

Omapere Taraire Rangihamama 2019 AGM
38 Mangakahia Road, Kaikohe 19 October
2019

- 8:00 am** Registrations Open Maintained by the Office of Trustees and Scrutineers
Independent Registrars Carol Jordan and Maureen Anderson
Attendance Register attached
- 10:00 am** Karakia Kaumatua - Wati Eruti
Kai Tautoko Te Tuhi Robust, Chairman
- 10:21 am** Bus trip to Rangihamama Farm
- 12:00 noon** Chairman advised the meeting was to be recorded.
- Chairman Introduced Rachel Witana, Trustee
Colleen Bermingham-Brown, Trustee
Bruce Cutforth, Trustee
Harawira Gardiner, Independent Facilitator/Chair
- Rachel Witana introduced Lorene Royal, Independent Scrutineer
Martha Shepherd, Independent Scrutineer
unknown, Independent Scrutineer
Merehora Taurua, independent Scribe
- Wira Gardiner referred to the judgment (cl. 163 to 165) by Judge Armstrong, in which the Judge declined the trustees request for a court appointed facilitator for this AGM but were advised that they could appoint or invite one themselves.
- Wira declared he had no conflict of interest pertaining to financial, personal or whenua terms and accepted the invitation from the Trustees voluntarily.
- Request made that any speakers address the chair, not speak across the hui.
- Portfolio Reports to be discussed for first half of meeting.
- Voting session to take place after portfolio reports. Chair advised voting process is according to the Trust Order. Each voting procedure to be explained as each issue for a vote arises.
- General Acclamation, if unresolved will resort to a Formal vote/ Poll which requires assistance of Scrutineers.
- Chairman advised he is open to any alternative point of views not on the agenda will be looked into later and put forward by general acclamation or formal voting.

ORDER OF BUSINESS

1. APOLOGIES

Apologies received for Percy Tau, Ani Martin, Pirikotaha Whanau Trust, Maraea Beckingsdale, Nicholas Kelly, Wiremu Marupo Jnr, Moe Smith, Malcolm Allen, Hannah Jerrett, Reihana Grayson Baker, Rongoata Neho, Alton Mau, Hare Mau, Marjory Whare, Victoria Whare and Sandy Whare.

RESOLUTION 20191019 #1

It was resolved that the Apologies Received & Carried.

<i>Moved</i>	<i>Celia Allen (#52)</i>	
<i>Seconded</i>	<i>Te Aroha Ruka (#45)</i>	<i>Carried</i>

2. PREVIOUS AGM MINUTES - 15 December 2018

2.1 Received	Moved	Ngawai Mau (#42)	
	Seconded	Piriwata Pou (#36)	Carried

2.2 Motion made for minutes Not to be Received -

Moved	Otene Andrews (#58)
Seconded	Vance Andrews (#59)

Chairman put resolution to the floor regarding motion (2.2) and if accepted, the previous resolution +will be void and minutes will not be part of any official record until the next SGM. The chair also reiterated the question at hand is 'are the minutes a true and accurate record of the meeting' – not whether shareholders like it or not.

Chairman called for a vote of Ayes and Nos, which was inconclusive. Chairman ruled for a formal vote using shareholder voting power, as per Trust Order Clause 4.6.6.

Chairman clarified that the current discussion is in relation to the minutes of the previous AGM meeting, not any issues raised since then.

SGM – special meeting held outside annual cycle and Annual General Meeting (AGM) is a meeting that deals with the previous business that has taken place over the past 12months.

Unknown speaker – Tautoko to motion (2.2) due to meeting not being completed.
Ron Dixon (#41) – Agrees with and accepts everything written in the AGM book.

Registration list of 2018 AGM attendees – confirmed not available to refer to.

CHAIRMAN RULING

Chairman ruled that only those who were present and attended the 2018 AGM are entitled to vote either for or against resolution.

3. VOTING METHODS AND PROCESS

Chairman clarified the two methods as per Trust Order Clause 4.6.6

Show of Hands – eg. 1x Shareholder = 1x Hand = 1x Vote

Vote by Poll/Ballot – Votes determined by number of shares held

Eg. Shareholder A has 2 shares = 2 votes

Shareholder B has 10 shares = 10 votes

Proxy x1 for 10 shares = 10 votes

Shareholder C has 2 shares and Proxy x1 for 10 shares = 12 votes

Rachel Witana clarified registration forms – Proxies represented by white form. All forms numbered accordingly and linked back to shareholder.

- 90 Shareholders registered today– includes proxies
- Trust order states that 30% of beneficial owners required to move a resolution.
30% of the 90 shareholders/beneficial owners = 27 voters
- Require at least 27 votes for Poll voting method
- Less than 27 votes, reverts to Show of hands method.
- If 27 voted – both systems are void. No method advised for this situation. Rachel advised it wasn't too late to register and called registration team to assist those who missed out registering prior to meeting.

4. CHAIRMANS REPORT

Chairman explained that he was appointed as Chair by Judge Armstrong as a result of the court's judgement.

Chairman acknowledged challenges faced by trustees, shareholders and whanau. Stressed that accountability and moving forward is key as a trustee. Chairman wanted it put on record that he acknowledges and apologises to families impacted as well as Kohewhata Marae for what took place at the 2018 AGM.

Chairman advised he will not be standing for Trustee again, nor Chair for any future AGMs. Advised it was a personal decision and was not linked to the Trust or any matters relating to the Trust. Thanked everyone for the privilege of being on the board as a Trustee.

Chairman highlighted that shareholders need to continue supporting the board and the trustees as they do their best to uptake all tasks given to them.

Chairman explained that the Trusts involvement with the Maori Land Court has given them intimate knowledge of how that system operates and emphasised that potential trustees need to be aware that the role encompasses a huge responsibility. This includes, and is not limited to, exposure to financial, moral, commitment issues and Chairman stressed the importance of accountability in the role.

Speaking to potential trustees, Chairman advised the focus needs to be on the current environment – the Trust is now positioned in a multi-Million-dollar industry and is a huge commitment going forward.

Chairman expressed that within 3-5years the trust will have an economic base that the trust will be in a position to look into investments and the possibility for a payment or shares programme for shareholders, as all of the work that has been done to date will start to bear fruits.

TOP ENERGY – Various discussions in the MLC was in regard to the wish of Top Energy seeking to create an easement through part of the land in Omapere. First part of this has been done.

An application for a new easement has been made by Top Energy. Chairman advised future trustees will have to deal with this.

Challenge for Trust going forward is transparency and reporting back to shareholders on this.

Another challenge are the growing opportunities such as tree planting, wine making and growing kiwifruit. Trust to take into consideration and establish potential environmental impact and processes required. Eg. 2019 Water report taken from Rangihamama – If horticulture activities were to commence, the likelihood of having enough water going forward is not good.

Cleaning of dam may not be feasible due to Council considering it a wetland.

Due diligence including the legislation and environmental conditions, are imperative when making decisions on future activities. Eg. Specific Soil reports done by Trust four years ago to ensure they could make clear decisions for the land.

Chairman advised Trustees have always sourced all funds needed by means of grants etc.

Report of Strategic Plan from 2016-2021 in AGM booklet pages 8-10 where trustees report a snapshot of the various areas:

- Seeking 100% trustee ownership of shares by 2021
- \$50k tranche payments made annually over 12years– original bill was \$606k
- Acknowledged accountant John Parmenter for his effort and the Trusts financial stability and viability.
- Economic growth – Trust needs to provide further scrutiny in regard to Farming eg. Moving from sheep to bull farming
- Social change – focus on putting resources and support back into whanau. Allocating \$50k toward scholarships for family members. Agribusiness focussed scholarships for training.

- Natural resource management – remediation, rejuvenation and protection of the waterways. Plan in place for Rangihamama – commencement of planting in those areas.

Chairman advised Trust activity is about 3-5years in advance of what has been done on the Omapere block. One of the very few farms bordering Lake Omapere, that has planting well set up in order to maintain the land – this means continual work.

Trustees commitment to establish and look at plans for each site – carparking and restoring fencing are a work in progress. Reiterated that trustees have other due diligence to consider before taking action.

The chairman paid tribute to everyone who has put in effort and energy to helping the Trust move forward.

Chairman acknowledged staff – Heidi, Clinton and team, Lloyd Brennan, John Parmenter, the Runanga and the current Trustees. Chairman acknowledged the incoming trustees and the challenges and pressure they will encounter.

4.1 Points of Issue for Consideration by New Trustees

4.1.1 Otene Andrews (#58) – Request for 100% shares bought back from Maori Trustee to be returned to original owners.

4.1.2 Francis Hogg (#08) – objection to Top Energy’s compensation for the easement of a one off payment of \$20k. Expressed potential conflict of interest with trustees Bruce and Sonny as they are shareholders of the land.

4.1.3 Tania Beckingd

sale – trustees to investigate status of 25yr contract with Nga Whenua Rahui.

4.1.4 Sonny Edwards – Request for trustees to consider providing milk from farms to be given to old ones, rangatahi and whanau.

4.1.5 Andrew Wihongi (#56) – Geothermal development needs to be discussed.

Trustees to revisit reports from 2012 around Geothermal activity. Chairman advised the Trust wasn’t in a financial position previously, but ideal opportunity now for new trustees to revisit geothermal opportunities.

Chairman reiterated that Top Energy has made a new application for another easement and this will need to be dealt with by new trustees.

Speaker tautoko the importance that benefits should be coming down to the whanau.

Carol Jordan paid tribute to the current trustees and the success they have brought the Trust over the past 10years. From \$1m to \$60m in asset growth.

4.2 Variation of Trust Order

Trustee Rachel Witana clarified that according to Trust Order cl. 5.2.1 and 5.2.2 regarding ‘Trustee Meetings’ are for trustees only - this does not include potential

trustees. Trustees can be present in person or by any technology communication system. Chairman clarified that this variation allows for a quorum, which makes the meeting legal.

Facilitator reassured voting only takes place at AGM or SGM, not at trustee meetings.

Sonny Tau advised that this variation of the order allows trustees to have discussions outside trust meetings which is a technicality, but not illegal.

RESOLUTION 20191019 #3

It was resolved that the Chairman's report for the 2019 AGM be received.

Moved	Te Tuhi Robust (#63)	
Seconded	Carol Jordan (#17)	Carried

5. COMMUNITY PORTFOLIO REPORT

Trustee Colleen Bermingham-Brown apologised not being present at AGM in person, as not given medical clearance to fly due to being in hospital. Advised that 10 other whanau using electronic communication system, Zoom, to call into AGM.

Vision for Community Portfolio is developing programmes that look at the wellbeing of whanau and the community going forward.

Allocated \$50k per year for scholarships

2017/18 Scholarship programme expanded to include Agriculture and Apicultural scholarships. No applications under that criteria this year so budget allocated for this rolled into general scholarship budget.

Selection Process - Applications Opens Feb - Closes 30 March

Coordinated by Office Administration and reviewed by Colleen and another trustee. Blind Process. Specific criteria.

Discretionary Fund – Grants based fund. \$NZD250 max to support whanau for the likes of tangi, rangatahi sporting events etc. Board makes final decision.

Voucher Programmes – New World Vouchers – keeping it local.

Colleen confirmed scholarship payments are currently paid directly to applicants upon receipt of proof of payment of fees. This will need to be reviewed as it could be looked at as taxable income for the applicants. The idea of providing laptops has been raised. Funds are used to cover educational costs or the likes of housing etc. 2020 the board will need to review the scholarship programme.

Thirteen Scholarship Recipients announced and congratulated.

Share Buyback Programme – last payment to be made in 2024.
Facebook page managed out of ORT office and all ORT information and minutes found on the website.

RESOLUTION 20191019 #4

Resolved that the Community Portfolio report be received.

Moved	Colleen Bermingham Brown	
Seconded	Pine Curry (#43)	Carried

6. OMAPERE FARMING PORTFOLIO REPORT

Trustee Bruce Cutforth acknowledged struggle over past 12months. Focus, going forward, is on reduction of sheep farming and increasing bulls.

- Sheep numbers declining and expect to have no sheep in 2020
Sheep numbers – began with 2600 in 2011
- Number of bulls has increased from 800 to 1700
- Key Measurements in farming is Live weight per hectare. In a hectare, live weight has grown from 563kgs to 700kgs (25% growth). Growth - for every kg grass grown, 40% increase in margin.
- Farm is improving – Meat revenue has grown from \$670k to \$1.04m

Environment Update

- 12kms fencing done to date- 3kms 2018/19
- All wetlands fenced off
- 20k native plants planted

Bruce acknowledged great relationship with Northland Regional Council Farm seen as a benchmark around the way we should be managing the environment.

Strategic Direction is more livestock and more bulls and, on a trajectory, to increasing bottom line.

Omapere Farm has been cash cow/main source of income of this business – wouldn't have housing, scholarships without the Omapere Farm.

Acknowledged those who contribute to running and function of farm – Lloyd Brennan and staff, Chris Burn, John Parmenter.

RESOLUTION 20191019 #5

Resolved that the Omapere Farm Portfolio report be received.

Moved	Bruce Cutforth	
Seconded	David Parsons (#30)	Carried

7. RANGIHAMAMA FARMING PORTFOLIO REPORT

Trustee Bruce Cutforth advised when dairy conversion commenced it was initially funded by the Trust, in regards to cow sheds and water supply.

A partnership with Te Tumu Paeroa/Maori Trustee established the business for RDF1 – Trust 50% shareholder in that business. Te Tumu are 50% shareholders as well.

Both parties appointed two directors to the board – Sonny and Bruce appointed by the Trust to that board and to operate the farm.

Partnership pays \$195k lease annual. Mutual relationship. Acknowledged confusion around this.

Farm is doing very well.

- 1200kgs/hectare – average in Northland is 700kgs/hectare.
- Change in staff structure
- Acknowledged and paid tribute to Clinton (Operating Manager), Marreta and team's contribution

Bruce advised one way shareholders can assess the Trust Board is to review the Vision/Mission of the Trust, found in the Strategic Plan, which is to manage the whenua and resource to the fullest economical potential to advance positive social change.

Dropping of Fonterra shares has impacted negatively on bottom line profit.

RDF1 owns about 200k shares (not Fonterra), machinery and cows. Clinton manages staff.

Sonny Edwards raised question around chance of supplying of milk to whanau. Bruce advise H&S and Compliance risk. Acknowledged challenges are around security, animal welfare, fencing.

Nga Whenua Rahui – Bruce unsure of relationship. Funding is direct to Northland Regional Council who are supportive of the Farm and how it is managed.

Sonny Tau clarified that Nga Whenua Rahui was 25yr agreement where they agreed to fund fencing along Lake Omapere. Under the same agreement, there is to be no development in that area for 25yrs. Confirmation that the Agreement is still in place.

Bruce addressed Maria Timokos question advising the original establishment was for 6-7years. When dairy farming began – Two lowest pay-out years on record.

Incoming trust board to decide whether they buy the MT out or do they want to utilise the new model which has been working well.

Land is never used as collateral and cost negotiated for joint venture is a fixed price.

Clinton Mocaraka spoke to the vision for Rangihamama to set a benchmark and be a mentor for tai tamariki, inspiring them into agriculture through this viable option in the future. If farm staff operate with capability, the farm will be able to provide bigger putea to put back into the likes of scholarships and tai tamariki.

RESOLUTION 20191019 #6

Resolved that the Rangihamama Dairy Farm Portfolio report be received.

Moved	Bruce Cutforth	
Seconded	Patua Baker (#63)	Carried

8. FORESTRY PORTFOLIO REPORT

Chairman advised that there is currently 320ha.

Opportunity Restoration of Waterways

- Acknowledged Ann Tau and her team doing planting of that area
- Smarter thinking - Ben Paraha has identified two nurseries who will provide Manuka seedlings which puts us in a position of control instead of hiring contractors to do the work instead.

Chairman advised of five-year plan 2020-2025 Planting of Totara. Nursery/ies to be identified for planting on Omapere block. 40ha currently identified and hoping to gain more land from Farming operation when made available into the future.

Chairman responded to question from Vance Andrews regarding overgrown areas on the blocks. Advised thinning and reduction in seedlings to 850 per/ha as opposed to 1000 per/ha.

Anita Ford - Chairman confirmed there is no plan or talk of a bike or walking track and this hasn't been brought to the board.

Beaumyn Wihongi raised an issue around the restoration of fencing of Putahi. Request for boundary to be identified first. Chairman made the point that this would be funded by a grant. Reassured that they will work together to ensure proper processes are followed including boundary identification.

RESOLUTION 20191019 #7

Resolved that the Forestry Portfolio report be received.

Moved	Te Tuhi Robust	
Seconded	Vance Andrews (#59)	Carried

9. HONEY REPORT

Chairman reported that they looked into buying into the honey industry but don't see this as a beneficial gain. Trust to remain in a rental capacity for up to 600 hives

on either blocks. Return in 2019 was \$60k plus GST. Confirmation that only one honey company on the farm

9.1 Issues for Consideration for Trustees

9.1.1 Clarification of the Trust's partners in the honey JV – Westervelle?

9.1.2 Removal of the Trust's hives right next to Papakauri fenceline.

9.1.3 Trust involvement in talks re "manuka" being a Maori word. If the Beijing battle is lost it will mean our honey loses value. Consultation with Maori for a trust over the manuka honey industry with an operational arm is currently taking place.

9.1.4 Financial performance report to be provided separately.

RESOLUTION 20191019 #8

Resolved that the Honey Portfolio report be received

Moved	Te Tuhi Robust	
Seconded	Te Aroha Ruka (#45)	. Carried

10. RENTAL HOUSING REPORT

Trustee Rachel Witana advised there is a huge shortage in rental accommodation.

- Requesting more than \$100k budget to be able to provide the desired type of housing
- New portfolio – only 2months
- Reputable company assessing each rental home
- Property management team has been put on hold and no increase in rent until assessment of condition of each home complete.
- Trust has met code of compliance pertaining to rental homes - Linked up with a construction company to assist with housing.

All interested parties to contact the office directly for further queries.

RESOLUTION 20191019 #9

That the Rental Housing Portfolio report be received.

Moved	Rachel Witana	
Seconded	Francis Hogg	Carried

11. PAPAINGA PORTFOLIO REPORT

Chairman reported that Papakainga report is on track. AECOM consultants oversee whole management with Sonny and Te Tuhi Looking at another tranche of houses.

Chairman confirmed Trust owns all eight current houses and any future successful houses to come (seven to come).

Chairman clarified that houses cannot be bought due to houses being on Maori land. Sonny confirmed under any trust you cannot sell Maori/trust land – it is illegal.

Confirmation that once houses are bought that they are moved into Rental Housing portfolio. Trustee Rachel Witana advised tenants are chosen around shareholders first, then beneficiaries.

Most of the Papakainga homes are for Kaumatua and Kuia.

Second tranche has another seven homes in discussion. Total Papakainga looking to be as follows - Eight 2-bedroom houses, four 3-bedroom houses and three 4bedroom houses.

Sonny Tau confirmed that the rentals are managed at arm's length by a real estate agent whose costs are 6%. He referred to Iwi Kokohinau, as an example, whose whanau refused to pay rent once they got into the houses. Therefore, tenants apply through the office and the real estate decides. Rentals are deliberately kept at the lower end for this area. Papakainga received \$4.5M for eight houses. The Trust has to borrow \$250-265k to finish the job based on the return expected from rentals but this has yet to be discussed and decided by the Trust. Will end up with a \$6M asset.

In response to Rob Dixon the Trust Chairman confirmed that there are no rates payable on the subdivision. Colleen Bermingham-Brown also confirmed the statement.

RESOLUTION 20191019 #10

Resolved that the Papakainga Portfolio report be received.

Moved
Seconded

Rachel Witana
David Parsons **Carried**

12. WATER MANAGEMENT

Trust Chairman, Te Tuhi Robust reported.

13.1 Issues for Consideration by the Trustees :

- 13.1.1 Stopping the water taken by the Trust from Lake Omapere:
- 13.1.2 Kaupapa regarding water rights and interests:
- 13.1.3 Kaupapa as to how water should be allocated:
- 13.1.4 Reallocation of water over water already allocated so that Maori with land can use that water.

Tamaiti Wihongi wants the Trust to stop taking water from the Lake. Sonny Edwards said the Trust does not own the water. Kaumatua Wati Eruiti said the Lake belongs to Ngapuhi.

Sonny Tau stated that the Trust has been taking water for more than 2 years and nothing illegal is happening. Everyone including the farmers are taking water from the lake. The tūpuna never kicked anyone off the lake. In 1941 an electricity dam was proposed, the people got involved and the government gave it to all NZ hapū. Ngapuhi asserts ownership but the Lake belongs to every hapū in the country according to the Crown.

Steve Turner said the Lake is owned by Omapere trustees, the farm is owned by the farmer and whanau have not been able to resolve their issues therefore Rangihamama trustees need to meet with Omapere trustees.

RESOLUTION 20191019 #11

Resolved that the Water Management Portfolio report be received. Carried

Moved	Te Tuhi Robust
Seconded	Piri Waata (#36)

13. FINANCIAL REPORT

John Parmenter, Accountant to Trust, presented a report.

Omapere Farm (Page 3-7)

Biggest enterprise that generates and feeds the trust to do what it does.

Income-

- Cattle income down slightly
- Sheep income continues to decrease – plan is to have zero sheep by end of financial year.

Expenses-

- Fertiliser expense increase due to land being developed and planting increase - Higher pasture renovation costs and higher costs on removal of weeds.

Non-Cash items-

- Increase of cattle value but no big increase in number of cattle - 1330 in 2017, 1776 in 2018, 1729 in 2019
- Expecting increase in number and therefore value and income in 2020.

Profit-

- Lowest record \$43,618

Rangihamama Farm (Page 8)

Income-

- RDF1 Leasing \$195/yr - NRC funding for fencing.

Expenses-

- Maintenance of gorse and weeds
- Improvements to Dairy Farm

Net Deficit

- Depreciation expense shrinks each year so almost break even

Rental Housing (Page 9)

Income

- Drop in income due to no tenants for over 6months in 155 Rangihamama Rd
- Expenses
- House maintenance and repairs
 - Travel costs linked to Papakainga project – meetings with TPK etc
 - Legal fees on previous builder and enter into new contract with a new builder

Forestry and Honey (page 10)

Income

- Timber Sales – Totara trees
 - More hive placement from honey activity
- Repairs and Maintenance
- 50% share in 1.5km fencing being replaced

Consolidated Accounts (Page 11/12)

- Administration and Legal Fees associated around removal of trustees – 2019 only
- Trustee Honorarium – this year levels are normal
- Trust makes 50% profit from Dairy Farm
- 2018 record profit. 2019 loss in profit due to cattle and legal fees. - 2020 profit is expected to be close to \$400k
- No income tax due to loss for the year

Movement in Equity/Wealth of Trust (Page 13)

- Drop in equity of \$243,738 which is a turnaround from last years increase of \$366,676
- Impacted by Fonterra drop in share price – Down to \$4 as opposed to year before was \$5.21. Required to reflect drop in value in financials

Distributions

- Scholarships
- Koha for money spent on vouchers for AGM/SGM
- Discretionary Grants

Financial Position/Balance Sheet (Page 14/15)

Assets

- Low Cash in Bank. Year before Trust received funding advance from TPK for Papakainga project.
- Capital Work in progress – \$50,315 = Costs of Papakainga project prior to funding agreement
- Fixed Assets - \$71k spent across capital expenses which are added to value of fixed assets then depreciate them.

Liabilities

- Current liabilities down – lowered overdraft and trade creditors

- Maori Share Buy Back loan down \$50k
- Repayment of Loans/Term liabilities
 - \$2.19M BNZ Loan. Went up by \$135.747 in 2018
- 5year plan - loan money going toward land development on Omapere Farm and to get more bulls on the farm.

Maori Trustee Share Buy Back (Page 27 – Note 10)

- \$255k left with only 5 (and a bit) years left
- Maori Trustee Share Loan down by another \$50k/annually
- AS the trust pays back the loan the Maori Trustees cancels the shares and as a result their share of the total shares goes down. This process is delayed due to MT slow process.
- Once up to date - Maori Trustee shareholding will drop to 34%

John Parmenter confirmed that other than \$50k initial cost, there have been no incurred costs associated with Papakainga project yet. Its all been fully funded by grants. Trust board can talk about whether they want to show an asset of \$5.5m and a capital gain/ income from the grant or show nothing in the books and have a whole lot of houses. Board level discussion.

John confirmed grants are from the government.

John confirmed that looking at the financial trend has been steadily improving despite the loss.

Chairman, Te Tuhi Robust confirmed that the Trust has come from a time of coming uphill and the purpose is to not have to survive on government grants. The sustainable logging plan for Rangihamama, going is almost completed and will be strictly managed so that sales reported are clarified and do not include fallen trees.

Chairman clarified that for every milk that is supplying the Trust needs to match in shares. Hence why the Trust continues to buy shares in Fonterra.

Bruce Cutforth advised dividends projected may increase but it is Fonterra who actually sets and pays milk prices for every farm shareholder in their company throughout Aotearoa

RESOLUTION 20191019 #12

Resolved that the Financial Portfolio report be received.

Moved	John Parmenter	
Seconded	Ngawai Mau (#42)	Carried

INTERMISSION 4:07PM – Meeting to resume 5:10PM

14. ELECTION OF TRUSTEES

The Independent Facilitator announced that there is a flaw in the current process with the election of trustees, in that:

- a) Normally, where there are five vacancies and five nominees, the vote is declared by the scrutineers the day after the elections,
- b) This AGM has 5 nominations and 5 vacancies including 1 open to dispute but no process to declare the nominations to fill the vacancies,
- c) In local government elections if there are 10 candidates for 5 places a vote is held according to a process and in some places 3 vacancies with 3 nominations are simply declared.

Facilitator advised that after discussion with the trustees and legal advisors, he proposes that the elections be deferred, on the basis, he will write to the judge to seek more direction about the election process for this Trust.

The letter will request for the judge to provide clarification of the process, the three 'hoops' identified above, and why elections are not consistent with the local government act.

In response to Sonny Tau, the Independent Facilitator advised that if an election is not held to replace a trustee, then the trustee will continue to serve until they are replaced via an election. The current trustees will therefore continue to stand until specific direction is received from the court.

Facilitator is happy for his letter to the court to go on the website.

Issues raised-

- Website not being up to date with hui dates for shareholders to attend for voting purposes
- Whanau travelled quite a distance to AGM for voting and then election was deferred
- Flawed registration process – applications for nomination turned away as they didn't have shareholders number.
- Current nominations up to Judges discretion if they will remain valid.
- Thoughts that election needed to take place urgently to replace two trustees as per Judges request – Facilitator overruled this

Resolution 20191019 #13

Resolved that the Election of Trustees at this 2019 AGM be deferred pending a ruling from the Maori Land Court Judge as a result from an urgent letter from the Independent Facilitator, Wira Gardner, seeking clarification of the Trust's current voting process.

Moved

Independent Facilitator

Seconded

Carol Brennan

Carried.

15. CHANGES TO THE TRUST ORDER

Trustee Rachel Witana spoke about the current Trust Order and advised that trustees can only be removed by the court for the following reasons- - If you're not of sound mind

- Undischarged or discharged bankruptcy
- Criminal offence and imprisonment
- Death

Rachel clarified that above principles apply to current trustees and that trustees nominated today, including Colleen Bermingham Brown who is up for rotation, are not considered trustees yet.

15.1 Proposed Changes to Vary the Trust Order - Clause 5.2.1 & 5.2.2

Application to be made to the MLC to vary the Trust Order to remove clauses 5.2.1 & 5.2.2 and replace them with the following wording-

5.2.1 – trustees may attend meetings by means of any electronic communication system that allows instantaneous and simultaneous communication provided that during any meeting constituted partly or wholly by such electronic communications. At least three trustees are in constant communication.

5.2.2 – In addition to resolutions of trustees passed during trustee meetings, resolutions may be validly passed by the trustees circulating email or other communication sequentially amongst themselves provided that such resolution must be passed by majority of the trustees.'

Facilitator Wira supports the variation (5.2.1 & 5.2.2) which gives authority for people to attend meetings via technology/electronic communication, eg. Zoom Communication.

Facilitator put forward resolution to vote either via general acclamation or by poll in which they will need atleast 27 votes to put the proposed changes forward.

Trustee Rachel spoke about the variation of the order advising there is no process around this. Rachel read out a public notice from the MLC advising that any variation to the Trust order must take place at an SGM.

Full proposed copy must go to the Shareholders so that they are aware before any meeting. In this instance, the majority of shareholders have only just found out today. The booklet only went up a couple of days ago, so enough notice must be given to allow shareholders to be well informed.

Trustee Colleen Bermingham-Brown confirmed that full public notice for resolutions and nomination for the AGM went into:

- the NZ Herald (online and paper) on 5th and 12th October
- Northern Advocate on 3rd, 9th and 16th October

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- Local Radio also advertised the public notice over the past three weeks leading up to AGM
- Also on FB page and on ORT website

Objection that change in clauses 5.2.1 & 5.2.2 only apply to trustee only meetings but AGM and SGM require trustees to be present in person. Overruled by Chair.

1st Amendment – Clause 5.2.1

Moved Independent Facilitator
No seconder.

2nd Amendment – Clause 5.2.2

Resolved that 5.2.2 – In addition to resolutions of trustees passed during trustee meetings, resolutions may be validly passed by the trustees circulating email or other communication sequentially amongst themselves provided that such resolution must be passed by majority of the trustees.'

Moved Independent Facilitator
Seconded Maureen Anderson Carried.

Chairman paid tribute to all in attendance and personally apologised for the disarray acknowledging that discussing and understanding the legislation and politics of the Trust is not easy. However, it is a responsibility Trustees need to take action on at times, where needed.

Chairman reassured that by the next SGM all issues mentioned today will be cleared up eg. Website issue etc. Acknowledged a lot of work to be done.

Chairman wanted on record that he appreciates the volunteers and thanks everyone for their patience, their time given and the good faith in trying to complete the AGM.

CLOSURE

4:45pm

Karakia Paul Wihongi
Lovinia Taylor and Maureen Tau acknowledged benefit of electronic communication eg. Zoom so that they may attend the meetings.