



AGM SPECIAL RESOLUTIONS

Special Resolution One regarding proposed amendments to Trust Deed

Background

The Trustees undertake reviews of the Trust Deed from time to time to ensure that it remains fit for purpose.

The last review was undertaken in 2015 and certain proposed changes were confirmed by the beneficiaries at the Annual General Meeting held 22 November 2015.

Following a further recent review, the Trustees, at their meeting held 9 February 2021, approved further proposed amendments and resolved by way of a special resolution pursuant to clause 18.2(1) and paragraph 3.4(g) of Schedule 3 that:

1. The proposed amendments to the Trust Deed tabled today, be included on the agenda for the upcoming Trust AGM as a Special Resolution recommending approval of the proposed amendments by the Registered Descendants.
2. Prior to putting the proposed amendments to Registered Descendants the Trustees seek professional advice pursuant to clause 18.2(3) regarding whether the proposed amendment would adversely affect the Trusts recognition as a post-settlement governance entity by the Crown; and
3. Subject to the professional advice confirming that the proposed amendments do not adversely change the status of the Trust for taxation purposes, or adversely affect the Trusts recognition as a post-settlement governance entity by the Crown then the Special Resolution be added to the agenda for the AGM to be held 10 April 2021 and a copy of the proposed amendments and special resolution be made available to the Registered Descendants.

The Trustees have obtained professional advice from:

- a. The accountant for the Trust, confirming the proposed amendment will not adversely change the status of the Trust for taxation purposes; and
- b. The lawyer for the Trust, confirming the proposed amendment will not adversely affect the Trusts recognition as a post-settlement governance entity by the Crown.

The Trustees now wish to table the proposed amendments to the Trust Deed at this AGM held today 10 April 2021 and recommend:

The Registered Descendant approve by way of a Special Resolution, the proposed amendments as tabled today.

Mover:

Secunder:



AGM SPECIAL RESOLUTIONS

Special Resolution Two regarding proposed sale of land and winding up Incorporation

Background

The current post settlement governance and operational framework established pursuant to the Maraeroa A & B Blocks Claims Settlement Act 2012 ("Settlement Act") and comprises:

- the Maraeroa A & B Trust ("the Trust"); and
- the Maraeroa A & B Incorporation ("the Incorporation")

Under the Maraeroa A & B Blocks Incorporation Act 2012 ("Incorporation Act") the Trustees of the Trust are incorporated as a Maori Incorporation. The trustees of the Trust hold the sole share in the Incorporation for the benefit of the descendants of the original owners of Maraeroa A & B Blocks. The settlement lands are vested in the name of the incorporation.

Under the post settlement structure, the Trust acts primarily in a governance role whereas the Incorporations role is more operational focusing on managing its assets in the best interests of the Trust as sole shareholder.

The Trustees consider the Incorporation adds another layer of administration which is not necessary given the value and complexity of the assets held. To simplify administration the Trustees, propose that the Incorporation be wound up after the land has been transferred to the Trust.

The Incorporation currently has tax losses of \$540,000 that need to be retained. The Trust has received professional advice that this can be achieved by the Incorporation selling the land to the Trust, at market value, with a debt back owed by the Trust to the Incorporation after the sale. Depending on the market value of the land, the losses should be used up over 2-3 years and effectively transferred to the Trust as an interest expense.

The sale of the land and winding up the Incorporation will require special resolution approval by the Descendants at the next AGM in accordance with Schedule 2 of the Trust Deed.

The Trustees, at their meeting held 9 February 2021, after taking into account clause 14.2 of the Trust Deed, resolved by way of a Special Resolution pursuant to clause 13.4, the Trust resolved to give notice in writing to the Committee of Management for the Incorporation that the Trust intends to move at the Annual General Meeting to be held 10 April 2021 by way of Special Resolution approving:

- a. The sale of all land currently held by the Incorporation to the Trust on terms and conditions consistent with the tax advice given by Carl Brandt; and
- b. The winding up of the Incorporation.

The Trustees today recommend the Registered Descendants approve of the following resolution by way of a Special Resolution of the Registered Descendants

- 1. The sale of all land currently held by the Incorporation to the Trust on terms and conditions consistent with the tax advice given by Carl Brandt; and**
- 2. The winding up of the Incorporation**

Mover:

Seconder: