

Constitution

of

Merino Grower Investments Limited

This document is the Constitution of Merino Grower Investments Limited as adopted by the Company with effect from 15 September 2003 by Special Resolution passed on the 28th day of August 2003, amended by the Company with effect from 9 November 2006 by Special Resolution passed on 9 November 2006, further amended by the Company with effect from 23 June 2011 by Special Resolution passed on 23 June 2011 and further amended by the Company with effect from 14 October 2011 by Special Resolution passed on 14 October 2011

Contents

1. Interpretation	1
2. Companies Act	4
2A. Objective and Business Activities	4
3. Restrictions on Shareholders and shareholdings and declaration	5
4. Vote on retention of Shareholding restrictions.....	6
5. Rights attaching to Shares	7
6. Issue of Shares.....	7
7. Alteration of Shareholders' rights.....	8
8. Buybacks of Shares and financial assistance	9
9. Share certificates	9
10. Calls on Shares	10
11. Lien on Shares.....	11
12. Forfeiture of Shares	12
13. Transfer of Shares.....	13
14. Transmission of Shares.....	14
15. Sale of less than Minimum Holding	15
16. Exercise of powers of Shareholders.....	15
17. Meetings of Shareholders.....	15
18. Notice of meetings of Shareholders	16
19. Chairperson of meetings of Shareholders	17
20. Quorum for meetings of Shareholders	17

21. Voting at meetings of Shareholders	18
22. Proxies and corporate representatives	20
23. Minutes of Shareholders' meetings	20
24. Shareholder proposals	21
25. Adjourned meetings and disorderly meetings	22
26. Appointment and removal of Directors	23
27. Alternate Directors	26
28. Powers of Directors	27
29. Proceedings of the Board	28
30. Directors' Interests	30
31. Directors' remuneration and other benefits	30
32. Indemnity and insurance for Directors	31
33. Dividends	31
34. Notices	32
35. Inspection of records	33
36. Liquidation	33
37. Execution of deeds, contracts and other obligations	33
Exercise of rights on breach of clause 3	35
1. Breach of clause 3	35
Schedule 2:	36
Provisions governing Share issues	36
1. Issues restricted	36
2. Issues in breach	36

Schedule 3:	38
Provisions governing transfers of Shares	38
1. Transfers of Shares restricted	38
2. Transfers of Shares registered in breach	38
Schedule 4:	40
Declaration relating to Share issues	40
Schedule 5:	42
Declaration relating to the transfer of Shares	42
Declaration relating to holding of Shares	44
Schedule 7:	45
Proxy Form	45

1. Interpretation

1.1 Definitions

In this Constitution, unless the context otherwise requires:

Act means the Companies Act 1993;

Alternate Director means a person appointed to be an alternate of a Director pursuant to clause 27.1;

Associated Person has the meaning given in section 19(6) of the WIR Act.

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

Business Day means a day on which the stock market operated by New Zealand Exchange Limited is open for trading;

Class means a class of Shares having attached to them identical rights, privileges, limitations and conditions;

Company means Merino Grower Investments Limited;

Constitution means this constitution, as altered from time to time;

Director means a person appointed as a director of the Company;

Distribution Right means a present or future right to participate in:

- (a) the assets of the Company after payment of all liabilities of the Company other than up to a fixed amount; or
- (b) the income or profits of the Company, other than at a fixed rate or at a rate fixed by reference to a formula or index external to the Company;

Employee includes an employee or officer of the Company or any of its Subsidiaries and who has been approved by the Board as holding a management position;

Grower means a person engaged, in New Zealand, in the business of farming sheep, whether in conjunction with another business or not, who is able to be classified as a Merino Wool Grower and/or a Mid-Micron Wool Grower;

Initial Shareholder means a person who was allocated Shares under a Share Allocation Plan included in the Restructuring Plan;

Managing Director means the founding chief executive officer of the Company;

Merino Wool Grower means a Grower who farms sheep from which wool is obtained that is classified as merino wool at point of sale (whether by auction or any other means) whether greasy, scoured, washed, carbonised, fellingmorged or slipped and includes:

- (a) dag wool, wool on the skin (whether tanned or not), processed wool and manufactured wool (including wool noils and wool waste); and

- (b) any other item or substance produced from the wool of merino sheep (as so classified);

Mid-Micron Wool Grower means, with effect from 1 September 2011, a Grower who farms sheep from which wool is obtained that is classified as mid-micron wool at the point of sale (whether by auction or any other means), that is not merino wool or cross-bred lambs' wool, whether greasy, scoured, washed, carbonised, fellmongered or sliped and includes:

- (a) dag wool, wool on the skin (whether tanned or not), processed wool and manufactured wool (including wool noils and wool waste, as so classified in each case); and
- (b) any other item or substance produced from the wool of mid-micron sheep (as so classified);

Minimum Holding means 250 Shares or such other minimum number of Shares as resolved by the Board at its complete discretion from time to time;

Ordinary Resolution means a resolution passed by a simple majority of the votes of Shareholders entitled to vote and voting;

Personal Representative means:

- (a) in relation to a deceased individual Shareholder, the executor, administrator or trustee of the estate of that Shareholder;
- (b) in relation to a bankrupt individual Shareholder, the assignee in bankruptcy of that Shareholder; and
- (c) in relation to any other individual Shareholder, a person appointed or deemed to have been appointed to administer property under the Protection of Personal and Property Rights Act 1988, a manager appointed or deemed to have been appointed thereunder, and a donee of an enduring power of attorney complying with that Act;

Relevant Interest has the meaning given to it in sections 5 and 6 of the Securities Markets Act 1988;

Renounceable in relation to an offer of Shares means an offer that is transferable by any holder for the time being to another person (whether or not an existing Shareholder of any Shares to which the offer relates);

Representative means a person appointed as a proxy or representative under clause 22 or a Personal Representative;

Restructuring Plan means:

- (a) the plan prepared by the New Zealand Wool Board and approved by the Minister of Agriculture under Part 3 of the WIR Act; or
- (b) the Plan arranged by the Minister of Agriculture under Part 3 of the WIR Act;

Share means a share issued, or to be issued, by the Company;

Share Allocation Plans means the plans for the allocation and issue of shares, and other securities, in Wool Board Disestablishment Company Limited, Wool Equities Limited and the Company in accordance with the WIR Act;

Shareholders' Funds means the amount disclosed as equity (whether described as equity, Shareholders' funds, or otherwise) by the most recent published financial statements of the

Company or, if the Company has Subsidiaries, the most recent published group financial statements of the Company and its Subsidiaries provided that if at any time at which Shareholders' Funds is required to be determined:

- (a) the Company has not published financial statements; or
- (b) since the date of the most recent published statements there has been a material decline in the equity of the Company or, if the Company has Subsidiaries, of the consolidated equity of the Company and its Subsidiaries,

then Shareholders' Funds at that time will be determined by reference to the position which would be disclosed if financial statements were prepared at that time;

Shareholder means a person whose name is entered in the Share register as the holder for the time being of one or more Shares;

Special Resolution means a resolution passed by a majority of 75 per cent. of the votes of Shareholders entitled to vote and voting;

Subsidiary means:

- (a) a subsidiary within the meaning of section 5 of the Act (read together with sections 6 to 8 of the Act); and
- (b) an entity treated as a subsidiary or in substance subsidiary within the meaning of Statement of Standard Accounting Practice Number 8 issued by the New Zealand Society of Accountants or within the meaning of any financial reporting standard approved in terms of the Financial Reporting Act 1993;

Total Shares means the total number of Shares on issue from time to time;

Treasury Stock means Shares which have been acquired by the Company and are held by the Company as treasury stock in accordance with the Act and includes Shares held by a Subsidiary of the Company other than in accordance with section 82(6) of the Act; and

WIR Act means Wool Industry Restructuring Act 2003.

1.2 Construction

In this Constitution, unless the context otherwise requires:

- (a) the headings appear as a matter of convenience and do not affect the construction of this Constitution;
- (b) in the absence of an express indication to the contrary, references to clauses, paragraphs or schedules are to clauses, paragraphs and schedules of this Constitution;
- (c) a reference to any statute, statutory regulations or other statutory instrument includes the statute, statutory regulations or instrument as from time to time amended or re-enacted or substituted;
- (d) the singular includes the plural and vice versa and one gender includes the other genders;
- (e) the words **written** and **writing** include facsimile communications and any other means of communication resulting in permanent visible reproduction;

- (f) the word **person** includes any association of persons whether corporate or unincorporate, and any state or government or department or agency thereof, whether or not having separate legal personality; and
- (g) words or expressions defined in the Act have the same meaning in this Constitution.

2. **Companies Act**

2.1 **Companies Act**

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

2A. **Objective and Business Activities**

2A.1 **Objective of the Company**

The overriding objective of the Company is to maximise its value and the value of its Shares, while returning an appropriate dividend return to its Shareholders, and to promote profitability and sustainability amongst Growers.

2A.2 **Principal business activities**

The Company's principal business activities will be limited to those reasonably required to achieve the objective set out above, such activities including:

- (a) marketing and promotion of wool, meat and other co-products produced by Merino Wool Growers and Mid-Micron Wool Growers;
- (b) managing and enhancing processes for selling wool, meat and other co-products produced by Merino Wool Growers and Mid-Micron Wool Growers, such as auction, branded contracts, tenders and back to back contracts;
- (c) utilising new technology to capture the unique product attributes of wool, meat and other co-products produced by Merino Wool Growers and Mid-Micron Wool Growers;
- (d) bringing together the key participants in the value chain through strategic alliances, allowing better customisation of the clips and services of the wool, meat and other co-products produced by Merino Wool Growers and Mid-Micron Wool Growers through sharing of market knowledge and expertise;
- (e) adding to the value of the Company's trademarks, supporting brands and the development of new brands in support of its other principal business activities;
- (f) research and development in the merino and mid-micron sector; and
- (g) such other activities as the Board may consider from time to time as relevant to the business of the Company.

2A.3 **Business plan**

A business plan for the Company, for each financial year, shall be developed and prepared by management of the Company for consideration by the Board. Each business plan shall:

- (a) detail the types of business to be undertaken by the Company during the relevant financial year to which it relates; and
- (b) include detailed budgets to support activity under the plan; and
- (c) include a rolling strategic plan for that financial year and the two immediately following it; and
- (d) where relevant, include a plan for any external funding that it is considered may be required for that financial year.

The Company shall operate in accordance with the business plan current from time to time as unanimously approved by the Board. Unless and until the draft budgets and business plan submitted to the Board for a financial year have been approved by the Board as the budgets and business plan for that financial year, the then existing budgets and business plan applicable to the financial year immediately preceding that financial year shall apply for that financial year, with all necessary modifications and on the basis that there will be no major capital expenditure or operating expenses incurred without the prior approval of the Board. All reasonable endeavours will be made by the Company to prepare a draft budget and business plan acceptable to the Board as soon as practicable and submit it to the Board for approval. .

3. Restrictions on Shareholders and shareholdings and declaration

3.1 Restrictions on Shareholders and shareholdings

- (a) Subject to paragraph (b) of this clause 3:
 - (i) no person may become a Shareholder (other than as a result of the allocation and issue, or transfer, of Shares to the person under, and in accordance with, a Share Allocation Plan) unless that person is a Grower or Employee at the time the person's name is registered as the holder of Shares;
 - (ii) the total percentage of shares that all Employees may hold is 30% of the total Shares on issue, provided that such percentage will automatically reduce to 20% of the total Shares on issue when the Managing Director ceases to be employed by the Company;
 - (iii) no Shareholder (together with its Associated Persons) except for the Managing Director may hold, or otherwise have a Relevant Interest in, more than five per cent., in number, of the Total Shares on issue;
 - (iv) the Managing Director (together with his Associated Persons) may hold, or otherwise have a Relevant Interest in, no more than fifteen per cent., in number, of the Total Shares on Issue; and
 - (v) schedules 1, 2 and 3 of this Constitution apply to:
 - (A) the ownership of, or the acquisition of a Relevant Interest in, Shares; and
 - (B) the transfer and issue of Shares,

until the Shareholders resolve that the restrictions in this clause are no longer to apply.

- (b) The provisions of this clause 3 and schedules 1, 2 and 3 to this Constitution are to remain in full force and effect until such time as the Shareholders resolve (whether pursuant to clause 4 or otherwise) that they are no longer to apply.

3.2 Power to require declarations from Shareholders

- (a) Where the Board believes on reasonable grounds that a Shareholder holds Shares, or holds or has (together with its Associated Persons) a Relevant Interest in more than five per cent. in number (or, in the case of the Managing Director (together with his Associated Persons), a Relevant Interest in more than fifteen per cent., in number), of the Total Shares, in breach of clause 3.1(a)(i), 3.1(a)(ii) or 3.1(a)(iii), then the Board may, by notice in writing, require the Shareholder to lodge with the Company, within 28 days of the date on which such notice is given by the Company, a declaration in the form of schedule 6 to this Constitution (or such other documentary evidence as may be required by the Board) which contains the following information:
 - (i) a statement that the Shareholder is a Grower, or Employee or was an Initial Shareholder;
 - (ii) the identity of all Associated Persons of the Shareholder;
 - (iii) the number of Shares held by the Shareholder (and its Associated Persons); and
 - (iv) the number of Shares in which the Shareholder (together with its Associated Persons) has a Relevant Interest.
- (b) If the Board has given a notice to a Shareholder under paragraph (a) of this clause and that Shareholder is in breach of clause 3.1(a)(i), 3.1(a)(ii) or 3.1(a)(iii) then:
 - (i) no vote may be cast in respect of any Shares held by the Shareholder, or in which the Shareholder has a Relevant Interest, on any matter arising for determination at any meeting of Shareholders or of any Class of Shareholders (and any vote cast at any such meeting is to be disregarded); and
 - (ii) no Distribution Right is to exist,

in respect of any Shares held by the Shareholder, or in which the Shareholder has a Relevant Interest, unless and until the Shareholder has lodged with the Company the declaration in accordance with the requirements of that paragraph.
- (c) If:
 - (i) the declaration or other documentary evidence requested by the Board is not lodged with the Company within 28 days of the date on which the notice was given by the Board under paragraph (a) of this clause; or
 - (ii) following receipt by the Board of the requested declaration or other documentary evidence, the Board determines that the Shareholder holds Shares, or holds or has (together with its Associated Persons) a Relevant Interest in Shares, in breach of clause 3.1(a)(i), 3.1(a)(ii) or 3.1(a)(iii),

then the provisions of schedule 1 to this Constitution will apply (as if, in circumstances where paragraph (c)(i) applies, the Shareholder's Shares were Affected Shares).

4. Vote on retention of Shareholding restrictions

The Board may, at any time (and from time to time), put a proposal to a meeting of Shareholders (whether an annual meeting or a special meeting convened specifically for the purposes of this clause 4) under which Shareholders will be asked to vote by way of a Special Resolution on whether clause 3 and schedules 1, 2 and 3 to this Constitution are to continue to apply after such date as may be specified by the Board in the proposal.

5. Rights attaching to Shares

Each Share on issue at the date of adoption of this Constitution confers on the holder the following rights (in addition to the rights set out elsewhere in this Constitution):

- (a) the right to an equal share in dividends authorised by the Board on a per Share basis;
- (b) the right to vote on a poll at a meeting of the Shareholders on any resolution, including any resolution to:
 - (i) appoint or remove an auditor or (subject to clause 26) a Director; or
 - (ii) adopt a constitution; or
 - (iii) alter the Company's constitution; or
 - (iv) approve a major transaction; or
 - (v) approve an amalgamation of the Company under section 221 of the Act; or
 - (vi) put the Company into liquidation; and
- (c) the right to an equal share in the distribution of surplus assets of the Company on a per Share basis.

6. Issue of Shares

6.1 New Shares

- (a) Subject to clause 3, the Board may issue further Shares in the Company (including different Classes of Shares) which:
 - (i) rank equally with, or in priority to, existing Shares; or
 - (ii) are redeemable in accordance with section 68 of the Act; or
 - (iii) confer preferential rights to distributions or otherwise; or
 - (iv) confer special, limited or conditional voting rights; or
 - (v) do not confer voting rights; or
 - (vi) have deferred, preferred or other special rights or restrictions, whether as to voting rights or distributions or otherwise.
- (b) Sections 45(1) and 45(2) of the Act do not apply to the issue of Shares.

6.2 **Bonus issues**

Subject to any applicable provisions of clause 3 and the provisions of schedule 2 to this Constitution and this clause 6, the Board may resolve to apply any amount which is available for distribution to Shareholders either:

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

or partly in one way and partly in the other.

6.3 **Treasury Stock**

The transfer by the Company of Treasury Stock is, for the purposes of clause 3 and the provisions of schedule 2 to this Constitution, and this clause 6, deemed to constitute the issue of Shares.

6.4 **Consolidation and subdivision of Shares**

Subject to any applicable provisions of this clause 6, the Board may:

- (a) consolidate and divide the Shares or Shares of any Class in proportion to those Shares or the Shares in that Class; or
- (b) subdivide the Shares or Shares of any Class in proportion to those Shares or the Shares in that Class.

7. **Alteration of Shareholders' rights**

7.1 **Special Resolution required**

Any action affecting the rights, privileges, limitations or conditions attached to any Shares by this Constitution, the Act, or the terms on which the Shares were issued, must be approved by Special Resolution of Shareholders.

7.2 **Issue of further Shares**

The issue of further Shares ranking equally with, or in priority to, existing Shares whether as to voting rights, distribution or otherwise, is expressly permitted by this Constitution and is not to be deemed to be an action affecting the rights attaching to the existing Shares of that Class requiring approval under clause 7.1.

8. Buybacks of Shares and financial assistance

8.1 Power

The Company may in accordance with the provisions of the Act and this Constitution:

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

8.2 Financial assistance

Subject to clause 8.3, the Company may give financial assistance for the purpose of, or in connection with, the acquisition of Shares issued or to be issued by the Company in accordance with the provisions of the Act.

8.3 Permitted financial assistance

The Company may only give financial assistance of the nature referred to in clause 8.2:

- (a) to a Director or an Associated Person of a Director if the precise terms and conditions of the specific proposal to give that financial assistance have been approved by the Shareholders by Ordinary Resolution; and
- (b) to Employees if:
 - (i) the amount of the financial assistance, together with the amount of all other financial assistance given under this paragraph (b) by the Company during the period of 12 months preceding the date of the giving of the financial assistance, does not exceed five per cent. of the Shareholders' Funds;
 - (ii) the amount of the financial assistance, together with the amount of all other financial assistance given under this paragraph (b) during the period of five years preceding the date of the giving of the financial assistance does not exceed 10 per cent. of Shareholders' Funds; and
 - (iii) the financial assistance is not given to any Director or Associated Person of a Director.

9. Share certificates

9.1 Issue of Share certificates

The Company may issue Share certificates in respect of all or any Shares and must, within 20 working days after receiving an application by a Shareholder, send to that Shareholder a Share certificate, in accordance with section 95 of the Act.

9.2 Replacement Share certificates

The Company:

- (a) may issue a replacement certificate for any Share certificate that is worn out or defaced; and

- (b) must issue a replacement Share certificate for one that has been lost or destroyed, subject to satisfactory proof of the fact, payment of the reasonable expenses of the Company and, if so required by the Board, an appropriate indemnity being given to the Company.

10. Calls on Shares

10.1 Board's power

- (a) The Board may, by notice in writing to a Shareholder or Shareholders, make calls in respect of all moneys unpaid on Shares and which are not, by the terms applicable to the Shares, payable at fixed times.
- (b) The Board may revoke or postpone a call before payment is received.

10.2 Liability to pay

Each relevant Shareholder will be liable (jointly and severally in the case of joint Shareholders) to pay, in accordance with the relevant notice, every call and will remain liable to do so notwithstanding the subsequent transfer of the relevant Shares.

10.3 Differential calls

- (a) Calls may be made in respect of certain Shares and not others and for different amounts in respect of certain Shares from others.
- (b) The Board may, at the time of issue of any Shares, differentiate between the Shareholders as to the amount of calls to be paid and the time of payment.

10.4 Instalments

The Board may determine that a call is payable by instalments.

10.5 Time call is made

A call will be deemed to have been made at the time the resolution of the Board authorising the call was passed.

10.6 Interest on overdue amounts

- (a) A call not paid when due will bear interest from the due date to the date of actual receipt by the Company at the rate fixed in the notice of call or the terms applicable to the relevant Shares or, if there is no such rate, as the Board determines.
- (b) The Board may waive payment of interest wholly or in part.

10.7 Unpaid instalments

Any amount payable on issue of a Share or on any fixed date or as an instalment of a call will be deemed to be a call and if not paid, the provisions of this clause 10 and clauses 11 and 12 will apply as if that sum had become payable by the making of a call.

10.8 Calls in advance

The Board may, in its discretion, receive any moneys uncalled and unpaid upon any Shares in advance of its due date and, may pay interest on the amount received at such rate (if any) and on such terms as the Board determines.

10.9 Evidence

In any proceedings for the recovery of moneys due in respect of any call, a statutory declaration by a Director or any other person authorised by the Board that:

- (a) the name of the Shareholder is entered in the Share register as the holder (or one of the holders) of the relevant Shares;
- (b) the resolution making the call is recorded in the records of the Company; and
- (c) notice of the call was sent to the Shareholder,

will be conclusive evidence of the indebtedness of the Shareholder to the Company in respect of the call.

10.10 Cancellation of unpaid amounts

No obligation to pay any amount which is unpaid on any Share is to be cancelled, reduced or deferred without the authority of an Ordinary Resolution.

11. Lien on Shares

11.1 Lien on unpaid and partly paid Shares

The Company is to have a first and paramount lien on every Share which is not a fully paid Share (and any dividends or other distributions in respect of that Share) for:

- (a) all unpaid calls, instalments or other amounts, and any interest payable on those amounts, relating to that Share; and
- (b) any amounts the Company may be called upon to pay under any legislation in respect of that Share.

11.2 Power of sale

Subject to clause 3 and the provisions of schedule 3 to the Constitution, if any amount due in respect of a Share on which the Company has a lien is unpaid for more than 14 days after notice in writing demanding payment has been given to the Shareholder or the person entitled to receive notices in respect of that Share:

- (a) the Company may sell the Share on such terms as the Board determines; and
- (b) to give effect to any such sale, the Board may authorise any person to execute a transfer of the Share to, or at the direction of, the purchaser.

11.3 Absolute title of purchaser

The title of a purchaser of any Shares sold pursuant to clause 11.2 will not be affected by any irregularity or invalidity in any sale.

11.4 Application of sale proceeds

The net proceeds of sale of any Share sold pursuant to clause 11.2, after deducting expenses of sale, are to be applied in and towards satisfaction of any unpaid calls, instalments or other amounts and any interest on those amounts and the balance (if any) is to be paid to the person entitled to the Share at the date of sale.

12. Forfeiture of Shares

12.1 Notice

- (a) If a call on a Share is not paid when due, the Directors may give 14 days' notice to the Shareholder requiring payment of the call, together with interest on the amount of the call.
- (b) The notice must specify the place of payment and state that if the notice is not complied with the relevant Share will be liable to be forfeited.

12.2 Forfeiture

If the notice is not complied with, the Share may, before payment of the overdue amount has been made, be forfeited by resolution of the Board.

12.3 Sale of forfeited Shares

- (a) Subject to clause 3 and the provisions of schedule 3 to the Constitution, a forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board determines.
- (b) To give effect to any sale or disposal the Board may authorise any person to execute any relevant documentation.
- (c) The Board may, at any time before the sale or disposal, cancel the forfeiture.

12.4 Application of sale proceeds

The net proceeds of sale of any forfeited Share are to be applied in the same manner as set out in clause 11.4.

12.5 Absolute title of purchaser

The title of a purchaser of a forfeited Share will not be affected by any irregularity or invalidity in the forfeiture, sale or other disposal of the Share.

12.6 Consequences of forfeiture

A person whose Shares have been forfeited will cease to be a Shareholder in respect of those Shares and will surrender the Share certificate for cancellation but will remain liable to the Company for all moneys due to the Company at the date of forfeiture in respect of the Shares together with interest thereon.

12.7 Evidence of forfeiture

A statutory declaration by a Director or any other person authorised by the Board that a Share has been forfeited on a specified date will be conclusive evidence of that forfeiture.

13. Transfer of Shares

13.1 Transferor to remain holder until registration

The transferor of a Share is to remain the holder of the Share until the name of the transferee is entered in the Share register.

13.2 Form of transfer

Every instrument of transfer of Shares must comply with the following provisions:

- (a) the form of the instrument of transfer must be any usual or common form or any other form which the Board may approve;
- (b) the instrument of transfer must be signed or executed by or on behalf of the transferor; and
- (c) where the Shares being transferred are not fully paid up, the instrument of transfer must also be signed or executed by or on behalf of the transferee.

13.3 Power to refuse to register

The Board may, in addition to its powers under clause 1(c) of schedule 3 to this Constitution, decline to register any transfer of Shares where:

- (a) the Company has a lien on any of the Shares; or
- (b) the transfer is not accompanied by:
 - (i) the certificate (if any) for the Shares to which it relates or other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (ii) if clause 3 applies, a declaration duly completed by the transferee in the form of the declaration in schedule 5 to this Constitution,

provided that the Board resolves to exercise its powers under this clause 13.3 within 30 working days after it receives notice of the relevant transfer and notice of the resolution is sent to the transferor and to the transferee within five working days of the resolution being passed by the Board.

13.4 Registration of transfers

- (a) Every instrument of transfer must be delivered to the Company's Share registrar, together with the Share certificate (if any) for the Shares to be transferred.
- (b) If there is no Share certificate for those Shares or if the Share certificate has been lost, damaged or destroyed, the transferee must provide such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

13.5 Registration of separate parcels

Subject in all respects to clause 3 and the provisions of schedule 3 to this Constitution:

- (a) the Company:

- (i) may on the request of a Shareholder or a transferee of Shares; and
- (ii) must, if requested by a Shareholder who produces satisfactory evidence that the Shares he or she holds are held as bare trustee or nominee and two or more other persons are separate beneficial owners of parcels of those Shares or have other separate Relevant Interests in parcels of those Shares,

register the Shares held or acquired by that Shareholder or transferee in two or more separately identifiable parcels; and

- (b) the Company may thereafter, so far as it considers convenient, communicate with the Shareholder, pay dividends and otherwise act in respect of each parcel, as if the separately identifiable parcels belonged to different persons.

14. Transmission of Shares

14.1 Transmission upon death of Shareholder

- (a) Notwithstanding clause 3 but subject to clause 14.2, Shares may pass by operation of law to the trustees or executors (for the purposes of this clause 14, the **Personal Representatives**) of the estate of a deceased Shareholder but any such transmission is not to:
 - (i) release the estate of a deceased Shareholder from any liability in respect of any Share; nor
 - (ii) constitute a release of any lien which the Company may have in respect of any Share or affect or prejudice the Board's right to refuse or delay registration of any transfer of any such Shares.
- (b) Notwithstanding clause 3, a Shareholder's Personal Representative may exercise all rights (including, without limitation, the rights to receive distributions, to attend meetings and to vote in person or by Representative), and is subject to all limitations attached to the Shares held by that Shareholder.
- (c) Where a Share is subject to the control of two or more persons as Personal Representatives, they are, for the purposes of this Constitution, deemed to be joint holders of the Share.
- (d) Notwithstanding clause 3, Shares in the Company standing in the name of the Personal Representative of a deceased Shareholder may be transferred to a new Personal Representative if there is a change in the Personal Representative of the deceased Shareholder.

14.2 Distributions

If, during any period during which clause 3 and schedules 1, 2 and 3 to this Constitution apply, Shares are distributed by the Personal Representative of the estate of a deceased Shareholder to a person who does not meet the requirements of clause 3(a)(i), (ii) and (iii), those Shares will be "Affected Shares" for the purposes of clause 2 of schedule 3 to this Constitution and the provisions in that clause apply.

15. Sale of less than Minimum Holding

15.1 Notice of Minimum Holding

The Board may at any time give notice to any Shareholder holding less than a Minimum Holding of Shares of any Class that if at the expiration of three months after the date of the notice, the Shareholder has not acquired sufficient Shares so that the Shareholder's total holding is at least a Minimum Holding, the Board may sell the Shareholder's Shares in accordance with clause 15.2.

15.2 Sale of Minimum Holding

If the power of sale in clause 15.1 becomes exercisable:

- (a) the Board may arrange for the sale of those Shares to a person who meets the requirements of clause 1 of schedule 3 to this Constitution;
- (b) the Shareholder would be deemed to have authorised the Company to act on the Shareholder's behalf in relation to the sale of those Shares and to execute all necessary documents for the purposes of that sale;
- (c) the Company is to account to the Shareholder for the net proceeds of sale of the Shares (after deduction of reasonable sale expenses), which will be held on trust for the Shareholder by the Company and paid to the Shareholder on surrender of any certificates (if any) for the Shares sold; and
- (d) the title of a purchaser of any Shares sold pursuant to this clause 15.2 will not be affected by any irregularity or invalidity in the exercise of the power of sale or the sale itself.

16. Exercise of powers of Shareholders

16.1 Methods of holding meetings

A meeting of Shareholders may be held either:

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

16.2 Powers of Shareholders

Unless otherwise specified in the Act or this Constitution, any power reserved to Shareholders may be exercised, and any approval of Shareholders may be given, by Ordinary Resolution.

17. Meetings of Shareholders

17.1 Annual meetings

The Company must hold an annual meeting not later than:

- (a) six months after the balance date of the Company or, if the Company is an **exempt company** (as that term is defined in the Financial Reporting Act 1993) and all the Shareholders agree, ten months after the balance date of the Company; and
- (b) fifteen months after the previous annual meeting.

17.2 Time and place of annual meeting

Each annual meeting must be held at such time and place as the Board appoints.

17.3 Special meetings

All meetings other than annual meetings are to be called special meetings.

17.4 Calling of special meetings

A special meeting:

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

18. Notice of meetings of Shareholders

18.1 Written notice

Written notice of the time, date 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 the auditor of the Company not less than 10 working days before the meeting.

18.2 Rights of Shareholders and Directors

- (a) All Shareholders are entitled to attend meetings of Shareholders and to receive copies of all notices, reports and accounts issued generally to Shareholders whose Shares carry votes.
- (b) Each Director who is not also a Shareholder is to have the same rights.

18.3 Contents of notice

The notice must state:

- (a) the nature of the business to be transacted at the meeting in sufficient detail to enable a Shareholder to form a reasoned judgement in relation to it; and
- (b) the text of any Special Resolution to be submitted to the meeting.

18.4 Irregularity in notice

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

- (b) The accidental omission to give a notice of a meeting to, or the non-receipt of a notice of a meeting by, any person will not invalidate the proceedings at the meeting.

18.5 **Adjourned meetings**

If a meeting of Shareholders is adjourned for less than 30 days it is not necessary to give notice of the time, date and place of the adjourned meeting other than by announcement at the meeting which is adjourned.

19. **Chairperson of meetings of Shareholders**

19.1 **Chairperson of the Board to act**

If the Directors have elected a chairperson of the Board, and the chairperson of the Board is present at a meeting of Shareholders, that Director must chair the meeting.

19.2 **Other chairperson**

- (a) 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 the chairperson is unwilling or unable to act, the Directors present, if any, may elect one of their number to be chairperson of the meeting.
- (b) If 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 choose one of their number to be chairperson.

19.3 **Regulation of procedure**

Subject to the provisions of the Act, and except as otherwise provided in this Constitution, the chairperson may regulate the proceedings at meetings of Shareholders.

20. **Quorum for meetings of Shareholders**

20.1 **Quorum required**

Subject to clause 20.3, no business may be transacted at a meeting of Shareholders if a quorum is not present.

20.2 **Size of quorum**

A quorum for a meeting of Shareholders is present if 10 Shareholders are present in person or by Representative.

20.3 **Lack of quorum**

If a quorum is not present within 30 minutes after the time appointed for the meeting:

- (a) in the case of a meeting called by Shareholders under section 121(b) of the Act, the meeting is dissolved; or
- (b) in the case of any other meeting, the meeting is adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the Directors may appoint and if, at the adjourned meeting, a quorum is not present

within 30 minutes after the time appointed for the commencement of the meeting, the Shareholders or their Representatives present will constitute a quorum.

21. Voting at meetings of Shareholders

21.1 Meetings in one place

In the case of a meeting of Shareholders held in accordance with clause 16.1(a), unless a poll is demanded, voting at the meeting is to be by whichever of the following methods is determined by the chairperson:

- (a) voting by voice; or
- (b) voting by show of hands.

21.2 Audio-visual meetings

In the case of a meeting of Shareholders held in accordance with clause 16.1(b), unless a poll is demanded, voting at the meeting is to be by the Shareholders signifying individually their assent or dissent by voice.

21.3 Postal votes

- (a) Unless the Board determines otherwise, Shareholders may not exercise the right to vote at a meeting by casting postal votes.
- (b) 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 will be those set out in clause 7 of the First Schedule to the Act together with any other procedures determined by the Board.

21.4 Number of votes

Subject to any rights or restrictions attached to any Share:

- (a) where voting is by voice or a show of hands, every Shareholder present in person or by Representative has one vote;
- (b) on a poll every Shareholder present in person or by Representative has:
 - (i) one vote in respect of every fully paid Share held by that Shareholder; and
 - (ii) in respect of each Share held by that Shareholder which is not fully paid, a proportion of the vote or votes which would be exercisable if that Share was fully paid equivalent to the proportion of the total issue price of that Share which has been paid (disregarding any payment in advance).

21.5 Declaration of chairperson conclusive

A declaration by the chairperson that a resolution is carried by the requisite majority is conclusive evidence of that fact unless a poll is demanded in accordance with clause 21.6.

21.6 Right to demand poll

- (a) At a meeting of Shareholders, a poll may be demanded by:

- (i) not less than five Shareholders having the right to vote at the meeting; or
 - (ii) a Shareholder or Shareholders representing not less than 10 per cent. of the total voting rights of all Shareholders having the right to vote at the meeting; or
 - (iii) a Shareholder or Shareholders holding Shares that confer a right to vote at the meeting and on which the aggregate amount paid up is not less than 10 per cent. of the total amount paid up on all Shares that confer that right; or
 - (iv) the chairperson.
- (b) For the purposes of this clause 21.6, the instrument appointing a proxy to vote at a meeting of the Company 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.

21.7 Time of demand for poll

- (a) A poll may be demanded either before or after the vote is taken on a resolution.
- (b) The demand for a poll may be withdrawn.

21.8 Timing of poll

The chairperson may determine the time and manner in which a poll is to be taken and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

21.9 Counting of votes on poll

If a poll is taken, votes must be counted according to the votes attached to the Shares of each Shareholder present in person or by Representative and voting.

21.10 Scrutineers

If a poll is taken, the scrutineers will be the auditors of the Company for the time being unless they are unable or unwilling to act or unless the chairperson directs to the contrary in which case the scrutineers will be appointed by the chairperson.

21.11 Declaration of result

- (a) The chairperson is entitled to declare the result of a poll upon the receipt of a certificate from the auditors setting out the maximum number of votes which could be cast at the meeting and upon receipt of notice from the scrutineers that, in the light of the auditors' certificate, sufficient votes to determine the result of the resolution have been counted.
- (b) The auditors' certificate may set out the maximum number of votes which could be cast at the meeting if all persons entitled to attend and vote at the meeting did so, or it may set out the maximum number of votes which could be cast at the meeting if all persons at the meeting who are entitled to vote did vote.

21.12 No chairperson's casting vote

The chairperson of the meeting is not entitled to a casting vote.

21.13 Votes of joint holders

Where two or more persons are registered as the holder 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.

21.14 Validity of votes

In the case of any dispute as to the admission or rejection of a vote, the chairperson is to determine the same and such determination made in good faith will be conclusive.

21.15 No vote if amounts unpaid

No Shareholder is entitled to vote at any meetings in respect of Shares on which any call or other moneys are due and unpaid.

22. Proxies and corporate representatives

22.1 Proxies permitted

- (a) A Shareholder may exercise the right to vote either by being present in person or by proxy.
- (b) A proxy for a Shareholder is entitled to attend and be heard at a meeting of Shareholders as if the proxy were the Shareholder.

22.2 Form of proxy

A proxy must be appointed by notice in writing, in the form set out in schedule 7 to this Constitution, signed by the Shareholder and the notice must state whether the appointment is for a particular meeting or a specified term not exceeding 12 months.

22.3 Lodging proxy

No proxy is effective in relation to a meeting unless the proxy form is received by or on behalf of the Company at any place specified for the purpose in the notice of meeting not later than 48 hours before the start of the meeting.

22.4 Validity of proxy vote

A vote given in accordance with the terms of an instrument of proxy will be valid notwithstanding the previous death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Share in respect of which the proxy is given, if no written notice of such death, mental disorder, revocation, or transfer has been received by the Company at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

22.5 Corporate representatives

- (a) A body corporate which is a Shareholder may appoint a Representative to attend a meeting of Shareholders on its behalf in the same manner as that in which it could appoint a proxy.
- (b) A representative will have the same rights and powers as if the representative were a proxy.

23. Minutes of Shareholders' meetings

23.1 Minutes must be kept

The Board must ensure that minutes are kept of all proceedings at meetings of Shareholders.

23.2 Evidence

Minutes which have been signed correct by the chairperson are prima facie evidence of the proceedings.

24. Shareholder proposals

24.1 Notice to the Board

A Shareholder may give written notice to the Board of a matter the Shareholder proposes to raise for discussion or resolution at the next meeting of Shareholders at which the Shareholder is entitled to vote.

24.2 Notice to Shareholders at Company's expense

If the notice is received by the Board not less 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 Company, give notice of the Shareholder proposal and the text of any proposed resolution to all Shareholders entitled to receive notice of the meeting.

24.3 Notice to Shareholders at proposing Shareholder's expense

If the notice is received by the Board not less than five 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.

24.4 Late notice

If the notice is received by the Board less than five 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 may, 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.

24.5 Proposing Shareholder's right to give written statement

If the Directors intend that Shareholders may vote on the proposal, the Directors 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.

24.6 Defamatory, frivolous or vexatious statements

The Board is not required to include in or with the notice given by the Board a statement prepared by a Shareholder which the Directors consider to be defamatory, frivolous, or vexatious.

24.7 Deposit of costs by proposing Shareholder

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.

25. Adjourned meetings and disorderly meetings

25.1 Chairperson's discretion to adjourn meetings

- (a) The chairperson may, in his or her sole discretion, at any time during the meeting adjourn from time to time and place to place (including either to a later time at the same meeting or to an adjourned meeting):
 - (i) the meeting; or
 - (ii) any business, motion, question or resolution being considered or remaining to be considered by the meeting or any debate or discussion in relation to any of those matters.
- (b) In addition, if at any meeting a motion or proposal to adjourn the meeting has been defeated, the chairperson has an absolute discretion whether or not to accept and put to the meeting any further motion or proposal to adjourn the meeting.

25.2 Direction to adjourn

If directed by the meeting, the chairperson must adjourn the meeting.

25.3 Provisions relating to adjourned meetings

- (a) No business can be transacted at any adjourned meeting other than the unfinished business at the original meeting.
- (b) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given in the same manner as the original meeting.
- (c) Other than in accordance with this clause 25.3, it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

25.4 Adjournment of disorderly meetings

If any meeting becomes so unruly, disorderly or inordinately protracted, that in the opinion of the chairperson the business of the meeting cannot be conducted in a proper and orderly manner, the chairperson, notwithstanding any provision to the contrary contained in this Constitution and without the consent of the meeting, may, in his or her sole and absolute discretion and without giving reasons, either adjourn or dissolve the meeting.

25.5 Completion of unfinished business

If any meeting is dissolved by the chairperson pursuant to clause 25.4, the unfinished business of the meeting is to be dealt with as follows:

- (a) in respect of any resolution concerning the approval or authorisation of a distribution, the Board may, in the exercise of the powers conferred on it by the Act, authorise the distribution;

- (b) in respect of any resolution concerning the remuneration of the auditors, the meeting will be deemed to have resolved that the Board be authorised to fix the remuneration of the auditors; and
- (c) the chairperson may direct that any item of business which is uncompleted at the meeting, and which in his or her opinion requires to be voted upon, be put to the vote by a poll without further discussion in accordance with clause 21.6.

26. Appointment and removal of Directors

26.1 Number and composition

- (a) The number of Directors must not at any time be less than four nor more than seven and, subject to these limitations, the number of Directors is to be fixed from time to time by the Board.
- (b) At all times, three of the Directors must be Growers ("**Grower Directors**") and one Director must be appointed by those Employees who are Shareholders (the "**Employee Director**").

26.2 Existing Directors to continue in office

The Directors in office at the date of adoption of this Constitution will continue in office and are deemed to have been appointed pursuant to this Constitution.

26.3 Appointment and removal by Ordinary Resolution

- (a) A Grower Director may be appointed by Ordinary Resolution.
- (b) All Directors will be subject to removal from office as a director by Ordinary Resolution. For the avoidance of doubt, if the Employee Director is removed pursuant to this clause 26.3(b), those Employees who are Shareholders may appoint another Employee Director in his or her place.

26.4 Appointment by Board

- (a) Subject to clause 26.1, the Board may at any time appoint additional Directors.
- (b) A Director appointed by the Board will hold office only until the next annual meeting of the Company but will be eligible for re-election at that meeting.

26.5 Appointment of Independent Directors

- (a) Subject to clause 26.1, the Grower Directors and the Employee Director shall, by majority vote, appoint up to a maximum of two persons as Directors who in their opinion have particular skill, experience or knowledge which will be advantageous to the Company (each, an "**Independent Director**").
- (b) The Grower Directors, Employees Director and any Independent Directors may unanimously agree upon the appointment of a Director (whether an existing Grower Director, an existing Independent Director or an additional Independent Director, provided that such Director is not an Employee) who shall act as chairperson of the Board. For the avoidance of doubt, if an existing Grower Director or an existing Independent Director is appointed chairperson, that will not restrict the ability of the Grower Directors, Employee Directors and any Independent Directors to unanimously agree upon the appointment of an additional Independent Director pursuant to clause 26.4.

- (c) Each Independent Director appointed in accordance with clauses 26.5(a) or (b) may be appointed for a term of up to three years but will be eligible for re-appointment as a Director under clauses 26.5(a) or (b) on the expiry of the term of his or her appointment, or re-appointment, under that clause.
- (d) For the avoidance of doubt, clause 26.4(b) does not apply to a Director appointed in accordance with clause 26.5(a) or (b) but any such Director (including the chairperson) may be removed from office as a director by Ordinary Resolution.

26.6 Nominations

- (a) No person (other than a Director retiring at a meeting) may be elected as a Grower Director at a meeting unless that person has been nominated by a Shareholder entitled to attend and vote at the meeting.
- (b) Nominations for Grower Directors must be received by the Company between the date four months before the date of the meeting and the date two months before the date of the meeting.
- (c) Notice of every valid nomination for Grower Directors received by the Company before the closing date for nominations is to be given by the Company to all persons entitled to attend the meeting together with, or as part of, the notice of meeting.

26.7 Rotation

- (a) One third of the Grower Directors or, if their number is not a multiple of three, then the number nearest to one third, must retire from office at the annual meeting each year.
- (b) The Grower Directors to retire under paragraph (a) must be those who have been longest in office since they were last elected or deemed elected. In the case of Grower Directors who were last appointed Grower Directors on the same day, those to retire are to be determined by agreement between those Grower Directors or, if they cannot agree, by lot.

26.8 Exceptions to rotation

The provisions of clause 26.7 must be read subject to the following exceptions:

- (a) a Grower Director appointed pursuant to clause 26.4 and who is subject to retirement pursuant to that clause:
 - (i) will not be subject to retirement by rotation at the next annual meeting of the Company following that Grower Director's appointment pursuant to clause 26.4; and
 - (ii) is not to be included in the number of Directors upon which the calculation of the number of Grower Directors to retire by rotation at that annual meeting is made; and
- (b) if the Company has an Employee Director, that Employee Director will not be subject to retirement by rotation, provided that an Employee Director may only be appointed for a term of up to three years, at which time those Employees who are Shareholders will appoint an Employee Director. An incumbent Employee Director will be eligible for re-appointment as an Employee Director on the expiry of the term or his or her appointment, or re-appointment. Each Employee Director will, however, be included in the number of Directors upon which the calculation of the number of Grower Directors to retire by rotation is made.

26.9 Appointment of Directors to be voted on individually

- (a) No resolution to appoint or elect a Grower Director is to be put to the Shareholders unless:
 - (i) the resolution is for the appointment of one Grower Director; or
 - (ii) the resolution is a single resolution for the appointment of two or more Grower Directors, and a separate resolution that it be so voted on has first been passed without a vote being cast against it.
- (b) Nothing in this clause 26.9 prevents the election of two or more Grower Directors by ballot or poll.

26.10 Re-election of retiring Director

- (a) At a meeting at which a Grower Director retires, the Company may elect a person to fill the vacated office.
- (b) If no other person is elected, the retiring Grower Director will, if standing for re-election, be deemed to have been re-elected unless it is resolved not to fill the vacated office or unless a resolution for the re-election of that Grower Director is put to the meeting and lost.

26.11 Vacation of office

A Director will cease to hold office as a Director if the Director:

- (a) becomes bankrupt or makes an arrangement or compromise with the Director's creditors generally; or
- (b) becomes disqualified from being a Director pursuant to section 151 of the Act; or
- (c) resigns from office by notice in writing to the Company; or
- (d) is removed from office pursuant to this Constitution or the Act; or
- (e) has for more than three months been absent without permission of the Board from meetings of the Board held during that period.

26.12 Timing of retirement and appointment

If:

- (a) a Grower Director retires at a meeting of Shareholders and is not re-elected or deemed to be re-elected at that meeting, the Grower Director will remain in office until, and his or her retirement will take effect at, the conclusion of the meeting;
- (b) a Director is removed from office at a meeting of Shareholders by Ordinary Resolution, the Director will remain in office until, and his or her removal will take effect at, the conclusion of the meeting; and
- (c) a person who is not already a Grower Director is appointed or elected as a Grower Director at a meeting of Shareholders, that person will take office as a Grower Director immediately after the conclusion of the meeting.

26.13 Remuneration of Directors

- (a) No remuneration shall be paid to a Director, in his or her capacity as a Director, unless that remuneration has been authorised by an Ordinary Resolution. Each such resolution shall express Directors' remuneration as either:
 - (i) a monetary sum per annum payable to all Directors taken together; or
 - (ii) a monetary sum per annum payable to any person who from time to time holds office as a Director.
- (b) If remuneration is expressed in accordance with clause 26.13(a), then in the event of an increase in the number of Directors holding office, the Directors may, without the authorisation of a further Ordinary Resolution, increase the total remuneration by such amount as is necessary to enable the Company to pay to the additional Director or Directors remuneration not exceeding the average amount then being paid to each of the other non-executive Directors (other than the chairperson).
- (c) No resolution which increases the amount fixed pursuant to a previous resolution shall be approved at a general meeting of the Company unless notice of the amount of the increase has been given in the notice of meeting.
- (d) Nothing in this clause shall affect the remuneration of executive Directors (including the Employee Director) in their capacity as executives of the Company.
- (e) In addition, Directors remuneration for work not in the capacity of a Director may be approved by the Board without Shareholder approval.

27. Alternate Directors

27.1 Appointment

- (a) Each Director may from time to time appoint any person who is not already a Director to be the Director's Alternate Director, provided a majority of the Board has approved of any such appointment.
- (b) No Director may appoint a deputy or agent otherwise than by way of appointment of an Alternate Director.

27.2 Form of appointment and removal

Any appointment or removal of an Alternate Director must be by notice in writing to the Company signed by the relevant Director.

27.3 Rights of Alternate Director

Each Alternate Director will be entitled to:

- (a) receive notices of all meetings of the Board if the Alternate Director is in New Zealand and the Director for whom the Alternate Director is alternate is known to be either outside of New Zealand or otherwise unavailable to attend meetings;
- (b) attend and vote at any such meeting at which the Director for whom the Alternate Director is alternate is not personally present; and
- (c) in the absence of the Director who appointed the Alternate Director, perform all the functions, and exercise all the powers, of that Director.

27.4 Remuneration and expenses

Each Alternate Director's:

- (a) remuneration (if any) must be paid by the Director who appointed the Alternate Director; and
- (b) expenses incurred in attending meetings of the Directors and otherwise in relation to the discharge of duties will be paid by the Company.

27.5 Cessation of appointment

An Alternate Director will cease to be an Alternate Director:

- (a) if the Director who appointed the Alternate Director ceases to be a director or revokes the appointment;
- (b) on the occurrence of any event relating to the Alternate Director which, if the Alternate Director were a Director, would disqualify the Alternate Director from being a Director.

28. Powers of Directors

28.1 Management of Company

The business and affairs of the Company are to be managed by, or under the direction or supervision of, the Board.

28.2 Exercise of powers by Board

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

28.3 Delegation of powers

The Board may delegate to a committee of Directors, a Director, an employee of the Company, or to any other person, any one or more of its powers, other than a power set out in the Second Schedule to the Act.

28.4 Appointment of attorney

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

28.5 Ratification by Shareholders

- (a) Subject to the provisions of section 177 of the Act (relating to ratification of directors' actions), the Shareholders, or any other person in whom a power is vested by this Constitution or the Act may ratify the purported exercise of that power by a Director or the Board in the same manner as the power may be exercised.
- (b) The purported exercise of a power that is ratified under this clause is deemed to be, and always to have been, a proper and valid exercise of that power.

29. Proceedings of the Board

29.1 Methods of holding meetings

A meeting of the Board may be held either:

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

29.2 Notice of meeting

- (a) A Director or, if requested by a Director to do so, an employee of the Company approved by the Board for this purpose, may convene a meeting of the Board by giving notice in accordance with this clause 29.2 and clause 29.3.
- (b) Each Director must be given not less than two days' notice of a meeting of the Board, unless the Director waives that right.
- (c) Notice may be given to a Director in any of the following ways:
 - (i) by delivery of the notice to the Director, in which case the notice will be deemed to be given when delivered; or
 - (ii) by sending the notice by facsimile transmission to the facsimile number given by the Director to the Company for the purpose of receiving notices, in which case the notice will be deemed to be given when sent; or
 - (iii) by posting the notice to the address given by the Director for the purpose of receiving notices, in which case the notice will be deemed to be given three days after it is posted.

29.3 Contents of notice

A notice of a meeting must specify the date, time and place of the meeting and, if the meeting is to be by means of audio or audio and visual communication, the manner in which the Director will be contacted to participate at the time of the meeting.

29.4 Waiver of irregularity

An irregularity in a notice of meeting is waived if all the Directors entitled to receive notice of the meeting attend or participate in the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.

29.5 Quorum

- (a) A quorum for a meeting of the Board is four Directors, at least two of whom must be Grower Directors.
- (b) No business may be transacted at a meeting of the Board unless a quorum is present.

29.6 **Insufficient number of Directors**

The Directors may act notwithstanding any vacancy in their body, but if and for so long as their number is reduced below the minimum number fixed by clause 26.1(a), the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company, but for no other purpose.

29.7 **Chairperson**

- (a) The Directors may elect one of their number as chairperson of the Board and determine the period for which the chairperson is to hold office.
- (b) If no chairperson is elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for the commencement of the meeting, the Directors present may choose one of their number to be chairperson of the meeting.

29.8 **Votes**

- (a) Subject to clause 30 every Director has one vote.
- (b) In the case of an equality of votes, the chairperson will have a casting vote.
- (c) A resolution of the Board is passed if it is agreed to by all Directors present without dissent or 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 that Director expressly dissents or expressly abstains from voting on, or voting against, the resolution.

29.9 **Resolutions in writing**

- (a) A resolution in writing, signed or assented to by all Directors, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- (b) Any such resolution may consist of several documents (including facsimile or other similar means of communication) in like form, each signed or assented to by one or more Directors.
- (c) A copy of any such resolution must be entered in or kept with the records of Board proceedings.

29.10 **Minutes**

The Board must ensure that minutes are kept of all proceedings at meetings of the Board.

29.11 **Validity of acts**

All acts done by any meeting of the Board or of a committee of Directors or by any person acting as a Director are valid notwithstanding:

- (a) any defect in the appointment of any Director or person acting as a Director; or
- (b) that they or any of them were disqualified; or
- (c) any irregularity in a notice of meeting.

29.12 **Other procedures**

- (a) Except as set out in this clause 29 and 30, the Board may regulate its own procedure.
- (b) The provisions of the Third Schedule of the Act do not apply to proceedings of the Board except to the extent that those provisions are included in this Constitution.

30. Directors' Interests

30.1 Disclosure of Interests

A Director must comply with the provisions of section 140 of the Act (relating to disclosure of Interest of directors) but failure to comply with that section does not affect the operation of clause 30.

30.2 Personal involvement of Directors

Notwithstanding any rule of law or equity to the contrary, but subject to sections 107(3) and 141 of the Act (relating to avoidance of transactions in which a Director is Interested) and section 199(2) of the Act (prohibiting a director from acting as auditor of a company), a Director may:

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

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

30.3 Interested Directors may vote

- (a) Subject to clause 30.3(b), a Director may vote at a meeting of the Board in respect of a matter in which the Director is Interested, and the Director will be counted in the quorum for the purposes of consideration of that matter.
- (b) A Director who is Interested in respect of a matter may not vote at a meeting of the Board in respect of that matter if a majority of the Board who are not Interested in the matter object to that Director voting on the particular matter, but the Director who is Interested will be counted in the quorum for the purposes of consideration of that matter.
- (c) In this clause 30, the word "Interested" has the meaning given to that word in section 139 of the Act.

31. Directors' remuneration and other benefits

31.1 Remuneration and benefits

The Board may exercise the power conferred by section 161 of the Act to authorise any payment or other benefit of the kind referred to in that section.

31.2 Expenses

Each Director is entitled to be paid for all reasonable travelling, accommodation and other expenses incurred by the Director in connection with the Director's attendance at meetings or otherwise in connection with the Company's business.

32. Indemnity and insurance for Directors

32.1 Indemnity for Directors

The Company may indemnify a Director for any costs referred to in section 162(3) of the Act and any liability or costs referred to in section 162(4) of the Act.

32.2 Other indemnities and insurance

In addition to the indemnity set out in clause 32.1, the Company may:

- (a) indemnify a director or employee of the Company or a related company for any costs referred to in section 162(3) of the Act;
- (b) indemnify a director or employee of the Company or a related company in respect of any liability or costs referred to in section 162(4) of the Act; and
- (c) effect insurance for a director or employee of the Company or a related company in respect of any liability or costs referred to in section 162(5) of the Act.

32.3 Interpretation

Words given extended meanings by section 162(9) of the Act have those extended meanings in this clause 32.

33. Dividends

33.1 Power to authorise

- (a) The Board may, subject to the Act and this Constitution, authorise the payment of dividends by the Company at times, and of amounts, and in such form as it thinks fit and may do everything which is necessary or expedient to give effect to the payment of such dividends.
- (b) Prior to authorising the payment of a dividend, the Board must be satisfied on reasonable grounds that the Company will immediately after payment of the dividend satisfy the solvency test.

33.2 Method of payment

- (a) Any dividend or other money payable to a Shareholder may be paid by cheque sent through the post to the registered address of the Shareholder or in any other manner determined by the Board and directed by the person entitled to the payment.
- (b) In the case of joint holders, cheques may be sent to the registered address of the person first named on the register.

33.3 Currency of payment

- (a) The Board may, in its discretion, differentiate between Shareholders as to the currency in which dividends are to be paid.
- (b) In exercising that discretion the Board may have regard to the registered address of a Shareholder, the register on which a Shareholder's Shares are registered or any other matter the Board considers appropriate.
- (c) In any case where a dividend is to be paid in a currency other than New Zealand currency, the amount payable will be converted from New Zealand currency in a manner, at a time and at an exchange rate determined by the Board.

33.4 Deductions

The Board may deduct from dividends payable to any Shareholder in respect of any Shares any:

- (a) unpaid calls, instalments or other amounts, and any interest payable on such amounts, relating to the specific Shares; and
- (b) amounts the Company may be called upon to pay under any legislation in respect of the specific Shares.

33.5 Entitlement date

Dividends and other distributions or payments to holders of Shares of the Company will be payable to the persons who are registered as holders of those Shares on an entitlement date fixed by the Board.

33.6 Unclaimed dividends

- (a) Dividends or other monetary distributions unclaimed for one year after having been authorised may be used for the benefit of the Company until claimed.
- (b) All dividends or other monetary distributions unclaimed for five years after having been authorised may be forfeited by the Board for the benefit of the Company.
- (c) The Company must, nevertheless, annul the forfeiture and pay a claimant who produces evidence of entitlement.

34. Notices

34.1 Method of service

- (a) All notices, reports, accounts or documents required to be sent to a Shareholder are to be sent in the manner set out in section 391 of the Act.
- (b) Notices to any other person are to be sent in the same manner as if that person was a Shareholder.

34.2 **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 named first in the register in respect of the Share.

35. **Inspection of records**

Except as provided in the Act or unless the Board determines otherwise in any particular case, Shareholders will be entitled to:

- (a) inspect any records, books, papers, correspondence or documents of the Company; or
- (b) require or receive any information concerning the Company's business, trading or customers, or any trade secret or secret process of or used by the Company.

36. **Liquidation**

36.1 **Distribution of surplus**

- (a) Subject to the rights of any Shareholders and to clauses 36.2 and 36.3, upon the liquidation of the Company, the surplus assets of the Company (if any) must be distributed among the Shareholders in proportion to their holding of Shares.
- (b) If any Shareholder's Shares are not fully paid up, the liquidator of the Company may require those Shares to be fully paid up before the Shareholder receives any distribution of the surplus assets of the Company in respect of those Shares.

36.2 **Distribution in kind**

With the approval of the Shareholders by Ordinary Resolution, the liquidator of the Company may divide amongst the Shareholders in kind the whole or any part of the surplus assets of the Company (whether or not they are of the same kind) and for that purpose the liquidator may:

- (a) attribute values to assets as the liquidator considers appropriate; and
- (b) determine how the division will be carried out as between the Shareholders or different Classes of Shareholders.

36.3 **Trusts**

- (a) With the approval of the Shareholders by Ordinary Resolution, the liquidator may vest the whole or any part of any surplus assets of the Company in trustees upon trust for the benefit of Shareholders.
- (b) The liquidator may determine the terms of the trust.

37. **Execution of deeds, contracts and other obligations**

37.1 **Deeds**

A deed which is to be entered into by the Company may be signed on behalf of the Company by:

- (a) two or more Directors; or
- (b) any Director, or any person authorised by the Board, whose signature must be witnessed; or
- (c) one or more attorneys appointed by the Company in accordance with section 181 of the Act.

37.2 Other written contracts

An obligation or contract which is required by law to be in writing, and any other written obligation or contract which is to be entered into by the Company, may be signed on behalf of the Company by a person acting under the express or implied authority of the Company.

37.3 Other obligations

Any other obligation or contract may be entered into on behalf of the Company in writing or orally by a person acting under the express or implied authority of the Company.

Schedule 1:

Exercise of rights on breach of clause 3

1. Breach of clause 3

If a person becomes a Shareholder, or a Shareholder (together with its Associated Persons) holds, or otherwise has a Relevant Interest in, Shares in breach of clause 3 of the Constitution (any such Shareholder being referred to as the **Affected Shareholder** for the purposes of this clause) the following provisions are to apply (unless there has also been a breach of clause 1 of schedule 2 or clause 1 of schedule 3 to this Constitution in which case clause 2 of schedule 2 or clause 2 of schedule 3 to this Constitution (as the case may be) is to apply instead):

- (a) no vote may be cast in respect of:
 - (i) the Shares held in breach of clause 3 of the Constitution by the Affected Shareholder; or
 - (ii) any Shares in which the Affected Shareholder has a Relevant Interest in breach of clause 3 of the Constitution,

(all such Shares being referred to, for the purposes of this clause, as the **Affected Shares**) on any matter arising for determination at any meeting of Shareholders or of any Class of Shareholders, and any vote cast in respect of them by the Affected Shareholder at any such meeting is to be disregarded unless and until the Affected Shares are sold in accordance with this clause;
- (b) notwithstanding any other provision of this Constitution, the Affected Shares are to have no Distribution Rights unless and until they are sold in accordance with this clause;
- (c) the Affected Shares are to be sold in accordance with the procedures set out in clause 2(b) of schedule 2 to this Constitution, and those procedures are to apply, as if there had been a breach of clause 1 of that schedule;
- (d) the Company will have a lien on the Affected Shares for any costs incurred by it in exercising the powers permitted by this clause; and
- (e) neither the Company nor any Director will have any liability to the Affected Shareholder for or in connection with the exercise or purported exercise of any of the powers permitted by, or otherwise in connection with the provisions of, this clause.

Schedule 2:

Provisions governing Share issues

1. Issues restricted

- (a) Except in the case of the issue of Shares by the Company under, and in accordance with, a Share Allocation Plan, no issue of Shares may be made:
 - (i) unless the Shares are issued to a person who is a Grower or Employee on the date on which they are issued; or
 - (ii) if the issue would result in a Shareholder (together with its Associated Persons) holding, or having a Relevant Interest in, more than five per cent., in number (or, in the case of the Managing Director, a Relevant Interest in more than fifteen per cent., in number), of the Total Shares on issue immediately after the issue is made by the Company.
- (b) Except in the case of the issue of Shares by the Company under, and in accordance with, a Share Allocation Plan, in respect of every issue of Shares, each person to whom these Shares are to be issued must deliver to the Company before the date on which those Shares are to be issued, such information as is required by the Company in the circumstances, in the form required by the Company, to satisfy the Company that the issue will not cause the contravention of clause 3.1. For the avoidance of doubt, such information may include a statutory declaration in the form set out in Schedule 4.
- (c) The Board may, in its absolute discretion, refuse to issue, or delay the issue of, any Shares if the issue would result in a breach of this clause or the Board has reasonable grounds for believing that the issue may result in a breach of this clause.

2. Issues in breach

- (a) If any Share is issued to a Shareholder (for the purposes of this clause, the **Affected Shareholder**) in breach of clause 1 of this schedule:
 - (i) no vote may be cast in respect of the Shares issued to the Affected Shareholder in breach of that clause (the **Affected Shares**) on any matter arising for determination at any meeting of Shareholders or of any Class of Shareholders, and any vote cast at any such meeting is to be disregarded unless and until they are sold under this clause;
 - (ii) notwithstanding any other provision of this Constitution, the Affected Shares are to have no Distribution Rights unless and until they are sold under this clause;
 - (iii) the Affected Shares are to be sold in accordance with paragraph (b) of this clause; and
 - (iv) the Company will have a lien on the Affected Shares for any costs incurred by it in exercising the powers permitted by this schedule.
- (b) The power to sell Affected Shares is to be exercised in the following manner:

- (i) immediately upon becoming aware that a Share has been issued in breach of clause 1 of this schedule, the Company must give the Affected Shareholder:
 - (A) six month's notice, if the Board determines at its sole discretion that the breach was inadvertent; or
 - (B) three months' notice in any other case,of its intention to sell the Affected Shares;
- (ii) during the applicable notice period, the Affected Shareholder may sell the Affected Shares to a person who meets the requirements of clause 1 of schedule 3 to this Constitution;
- (iii) if the Affected Shareholder sells the Affected Shares in accordance with paragraph (b)(ii) of this clause, the Affected Shareholder must pay to the Company any costs incurred by the Company in exercising the powers permitted by this schedule or clause 6 of this Constitution;
- (iv) if the Affected Shareholder does not sell the Affected Shares in accordance with paragraph (b)(ii) of this clause:
 - (A) the Company must arrange for the sale of the Affected Shares to a person who meets the requirements of clause 1 of schedule 3 to this Constitution;
 - (B) the Affected Shareholder will be deemed to have authorised the Company to act on behalf of the Affected Shareholder in relation to the sale of the Affected Shares and to sign all documents which may be required to effect any such sale;
 - (C) the net proceeds of the sale must be held on trust by the Company for, and be paid (after deduction of the amounts referred to in paragraph (b)(iv)(D) of this clause to, the Affected Shareholder on surrender of the certificate (if any) relating to the Affected Shares; and
 - (D) the Company may deduct from the proceeds of sale any costs of sale and any other costs incurred by the Company in exercising the powers permitted by this schedule or clause 6 of this Constitution.
- (c) Neither the Company nor any Director will have any liability to the Affected Shareholder for or in connection with the exercise or purported exercise of any of the powers permitted by, or otherwise in connection with the provisions of, this clause.

Schedule 3:

Provisions governing transfers of Shares

1. Transfers of Shares restricted

- (a) Subject to paragraph (d) of this clause, no transfer of Shares may take place if:
 - (i) the transfer is to a person who is not a Grower or Employee; or
 - (ii) the transfer of Shares, whether alone or with any other transfer of Shares, would result in the transferee (together with its Associated Persons) holding, or otherwise holding a Relevant Interest in, more than five per cent., in number (or, in the case of the Managing Director, a Relevant Interest in more than fifteen per cent., in number), of the Total Shares as at the date of the transfer.
- (b) Subject to paragraph (d) of this clause, in respect of every transfer of Shares, the transferee (or each transferee if more than one) must deliver to the Company (together with the instrument of transfer for those Shares), such information as is required by the Company in the circumstances, in the form required by the Company, to satisfy the Company that the transfer will not cause the contravention of clause 3.1. For the avoidance of doubt, such information may include a statutory declaration in the form set out in Schedule 5.
- (c) The Board may in its absolute discretion refuse or delay the registration of any transfer (if it is able to do so) if the transfer is in breach of this clause or the Board has reasonable grounds to believe that the transfer may be in breach of this clause. If the Board refuses to register, or delays registration of, a transfer under this paragraph it must give notice of the same in accordance with clause 13.3 of this Constitution as if the power had been exercised under that clause.

2. Transfers of Shares registered in breach

- (a) If a transfer of Shares to a person (for the purposes of this clause, the **Affected Shareholder**) is registered in breach of clause 1 of this schedule:
 - (i) no vote may be cast in respect of the Shares transferred to the Affected Shareholder in breach of that clause (the **Affected Shares**) on any matter arising for determination at any meeting of Shareholders, and any vote cast at any such meeting is to be disregarded;
 - (ii) notwithstanding any other provision of this Constitution, the Affected Shares have no Distribution Rights;
 - (iii) the Affected Shares are to be sold in accordance with paragraph (b) of this clause; and
 - (iv) the Company will have a lien on the Affected Shares for any costs incurred by it in exercising the powers permitted by this schedule.
- (b) The Affected Shares must be sold in accordance with the following:
 - (i) immediately upon becoming aware that an Affected Shareholder holds Affected Shares, the Company must give the Affected Shareholder:

- (A) six months' notice, if the Board determines at its sole discretion that the breach was inadvertent; or
- (B) three months' notice, in any other case,

of its intention to sell the Affected Shares;

- (ii) during the applicable notice period, the Affected Shareholder may sell the Affected Shares to a person who meets the requirements of clause 1 of this schedule;
- (iii) if the Affected Shareholder sells the Affected Shares in accordance with paragraph (b)(ii) of this clause, the Affected Shareholder must pay to the Company any costs incurred by the Company in exercising the powers permitted by this clause;
- (iv) if the Affected Shareholder does not sell the Affected Shares in accordance with paragraph (b)(ii) of this clause:
 - (A) the Company must arrange for the sale of the Affected Shares to a person who meets the requirements of clause 1 of this schedule;
 - (B) the Affected Shareholder will be deemed to have authorised the Company to act on behalf of the Affected Shareholder in relation to the sale of the Affected Shares and to sign all documents which may be required to effect any such sale;
 - (C) the net proceeds of the sale must be held on trust by the Company for, and be paid (after deduction of the amounts referred to in paragraph (b)(iv)(D) of this clause) to, the Affected Shareholder on surrender of the certificate (if any) relating to the Affected Shares; and
 - (D) the Company may deduct from the proceeds of sale any costs of sale and any other costs incurred by the Company in exercising the powers permitted by this clause.
- (c) Neither the Company nor any Director will have any liability to the Affected Shareholder for or in connection with the exercise or purported exercise of any of the powers permitted by, or otherwise in connection with the provisions of, this clause.

Schedule 4:

Declaration relating to Share issues

Date: [Date]

From: [Name]
[Address]

To: Merino Growers Investments Limited
[Address]

Attention: [Name]

DECLARATION OF SHARE ISSUE

This is a declaration pursuant to schedule 2 to the constitution of Merino Grower Investments Limited. Terms and expressions defined or construed in that constitution have the same meanings and constructions when used in this declaration.

This declaration relates to the issue of [#] Shares by the Company to [Name] on [Date] (the Issue).

I, [Name], on behalf of [Name of company], [of [residence], [occupation]] solemnly and sincerely declare that:

1. [I am/[Name of company] is] a Grower or Employee or [I/[Name of company]] was an Initial Shareholder;
2. the following persons are Associated Persons of [mine/[Name of company]] who hold Shares in which [I/[Name of company]] hold[s] a Relevant Interest in:
 - [name of Associated Person];
 - [name of Associated Person]; and
 - [name of Associated Person];
3. immediately prior to the Issue, [I/[Name of company]], [together with [my/its] Associated Persons], hold[s] [#] Shares; and
4. immediately prior to the Issue, [I/[Name of company]], [together with [my/its] Associated Persons], hold[s] a Relevant Interest in [#] Shares.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Signed by or on behalf of [Name]

Declared at this [**day**] day of [**month**] [**year**]

J. S., Justice of the Peace.

(Or other person authorised to take a statutory declaration.)

Schedule 5:

Declaration relating to the transfer of Shares

Date: [Date]

From: [Name]
[Address]

To: Merino Grower Investments Limited
[Address]

Attention: [Name]

DECLARATION

This is a declaration pursuant to schedule 3 to the constitution of Merino Grower Investments Limited. Terms and expressions defined or construed in that constitution have the same meanings and constructions when used in this declaration.

This declaration relates to the transfer of [#] Shares from [Name of transferor] to [Name of Transferee] on [Date] (the Transfer).

I, [Name], on behalf of [Name of company], [of [residence], [occupation]] solemnly and sincerely declare that:

1. [I am/[Name of company] is] a Grower or Employee;
2. the following persons are Associated Persons of [mine/[Name of company]] who hold Shares in which [I/[Name of company]] hold[s] a Relevant Interest in:
 - [name of Associated Person];
 - [name of Associated Person]; and
 - [name of Associated Person];
3. immediately prior to the Transfer, [I/[Name of company]] [together with [my/its] Associated Persons] hold[s] [#] Shares;
4. immediately prior to the Transfer, [I/[Name of company]] [together with [my/its] Associated Persons] hold[s] a Relevant Interest in [#] Shares (and of any other transfers of Shares to [me/[Name of company]] being registered contemporaneously with the Transfer); and
5. immediately after registration of the Transfer (and of any other transfers of Shares to [me/[Name of company]] being registered contemporaneously with the Transfer), [I/[Name of company]] [together with [my/its] Associated Persons] hold[s], or hold[s] a Relevant Interest in, [#] Shares.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Signed by or on behalf of [**Name**]

Declared at this [**day**] day of [**month**] [**year**]

J. S., Justice of the Peace.

(Or other person authorised to take a statutory declaration.)

Schedule 6 :

Declaration relating to holding of Shares

Date: [Date]

From: [Name]
[Address]

To: Merino Grower Investments Limited
[Address]

Attention: [Name]

DECLARATION OF HOLDING OF SHARES

This is a declaration pursuant to clause 3.2(a) of the constitution of Merino Grower Investments Limited. Terms and expressions defined in that constitution have the same meanings when used in this declaration.

I, [Name], on behalf of [Name of company], [of [residence], [occupation]] solemnly and sincerely declare that[, as at the date of this declaration]:

1. [I am/[Name of company] is] a Grower or Employee or [I/[Name of company]] was an Initial Shareholder;
2. the following persons are Associated Persons of [mine/[Name of company]] who hold Shares in which [I/[Name of company]] hold[s] a Relevant Interest in:
 - [name of Associated Person];
 - [name of Associated Person]; and
 - [name of Associated Person];
3. [I/[Name of company]], [together with [my/its] Associated Persons], hold[s] [#] Shares; and
4. [I/[Name of company]], [together with [my/its] Associated Persons], hold[s] a Relevant Interest in [#] Shares.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Signed by or on behalf of [Name]

Declared at this [day] day of [month] [year]

J. S., Justice of the Peace.

(Or other person authorised to take a statutory declaration.)

Schedule 7:

Proxy Form

Merino Grower Investments Limited

Appointment of Proxy

(Clause 22 of constitution of Merino Grower Investments Limited)

I/We (full name) _____

of (full address) _____

being a shareholder/shareholders of Merino Grower Investments Limited (the **Company**)

appoint (full name) _____

of (full address) _____

or failing him/her (full name) _____

of (full address) _____

as my/our proxy to vote for me/us on my/our behalf at the annual/special] meeting of the Company to be held on [insert date] and at any adjournment thereof.

Please indicate with a mark in the appropriate box how you wish your vote to be cast.

Unless otherwise directed as below, my/our proxy may vote as he or she thinks fit, or abstain from voting.

	Business	Vote	
		For	Against
A.	Transaction Heading: [insert text]	<input type="checkbox"/>	<input type="checkbox"/>
B.	Transaction Heading: [insert text]	<input type="checkbox"/>	<input type="checkbox"/>
C.	Transaction Heading: [insert text]	<input type="checkbox"/>	<input type="checkbox"/>

Dated

Signed
[Name Shareholder]
by:
