible, a proportionately fewer number of whole shares.

5.2 Board's Right to Subdivide Shares

The board may subdivide shares so that each shareholder holds a proportionately greater number of whole shares.

6. ACQUISITION AND HOLDING OF COMPANY'S OWN SHARES

6.1 Authority to Acquire Own Shares

The company may purchase or otherwise acquire shares issued by the company. The company may make an offer to all shareholders or to one or more shareholders to purchase or otherwise acquire shares issued by the company.

6.2 Authority to Hold Own Shares

The company is expressly permitted to hold its own shares.

7. PROCEEDINGS OF SHAREHOLDERS

7.1 Resolutions in Lieu of Meeting

A shareholders' resolution in lieu of a meeting may consist of several documents in like form, each signed by one or more shareholders. A facsimile of any such signed resolution shall be as valid and effectual as the original signed document with effect from completion of its transmission.

8. DIRECTORS

8.1 Number of Directors

The minimum and maximum number of directors may be determined from time to time by the board, and unless so determined, the minimum number shall be one and there shall be no maximum number.

8.2 First Directors

The first director(s) of the company shall hold office from the date of registration of the company until ceasing to hold office in accordance with clause 8.3 of the constitution.

8.3 Tenure of Office

Each director of the company shall hold office until:

- (a) removal in accordance with the constitution; or
- (b) vacation of office pursuant to the Act; or
- (c) vacation of office resulting ipso facto from being absent without permission of the directors from three consecutive meetings of the directors.

8.4 Appointment by Shareholders

The directors of the company shall be such person or persons as may from time to time be appointed either by the shareholders by ordinary resolution or by notice in writing to the company signed by the holder or holders of a majority of the shares in the capital of the company but so that the total number of directors shall not at any time exceed the maximum number, if any, fixed pursuant to clause 8.1 of the constitution. Every director shall hold office subject to the provisions of the constitution and may at any time be removed from office by ordinary resolution of the shareholders or by notice in writing to the company signed as provided above. Directors may be appointed individually or together unless the shareholders by ordinary resolution require any director's appointment to be voted on individually.

8.5 Appointment by Directors

The directors shall have power at any time and from time to time to appoint any person to be a director either to fill a casual vacancy or as an additional director but so that the total number of directors shall not at any time exceed the maximum number, if any, fixed pursuant to clause 8.1 of the constitution.

8.6 Cross Directorships

A director of the company may be or become a director or other officer of, or otherwise interested in, any company promoted by the company or in which the company may be interested as shareholder or otherwise, and no such director shall be

accountable to the company for any remuneration or other benefits received by him or her as a director or officer of, or from his or her interests in, any such other company unless the company otherwise directs or the law requires.

8.7 Professional Directors

Any director may act by himself or herself or his or her firm in a professional capacity for the company, and a director or firm shall be entitled to remuneration for professional services as if he or she were not a director provided that nothing contained in this clause shall authorise a director or his or her firm to act as auditor to the company.

8.8 Directors May Act in Interests of Holding Company

A director of the company may, when exercising powers or performing duties, act in a manner which he or she believes is in the best interests of the holding company of the company, even though it may not be in the best interests of the company.

8.9 Directors' Gratuities

The directors, on behalf of the company, may, in addition to any other gratuities authorised by the Act, pay a gratuity or pension or allowance on retirement to any director who has held any other salaried office or place of profit with the company or to his or her spouse or dependants, and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

8.10 Alternate Directors

Each director shall have the power from time to time to nominate, by notice in writing to the company, any person not already a director and who is acceptable to the majority of other directors to act as an alternate director in his or her place either for a specified period or generally during the absence from time to time of such director and in like manner to remove any such alternate director. Unless otherwise provided for by the terms of his or her appointment, an alternate director shall have the same rights, powers and privileges (including the right to receive notice of meetings of directors but excluding the power to appoint an alternate director) and shall discharge all the duties of and be subject to the same provisions as the director in whose place he or she acts. An alternate director shall not be remunerated otherwise than out of the remuneration of the director in whose place he or she acts and shall ipso facto vacate office if and when the director in whose place he or she acts vacates office. Any notice appointing or removing an alternate director may be given by delivering the same or by sending the same through the post or by facsimile to the company and shall be effective as from the receipt of the notice.

8.11 Proceedings at Meetings of Directors

The Third Schedule to the Act is deleted.

8.12 Regulation of Meetings, Quorum and Convening

The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. The quorum necessary for the transaction of business by the directors may be fixed by the directors and, unless so fixed, shall be the majority of the directors. A director may, and an employee at the request of a director shall, at any time, by any means of communication, summon a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from New Zealand.

8.13 Voting

- (a) Every director has one vote.
- (b) The chairperson does not have a casting vote.
- (c) 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.
- (d) A director present at a meeting of the board is presumed to have agreed to, and to have voted in favour of, a resolution of the board unless he or she expressly dissents from or votes against the resolution at the meeting.

8.14 Vacancies

The continuing directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number necessary for a quorum, the continuing directors or director may act only for the purpose of increasing the number of directors to the number necessary for a quorum or for the purpose of summoning a special meeting of the company.

8.15 Chairperson

The directors may elect a chairperson of their meetings and determine the period for which he or she is to hold office; but if no such chairperson is elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for the meeting, the directors present may choose one of their number to be chairperson of the meeting.

8.16 Resolution in Writing

A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the directors, shall be as valid and effectual as if it had been passed at a meeting of directors duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more directors. A facsimile of any such signed resolution shall be as valid and effectual as the original signed document with effect from completion of its transmission. A copy of any such resolution must be entered in the minute book of directors meetings.

8.17 **Method of Meeting**

A meeting of the directors may be held either:

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

8.18 **Minutes**

The directors shall ensure that minutes are kept of all proceedings at meetings of the directors.

8.19 **Arbitration**

- (a) When any difference or dispute shall arise between the directors touching the construction of the constitution or the conduct, affairs, business, or interests of the company, and a complete or temporary deadlock in the management by the directors of the affairs of the company is thereby created, then the matter in difference or dispute shall be immediately referred by the board to the shareholders of the company at a special meeting of the shareholders called by the board for the purpose.
- (b) If at such special meeting of shareholders there is a deadlock between the shareholders of the company, then the difference or dispute causing the deadlock shall be referred to a single arbitrator agreed by the parties or failing agreement appointed by the President for the time being of the Waikato-Bay of Plenty District Law Society pursuant to the provisions of the Arbitration Act 1996.

9. **INDEMNITY AND INSURANCE**

9.1 **Indemnity and Insurance Authorised**

The company is hereby expressly authorised to indemnify and/or effect insurance for any director or employee of the company or of a related company against liability for acts or omissions and/or costs to the extent permitted by the Act.

10. **DIVIDENDS**

10.1 **Dividends on Shares Not Fully Paid Up to be Paid Pro Rata**

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends on shares not fully paid up shall be authorised and paid in proportion to the amount paid to the company in satisfaction of the liability of the shareholder to the company in respect of the shares either under the constitution of the company or pursuant to the terms of issue of the shares. No amount paid or credited

as paid on a share in advance of calls shall be treated for these purposes as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.

10.2 Deduction of Unpaid Calls

The directors may deduct from any dividend payable to any shareholder any sums of money, if any, currently payable by such shareholder to the company on account of calls or otherwise in relation to the shares on which such dividends are payable.

10.3 Payment by Cheque or Warrant

Any dividend, interest, or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder, or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the share register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, or other money payable in respect of the shares held by them as joint holders.

10.4 No Interest

No dividend shall bear interest against the company.

10.5 Unclaimed Dividends

All dividends 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, and all dividends unclaimed for five years after having been declared may be forfeited by the board for the benefit of the company. The board may, however, annul any such forfeiture and agree to pay a claimant who produces, to the board's satisfaction, evidence of entitlement to the amount due to such claimant, unless in the opinion of the board such payment would embarrass the company.

11. NOTICES

11.1 Service

A notice may be served by the company upon any director or shareholder either personally or by posting it by fast post in a prepaid envelope or package addressed to such director or shareholder at such person's last known address or by delivery to a document exchange or by facsimile to the facsimile telephone number of such director or shareholder.

11.2 Time of Service by Facsimile

A notice served by facsimile shall be deemed to have been served on the day following completion of transmission of that notice.

11.3 Time of Service by Post

A notice sent by post or delivered to a document exchange shall be deemed to have been served:

- (a) in the case of a person whose last known address is in New Zealand, at the expiration of 48 hours after the envelope or package containing the same was duly posted or delivered in New Zealand; and
- (b) in the case of a person whose last known address is outside New Zealand, at the expiration of seven working days after the envelope or package containing the same was duly posted by fast post in New Zealand.

11.4 Proof of Service

In proving service by post or delivery to a document exchange it shall be sufficient to prove that the envelope or package containing the notice was properly addressed and posted or delivered with all attached postal or delivery charges paid. In proving service by facsimile, it shall be sufficient to prove that the document was properly addressed and sent by facsimile.

11.5 Service on Joint Holders

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

11.6 Service on Representatives

A notice may be given by the company to the person or persons entitled to a share in consequence of the death or bankruptcy of a shareholder by addressing it to such person or persons by name or by title or by any appropriate description, at the address, if any, within New Zealand supplied for the purpose by the person or persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

12. LIQUIDATION

12.1 Distribution of Surplus Assets

Subject to clause 12.2 and to clause 15, upon the liquidation of the company the assets, if any, remaining after payment of the debts and liabilities of the company and the costs of winding up ('the surplus assets') shall be distributed among the shareholders in proportion to their shareholding provided however that the holders of shares not fully paid up shall only receive a proportionate share of their entitlement

being an amount which is in proportion to the amount paid to the company in satisfaction of the liability of the shareholder to the company in respect of the shares either under the constitution of the company or pursuant to the terms of issue of the shares.

12.2 Distribution in Specie

Upon a liquidation of the company, the liquidator, with the sanction of an ordinary resolution of shareholders and any other sanction required by law, and subject to clause 15, may divide amongst the shareholders in kind the whole or any part of the assets of the company (whether they consist of property of the same kind or not) and may for that purpose set such value as the liquidator deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the shareholders as the liquidator thinks fit, but so that no shareholder shall be compelled to accept any shares or other securities whereon there is any liability.

13. REMOVAL FROM THE NEW ZEALAND REGISTER

13.1 Directors May Apply for Removal

In the event that:

- (a) the company has ceased to carry on business, has discharged in full its liabilities to all its known creditors, and has distributed its surplus assets in accordance with its constitution and the Act; or
- (b) the company 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 of directors may in the prescribed form request the Registrar to remove the company from the New Zealand register.

14. METHOD OF CONTRACTING

14.1 Authorised Signatories

In addition to any other method of contracting provided in the Act, any contract or other enforceable obligation which 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:

- (a) any one director authorised to do so by resolution of the board; or
- (b) any other person or class of persons authorised to do so by resolution of the board,

in either case whose signature or signatures must be witnessed.

14.2 Revocation of Authority by Board

Any board authorisation pursuant to clause 14.1 may be revoked at any time by resolution of the board and may limit the authority of the signatory or signatories to sign under the name of the company for a particular time or in relation to particular contracts or enforceable obligations or otherwise.

15. RESTRICTIONS - CHARITABLE PURPOSES

15.1 Interpretation

The provisions of this Constitution shall be interpreted and construed to give effect to clauses 2.1 and 2.2 of this Constitution as to the capacity of the company.

15.2 Distributions

Distributions, including distributions made on the winding up of the company, may only be made to shareholders when all shareholders of the company are charitable trusts, societies or institutions as specified in clause 2.1 of this Constitution.

15.3 Provisions where shareholder is not a charitable trust

If at any time any shareholder of the company is not a charitable trust, society or institution as specified in clause 2.1 of the Constitution the following shall apply:

15.3.1 No distribution shall be made in relation to any of the shares owned by those shareholders who are not such charitable trusts, societies or institutions.

15.3.2 All profits arising from operation of the company shall be applied solely towards the attainment of the objects of the company as specified in clause 2.1 of this Constitution, and no part of those profits shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to any shareholder. Provided that subject to clause 16, nothing herein contained shall prevent the payment in good faith, of remuneration to any officer or servant of the company, or to any shareholder of the company in return for services actually rendered to the company, nor to prevent the payment of interest at a rate not exceeding the rate current for the time being on money lent, or reasonable and proper rent for premises demised to let by any shareholder of the company nor prevent the carrying out of any contract or agreement entered into by the company in which any shareholder may be interested provided that such interest is declared in accordance with the provisions of this Constitution.

15.3.3 If on the winding up of the company there are 'surplus assets' as described in clause 12.1 of this Constitution those surplus assets shall not be paid or distributed among such shareholders of the company as are not charitable trusts, societies or institutions as specified in clause 2.1 of this Constitution. Such surplus assets shall be paid or distributed only to such charitable trusts,

societies or institutions as are shareholders of the company and if no such charitable trust, society or institution is a shareholder the surplus assets shall be given and transferred to the trustees for the time being of any one or more charitable trusts, societies or institutions as specified in clause 2.1 of this Constitution as the shareholders resolve by ordinary resolution before or during the winding up, or in default thereof as may be determined by the board, or in default thereof as may be determined by a Judge of the High Court of New Zealand an application of any shareholder or director of the company.

16. PROHIBITION ON MAKING CERTAIN PAYMENTS

16.1 Payments prohibited

The provisions of this Constitution shall be interpreted and construed to give effect to the following restrictions:

Any person:

- (a) Who is a shareholder or director of the company; or
- (b) Who is a settlor or trustee of a trust that is a shareholder of the company or another company by which a business is carried on, on behalf of or for the benefit of the company; or
- (c) Who is a person associated with a settlor, trustee, shareholder, or director described in either of (a) and (b) above;

shall not be able, in any income year, in the carrying on of any business carried on by or on behalf of or for the benefit of the company, by virtue of that capacity as settlor or trustee or shareholder or director or associated person, in any way (whether directly or indirectly) to determine, or to materially influence in any way the determination of, the nature or the amount of any benefit or advantage, whether or not convertible into money, or any income of any of the kinds referred to in Section CW35(8) of the Income Tax Act 2004 afforded to, or received, gained, achieved, or derived by that person.

16.2 Directors professional services

A director who renders professional services to the company of the type referred to in Section CW35(7) of the Income Tax Act 2004 shall not be entitled to vote on determine or materially influence in any way the determination of, the nature or the amount of any such benefit paid to a director for such professional services, and the determination of the nature or the amount of any such benefit paid to a director for such professional services shall be fixed and determined by those directors who are not providing such professional services.

CERTIFIED as the constitution of the company


.....
Applicant