

Charitable Trust Deed

THE HORORATA COMMUNITY TRUST

CHRISTCHURCH

NELSON

WELLINGTON

AUCKLAND

SYDNEY

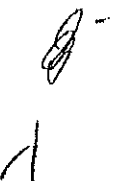


Table of Contents

Parties..... 1

Background..... 1

Trust Deed..... 1

1. Name..... 1

2. Structure of the Trust 1

3. Office..... 1

4. Purposes 1

5. Registration 2

6. Incorporation 2

7. Constitution of the Board 2

8. Vacancies on the Board 3

9. Proceedings of the Board 4

10. Proceedings of the Board not affected by irregularities 4

11. Powers..... 5

12. Income, benefit or advantage to be applied to charitable purposes 6

13. Accounts 7

14. Power to delegate 7

15. Common Seal 7

16. Investment and management..... 7

17. Professional Trustees..... 7

18. Dissolution 8

19. Modification 8

20. Conflict of Interest between Board member and Trust..... 8

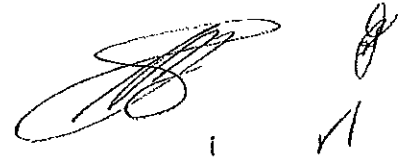
21. Financial Year 8

22. Members of the Board not personally liable 8

23. Indemnity of members of the Board 8

24. Interpretation..... 9

Execution 10

Handwritten signatures and initials in the bottom right corner of the page.

THIS DEED is made the 24th day of March 2011

PARTIES

MARK JAMES STEWART of Windwhistle, Company Director

OLIVE JEAN WEBB of Hororata, Clinical Psychologist

RICHARD STIRLING THOMSON LANG of Christchurch, Solicitor

("the First Trustees")

BACKGROUND

- A. The parties to this Deed wish to establish a charitable trust ("the Trust") for the purposes described in clause 4 of this Deed.
- B. The parties to this Deed have agreed to enter into this Deed specifying the purposes of the Trust and providing for its control and government.

TRUST DEED

1. Name

- 1.1 The name of the Trust will be The Hororata Community Trust.
- 1.2 The Board shall have the power to amend or change the name of the Trust by unanimous resolution.

2. Structure of the Trust

- 2.1 The Trust will be administered by the Board which shall be comprised initially of the First Trustees together with any other Trustees who shall be appointed and hold office as Trustees from time to time in accordance with the provisions of this Deed ("the Board").

3. Office

- 3.1 The office of the Trust will be in such place in Christchurch or elsewhere in New Zealand as the Board may determine.

4. Objects and Purposes

- 4.1 The objects and purposes of the Trust are as follows:
 - 4.1.1 To apply the capital and income of the Trust to any charitable purposes within New Zealand which are from time to time selected by the Board and are valid charitable purposes.
 - 4.1.2 Without limiting the generality of the foregoing, to apply the capital and income of the Trust to the following charitable purposes:

- 4.1.2.1 Assisting in the repair, rebuilding, and restoration of any buildings, structures, facilities, and places in and around Hororata (including but not limited to St John's Hororata Anglican Church, the Hororata Domain Reserve, and the Hororata Community Hall) which in the opinion of the Board have importance from a religious, community, and/or heritage perspective, following the damage to such buildings, structures, facilities, and places caused by the Canterbury Earthquake of 4 September 2010 and its subsequent aftershocks;
- 4.1.2.2 Maintaining, repairing, improving, or assisting with the maintenance, repair, or improvement of existing buildings, structures, facilities, or places for use for projects or services intended to benefit the local Hororata and wider community (notwithstanding that such buildings, structures, facilities or places may also be available for use by other groups);
- 4.1.2.3 Establishing or providing or assisting with the establishment or provision of new buildings, structures, facilities, or places for use for projects or services intended to benefit the local Hororata and wider community (notwithstanding that such buildings, structures, or facilities may also be available for use by other groups);
- 4.1.2.4 Providing or implementing, or assisting in the provision or implementation of projects or services intended to benefit the local Hororata and wider community (notwithstanding that such projects or services may also benefit other groups);
- 4.1.2.5 Benefitting, serving, and meeting the needs of the local Hororata community generally;
- 4.1.3 To do all such other acts and things as are incidental or conducive to the attainment of the above objects.

5. Registration

- 5.1 Immediately following execution of this Deed the Board will register the Trust under The Charities Act 2005.

6. Incorporation

- 6.1 The Board is empowered to seek incorporation in accordance with the provisions of The Charitable Trusts Act 1957.

7. Constitution of the Board

- 7.1 The Trust will be administered by a Board of Trustees consisting of not less than three (3) persons and not more than six (6) persons, to be known as Trustees ("the Trustees").
- 7.2 The First Trustees, who are the signatories, will hold the office of Trustees until they retire or vacate office as provided in this Deed.
- 7.3 Within six (6) months of the end of each financial year of the Trust there will be a meeting of the Board ("the Annual Meeting") to review the accounts and activities of the Trust for

Handwritten signature and initials in the bottom right corner of the page.

the preceding year and to elect or re-elect Trustees to the Board to fill vacancies (if any) as set out in this Deed. For the avoidance of doubt, and without limitation to clauses 7.6, 7.8, and 7.9, nothing in this Deed obliges the Board to have more than the minimum number of Trustees specified in clause 7.1 of this Deed.

7.4 No person shall be eligible for election (including, for the avoidance of doubt, re-election) at any Annual Meeting to the office of Trustee unless:

7.4.1 That person is already a Trustee at the date of that Annual Meeting and has provided notice of his or her willingness to be elected as a Trustee in accordance with clause 7.4.3.2 or confirms his or her willingness to be elected as a Trustee at that Annual Meeting; or

7.4.2 That person has been nominated for election as a Trustee by at least two (2) Trustees in accordance with clause 7.4.3.1 and has provided notice of his or her willingness to be elected as a Trustee in accordance with clause 7.4.3.2; and

7.4.3 Where required by clauses 7.4.1 or 7.4.2, at some time after the close of the preceding financial year and not less than fourteen (14) days before the date appointed for the Annual Meeting there has been given to or left at the registered office of the Trust:

7.4.3.1 Notice in writing given by the nominating Trustees referred to in clause 7.4.2 of this deed (which such Trustees must be fully qualified to attend and vote at the Annual Meeting for which the notice is given), nominating that person for election as a Trustee; and

7.4.3.2 Notice in writing of that person's willingness to be elected as a Trustee referred to in clause 7.4.1 and 7.4.2 of this Deed;

Provided that for the avoidance of doubt, it shall not be necessary to hold an election to appoint Trustees to the Board at the Annual Meeting unless there are vacancies in the Board that are required to be filled.

7.5 Notice of every valid nomination for the office of Trustee shall be included in the notice of such Annual Meeting.

7.6 The Board may from time to time by ordinary resolution increase or reduce the number of Trustees PROVIDED THAT the number of Trustees shall not be reduced to less than three (3).

7.7 A Trustee may resign from office by fourteen (14) days' notice to that effect left at the registered office of the Trust.

7.8 In the event of there being a vacancy in the number of Trustees of the full Board the Trustees at any Special Meeting or Annual Meeting may appoint a suitable person to fill such vacancy.

7.9 Trustees for the time being may exercise the power conferred by clause 7.8 notwithstanding the number of Trustees may be less than three (3).

8. Vacancies on the Board

8.1 The office of any Trustee shall be vacated if the Trustee:

8.1.1 Becomes bankrupt; or

- 8.1.2 Becomes of unsound mind or a protected person under the Protection and Personal Property Rights Act 1988; or
- 8.1.3 Resigns his or her office by notice in writing to the Board; or
- 8.1.4 Is convicted of an indictable offence; or
- 8.1.5 Is absent without leave for three consecutive meetings of the Board; or
- 8.1.6 Is required to resign by notice in writing signed by not less than three-quarters of the other members of the Board and given to the Trustee so required to resign; or
- 8.1.7 Dies.

9. Proceedings of the Board

- 9.1 The Board shall meet at such times and places as it determines (either physically, telephonically or electronically) and shall elect a chairperson from amongst its members at its first meeting and at each Annual Meeting.
- 9.2 The chairperson, elected by members of the Board for term expiring at the end of the next Annual Meeting, renewable, shall preside at all meetings of the Board at which he or she is present. In the absence of the chairperson from any meeting the members present shall appoint one of their number to preside at that meeting. The chairperson shall not have a casting vote.
- 9.3 At any meeting of the Board a majority of Trustees shall form a quorum. No business shall be transacted unless a quorum is present.
- 9.4 The Board shall endeavour to decide all questions before the Board by unanimous resolution. However, where a unanimous resolution cannot be reached on a question it shall, unless otherwise specified in this Deed, be put as a motion to be decided by a majority of votes.
- 9.5 Minutes shall be kept of all Board meetings which shall be available for inspection by Board members at reasonable times.
- 9.6 A Special Meeting of the Board may at any time be called by the Chairperson and the Chairperson shall call a Special Meeting whenever requested to do so in writing by two (2) members of the Board; provided that not less than seven (7) clear days' notice of every Special Meeting and the business to be transacted shall be given to each member for the time being in New Zealand, unless waived by all Board members, and no business other than that specified in the notice shall be transacted at any such Special Meeting.
- 9.7 Subject to the provisions of this Deed the Board may regulate its own proceedings in such manner as it thinks fit.

10. Proceedings of the Board not affected by irregularities

- 10.1 No act or proceeding of the Board or of any committee thereof or any person acting as a member of the Board shall be invalidated in consequence of there being a vacancy in the membership at the time of that act or proceeding or of the subsequent discovery that there was some defect in the entitlement of any person so acting to be a Board member or that he was incapable of being or had ceased to be such a member.

11. Powers

11.1 In addition to the powers implied by the general law of New Zealand or contained in the Trustee Act 1956 or any replacement legislation and in achieving the Trust's charitable purposes and without in any way limiting or modifying any of the powers and discretions contained in this Deed, the Board shall have all the powers of a natural person to do all things required in pursuance of the Trust's objects, including but not limited to, the following powers and discretions:

- 11.1.1 To use the capital and income of the Trust as the Board thinks necessary or proper in payment of the costs and expenses of the Trust, including the employment of professional advisers, agents, officers and staff as appears necessary or expedient;
- 11.1.2 To pay for any Trustees' and officers' insurance cover taken out by the Board from time to time;
- 11.1.3 To purchase, take on lease or in exchange or hire or otherwise acquire any real or personal property and any rights or privileges which the Board thinks necessary or expedient for the purpose of attaining the objects of the Trust, and to sell, exchange, bail or lease, with or without option of purchase, or in any manner dispose of any such property, rights or privileges as aforesaid;
- 11.1.4 To expend moneys, capital or income in the construction, demolition, improvement, alteration, repair, rebuilding, restoration, maintaining and insuring of any buildings and other erections or improvements on any land (whether owned or leased by the Trust or otherwise) or any other assets;
- 11.1.5 To acquire by gift purchase or otherwise any property both real and personal of whatsoever kind and whatsoever nature and to sell, call in and convert into money such parts thereof as shall not consist of money with power to postpone the sale calling in and conversion of any part thereof for so long as the Trustees shall think fit notwithstanding that it may be of a terminable or wearing out nature or may consist of a hazardous investment.
- 11.1.6 To carry on any business or common enterprise that the Trustees in their absolute discretion consider to be desirable for the furtherance of the objects of the Trusts herein;
- 11.1.7 To invest surplus funds in any way permitted by law for the investment of trust funds and upon such terms as the Board thinks fit;
- 11.1.8 To borrow or raise money from time to time with or without security and upon such terms as to priority and otherwise as the Board thinks fit;
- 11.1.9 To guarantee or indemnify any company, firm or person against debt or liability if incurred or undertaken on behalf of the Trust and against any costs, losses or expenses if in connection with the affairs of the Trust and in connection with the foregoing and to charge the assets of the Trust.
- 11.1.10 To sell or lease all or any part of the real or personal property comprising the Trust's assets either by public auction or private contract or in such manner and subject to such terms and conditions as the Board in its absolute discretion thinks fit with power to allow the whole or any part of the purchase money to remain on mortgage of the property sold and with power to buy in or rescind and vary contracts for sale and resell without responsibility for loss and with further power should the purchaser be a limited liability company or a trustee for the

same to accept either in full or part satisfaction of the purchase money such preferred or ordinary shares whether wholly or partially paid up or wholly contributory debentures debenture stock bonds or other securities of such company as the Board shall think fit;

- 11.1.11 To determine whether any money shall for the purposes of these presents be considered as capital or income and out of what part of the Trust and whether out of income or capital and any expenses or outgoings shall be borne and to accumulate capital and income and to determine all questions and matters of doubt arising in the execution of the trusts hereof;
- 11.1.12 To mediate, compromise or refer to arbitration any actions proceedings disputes claims or demands and to settle accounts and to execute releases without responsibility for loss;
- 11.1.13 To promote or join in promoting any religious, charitable, educational or cultural institution or any public or private company which may be seen by the Trustees as an appropriate vehicle for fulfilling the objects of the Trusts herein.
- 11.1.14 To seek and secure from the Government of New Zealand and local bodies and from other interested individuals or organisations recognition and financial support for carrying out the objects of the Trust herein.
- 11.1.15 To make appeals, receive legacies, grants, donations and gifts whether in cash or in kind for the purpose of establishing or augmenting the capital of the Trust fund.
- 11.1.16 To make gifts or loans to such organisations having objects similar to those set out herein.
- 11.1.17 To provide financial support or other assistance to persons engaged in matters directly or indirectly beneficial to or related to the objects of the Trust herein.
- 11.1.18 To do all things as may from time to time appear desirable to enable the Board to give effect to and to attain the charitable purposes of the Trust.
- 11.2 Pursuant to clause 11.1.1 the Board may employ as agents, officers, or staff, persons who are members of the Board.
- 11.3 Board may make provision for the appointment, term, retirement and replacement of such members of an Advisory Board as the Board may determine PROVIDED THAT no Advisory Board member shall form part of the Board or be authorised to exercise any of the powers or functions of a Board member.
12. Income, benefit or advantage to be applied to charitable purposes
- 12.1 All income, benefit or advantage shall be applied for the charitable purposes of the Trust.
- 12.2 No member or person associated with a member of the Board shall derive any income, benefit or advantage from the Trust where they can materially influence the payment of the income, benefit or advantage except where that income, benefit or advantage is derived from:
- 12.2.1 Professional services to the Trust rendered in the course of business charged at no greater rate than current market rates; or

12.2.2 Interest on money lent at no greater rate than current market rates.

13. Accounts

13.1 The Board shall keep true and fair accounts of all money received and expended.

14. Power to Delegate

14.1 The Board may from time to time appoint any committee and may delegate in writing any of its powers and duties to any such committee or to any person, and the committee or person as the case may be, may without confirmation by the Board exercise or perform the delegated powers or duties in like manner and with the same effect as the Board could itself have exercised or performed them.

14.2 Any committee or person to whom the Board has delegated powers or duties shall be bound by the charitable terms of the Trust.

14.3 Every such delegation shall be revocable at will, and no such delegation shall prevent the exercise of any power or the performance of any duty by the Board.

14.4 It shall not be necessary that any person who is appointed to be a member of any such committee, or to whom any such delegation is made, be a member of the Board.

15. Common Seal

15.1 The Board shall have a Common Seal which shall be used only as directed by the Board. The Common Seal will be affixed to documents only in the presence of and accompanied by the signatures of not less than two members of the Board.

16. Investment and management

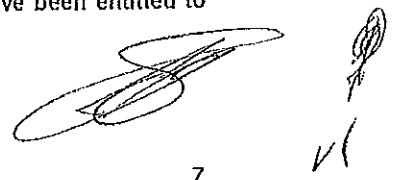
16.1 The investment and management of the assets and funds of the Trust will be at the sole discretion of the Board limited only by the terms hereof PROVIDED THAT no benefit or advantage of the kind referred to in sections CW42(1)(c) and CW43(3)-(8) of the Income Tax Act 2007 will be derived by or paid to any person referred to in those sections except as therein exempted from the application of that section.

16.2 The Trustees may exercise any power or discretion notwithstanding that any act or omission by the Trustees in the exercise of that power would be contrary to the principles governing the investment of trust funds set out in the Trustee Act 1956; and this clause expresses a "contrary intention" for the purposes of section 13D of that Act.

16.3 The Trustees shall not be obliged to hold a diversified investment portfolio nor to employ a diversified investment strategy, and without in any way limiting the foregoing the Trustees may hold any property received by the Trustees for such period as they think fit.

17. Professional Trustees

17.1 Subject to clause 16.1, any person who may be a Board member hereof shall be entitled to make and receive all such professional and other charges for work done in relation to the administration or execution of the Trust as he or she would have been entitled to make or receive if he or she had not been a Board member.



18. Dissolution

18.1 The Trust may be wound up if the Board decides that its objectives have been or can no longer practically be achieved or that dissolution is for any other reason desirable. Should the Trust be dissolved in accordance with this clause then any moneys and property remaining after the due settlement of the affairs of the Trust and the payment of all debts and claims shall be paid over or distributed to one or more organisations approved by the Board as having charitable objects similar to those set out herein, or, if the Board is unable to make such decision, shall be disposed of in accordance with the directions of the High Court pursuant to section 27 of the Charitable Trusts Act 1957.

19. Modification

19.1 The Board may at any time, resolve to alter, modify, vary or add to this Deed by a resolution approved by not less than three-quarters of the members of the Board PROVIDED THAT no such alteration, modification, variation or addition shall be made if its nature or effect would be such as to:

19.1.1 Derogate from the exclusive charitable nature of the Trust; or

19.1.2 Result in the distribution of its assets on winding up or dissolution for any purpose that is not exclusively charitable.

20. Conflict of Interest between Board member and Trust

20.1 The members of the Board are entitled to act and exercise all their powers notwithstanding that they or some or any one of them:

20.1.1 Are or may become associated with any other person, trust, unincorporated body or corporation with which the Trust deals in any way or in which the Trust has an interest of any kind; or

20.1.2 Has an interest or duty in any particular matter that may conflict with their duty to the Trust, or to the beneficiaries of the Trust

PROVIDED THAT such association or interest is declared by that member and noted in the records of the Board.

21. Financial Year

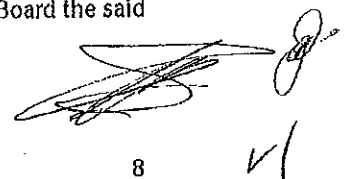
21.1 Unless the Board shall determine otherwise the financial year for the Trust shall run from 1 April in any year to 31 March in the following year.

22. Members of the Board not personally liable

22.1 No member officer or servant of the Board shall be personally liable for any act or default done or made by the Board or by any member officer or servant thereof in good faith in the course of the operation of the Board or Trust.

23. Indemnity of members of the Board

23.1 Without prejudice to the right of indemnity by law given to members of the Board the said members are entitled to be indemnified out of the funds of the Trust:



- 23.1.1 In respect of all liabilities and expenses incurred by them:
- 23.1.1.1 In the execution or purported execution of the trusts hereof; or
 - 23.1.1.2 In the exercise of any powers authorities or discretions vested in them pursuant to this Deed;
- 23.1.2 Against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted or in anyway relating to the Trust, other than a claim arising out of:
- 23.1.2.1 A wilful, fraudulent or dishonest default; or
 - 23.1.2.2 A wilful, fraudulent or dishonest breach of trust.
- 23.2 The Board may retain and pay out of the funds belonging to the Trust all sums necessary to effect this indemnity.
- 23.3 The members of the Board will have a charge on the funds belonging to the Trust for all moneys payable to them under clause 23 or otherwise howsoever arising out of and in connection with the Trust.
24. Interpretation
- 24.1 In this Deed, unless the context otherwise requires:
- 24.1.1 Section, clause and other headings are for convenience only and will not affect the interpretation of this Deed;
 - 24.1.2 One gender includes the other gender;
 - 24.1.3 Singular will include plural and vice versa;
 - 24.1.4 Where any term defined in this Deed takes a different form for reasons of grammar, the different form has a corresponding meaning;
 - 24.1.5 References to a statute include references to regulations, orders or notices made under or pursuant to such statute and references to a statute or regulation include references to all amendments to that statute or regulation whether by subsequent statute or otherwise and the statute or regulation passed in substitution for the statute or regulation referred to, or incorporating any of its provisions;
 - 24.1.6 Reference to any document includes reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented, or replaced from time to time; and
 - 24.1.7 The words "written" and "in writing" included any means of reproducing words, figures or symbols in a tangible and visible form.