









TE RUNANGANUI O NGATI POROU TRUST DEED AMENDMENTS – MĀORI FISHERIES ACT 2004

Change	Reasoning
Replacing references to 'income shares' with references to 'ordinary shares'.	The term 'income share' is being replaced by 'ordinary share' throughout the Māori Fisheries Act 2004 ("MFA"). Both terms refer to shares in Aotearoa Fisheries Limited which are held by mandated iwi organisations like TRONP.
Clarifying that a special resolution of Ngati Porou members is required to make any amendments to the TRONP Trust Deed ("Trust Deed") which relate to matters covered by the MFA.	<p>Presently, the Trust Deed provides exceptions to the requirement that amendments to the Trust Deed must be approved by special resolutions of Ngati Porou members. Those exceptions cover amendments relating to updates to legislation referred to in the Trust Deed and amendments made to correct any mistakes in the Trust Deed.</p> <p>Section 18 of the MFA clarifies that amendments to the Trust Deed which relate to matters provided for under that Act must be passed by Ngati Porou resolving at a general meeting of TRONP that the change is for the collective benefit of all members of the iwi.</p> <p>Accordingly, the Trust Deed should be amended to make clear that the exceptions to the special resolution requirement cannot be relied upon if the amendments relate to matters provided for under the MFA.</p>
Removal of certain private notice requirements.	<p>Amendments to the MFA are removing the requirements to give private notice to iwi members when disposing of (e.g. selling) settlement quota or income/ordinary shares.</p> <p>Such shares and quota are automatically classed as heritage assets under the Trust Deed, which cannot be sold. To remove heritage status, a special resolution of Ngati Porou members is required. An SGM is required for such special resolutions. The Trust Deed sets out the notice requirements for SGMs, so the private notice requirements relating to settlement quota or income/ordinary shares are unnecessary given the removal of those requirements from the MFA.</p>
Rules for sale of settlement quota.	<p>The MFA has been amended so that the TRONP Trust Deed must set out:</p> <p>(a) The types of circumstances in which TRONP may authorise sales of settlement quota—</p> <ul style="list-style-type: none"> (i) by TRONP; or (ii) by an asset-holding company, or by a subsidiary of an asset-holding company, that is owned by TRONP; and <p>(b) The process for approval, by TRONP, of those sales.</p> <p>Also, section 162 of the MFA is being replaced. Previously, 162 set out the procedure for an organisation like TRONP to sell settlement quota, including by taking the matter to an iwi vote. Post-amendment, section 162 will instead allow TRONP to sell settlement quota if permitted by the Trust Deed, as long as the transaction complies with the requirements of the Trust Deed.</p> <p>This means a mechanism for selling settlement quota should be inserted into the Trust Deed. Members of Ngati Porou would still need to vote to remove the heritage status from any settlement quota before it could be sold.</p>
Rules for sale of ordinary shares.	<p>The MFA is being amended to require that ordinary shares may only be disposed of (e.g. sold) in accordance with the constitution of Aotearoa Fisheries Limited. The AFL constitution has not been updated to set out that process at the date of this document, however.</p> <p>A new clause should be inserted into the Trust Deed confirming that, in addition to whichever process is later set out in the AFL constitution, TRONP must still seek a vote from Ngati Porou members to remove the heritage status of any ordinary shares before they are sold.</p>

TE RUNANGANUI O NGATI POROU TRUST DEED AMENDMENTS – MĀORI FISHERIES ACT 2004 – CHANGES

Key	 An amendment to the Trust Deed is strongly recommended
	 An amendment to the Trust Deed would be highly desirable for best practice

Subject	Clause in TRONP Trust Deed		Brief Explanation	Suggested Change
Income shares become ordinary shares	12.1(d)(vi)		The term 'income share' is being replaced by 'ordinary share' throughout the MFA.	Change 'Income Shares' to 'Ordinary Shares'.
Trust Deed amendments relating to MFA	23.3		The MFA requires a proposal to amend the Trust Deed in a way that relates to matters provided for under the MFA must be resolved by the iwi at a general meeting.	Insert the words: " <i>which does not relate to matters provided for, by, or under the Maori Fisheries Act 2004</i> " into clause 23.3 to make clear that Special Resolution of Members is required to amend the Trust Deed if the amendments relate to the MFA.
Income shares become ordinary shares	30.1		The term 'income share' is being replaced by 'ordinary share' throughout the MFA.	Change 'Income Shares' to 'Ordinary Shares' in definition of 'Fisheries Settlement Assets'. Delete definition of 'Income Shares'. Insert definition of 'Ordinary Shares'.
Changes to private notice requirements in the MFA	Fourth Schedule – Rule 2.1(b)		Once the Māori Fisheries Amendment Act 2024 comes into force, the MFA will no longer require 'private notice' to be sent to iwi members in relation to proposals to dispose of income shares or settlement quota. Settlement quota and income / ordinary shares automatically become heritage assets under the Trust Deed, which can't be sold. To remove heritage status requires a Special Resolution of Members, which has its own notice procedure without the MFA private notice one.	Delete rule 2.1(b) of the Fourth Schedule.
Income shares become ordinary shares	Tenth Schedule – Rules 1 and 1.1		The term 'income share' is being replaced by 'ordinary share' throughout the MFA.	Change 'Income Shares' to 'Ordinary Shares' in rule 1 (and 1.1) of the Tenth Schedule.
Disposal of shares and settlement quota	Tenth Schedule – Rule 1.1		Sections 159 and 162 of the MFA will no longer give iwi members the right to vote in relation to proposals to dispose of income / ordinary shares or settlement quota. Ngati Porou members will retain voting rights under the Trust Deed in respect of any such proposals because income / ordinary shares and settlement quota are heritage assets. Section 70 is being made redundant (covering the disposal of income shares only and not dealing with ordinary shares). Section 172 is being repealed.	Delete the words: " <i>and any proposal in relation to the disposal of Income Shares under section 70 of the Maori Fisheries Act 2004 or in relation to the disposal of Settlement Quota under sections 159, 162 or 172 of the Maori Fisheries Act 2004 may only proceed if a Special Resolution of Members has been passed in accordance with the Fourth Schedule</i> " from rule 1.1 of the Tenth Schedule.

Income shares become ordinary shares	Tenth Schedule – Rule 3.2	!	The term ‘income share’ is being replaced by ‘ordinary share’ throughout the MFA.	Change ‘Income Shares’ to ‘Ordinary Shares’ in rule 1 (and 1.1) of the Tenth Schedule.
Changes to private notice requirements in the MFA	Tenth Schedule – Rules 4.1(a)(iii) and 4.1(a)(iv)	!	Once the Māori Fisheries Amendment Act 2024 comes into force, the MFA will no longer require ‘private notice’ to be sent to iwi members in relation to proposals to dispose of income shares or settlement quota. Settlement quota and income / ordinary shares automatically become heritage assets under the Trust Deed, which can’t be sold. To remove heritage status requires a Special Resolution of Members, which has its own notice procedure without the MFA private notice one.	Delete rule 2.1(b) of the Fourth Schedule.
Sale of settlement quota	Tenth Schedule – New rule 6	!	Section 17 of the MFA is being amended so that the TRONP Trust Deed must provide for the circumstances in which TRONP may authorise sales of settlement quota (itself or by its subsidiaries). Also, section 162 of the MFA is being replaced. This means a mechanism for selling settlement quota should be inserted into the Trust Deed. Members of Ngati Porou would still need to vote to remove the heritage status from any settlement quota before it could be sold.	Insert new rule 6 into the Tenth Schedule, reading:

7. DISPOSAL OF SETTLEMENT QUOTA

7.1 The Trustee may sell Settlement Quota, or authorise a Subsidiary to sell Settlement Quota, only if, before sale, the Trustee has:

- (a) notified the proposal to the Adult Members of Ngati Porou in accordance with *rule 5.2 of the Fourth Schedule*; and
- (b) obtained the prior approval of not less than 75% of the Adult Members of Ngati Porou who vote;
 - (i) at a Special General Meeting called for the purpose; or
 - (ii) by postal ballot.

7.2A notice given under *rule 6.1(a) of this Tenth Schedule* must specify:

- (a) the amount of Settlement Quota of the iwi affected by the proposal; and
- (b) the approximate proportion of the total value of the Settlement Quota that is affected by the proposal; and
- (c) a reasonable estimate of the likely market value of that Settlement Quota.


7.3 An approval obtained under *rule 6.1(b) of this Tenth Schedule* may give a power for the Trustee to sell:

- (a) specified Settlement Quota; or
- (b) Settlement Quota generally up to a specified limit that must not exceed 10% of the total value of the Settlement Quota held by the Ngati Porou Group; or
- (c) Settlement Quota approved for sale in accordance with a programme set out in the annual plan approved under kaupapa 11(c)(iii) of Schedule 7 of the Maori Fisheries Act 2004.

7.4 For transactions involving Settlement Quota, an approval obtained under *rule 6.1(b) of this Tenth Schedule* is valid from the date on which it is given:

- (a) for a term not exceeding 15 months; or
- (b) in the case of an approval of the kind referred to in *rule 6.3(b) of the Tenth Schedule*, for the term specified in the approval, which must not exceed 12 months.


7.5 The terms referred to in *rule 6.4 of this Tenth Schedule* do not limit the term of a transaction or series of transactions referred to in section 167 of the Maori Fisheries Act 2004.

Sale of settlement quota	Tenth Schedule – New rule 6	 <p>The MFA is being amended to require that ordinary shares are may only be sold in accordance with the constitution of Aotearoa Fisheries Limited, which has not yet been updated to set out that process. A new clause should be inserted into the Trust Deed confirming that, in addition to whichever process is later set out in the AFL constitution, TRONP must still seek a vote from Ngati Porou members to remove the heritage status of any ordinary shares before they are sold.</p>	Insert new rule 6 into the Tenth Schedule, reading:
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7. DISPOSAL OF ORDINARY SHARES

7.1 Ordinary Shares may be sold to an Asset-Holding Company, or a subsidiary of an Asset-Holding Company, of another Mandated Iwi Organisation, if:

- (a) Those Ordinary Shares are first declared by a Special Resolution of Members, passed in accordance with the Fourth Schedule, to no longer be classified as Heritage Assets; and
- (b) The sale is conducted accordance with the process established in the constitution of Aotearoa Fisheries Limited and the Maori Fisheries Act 2004.

Income shares become ordinary shares	Eleventh Schedule – Rule 4.1	 <p>The term 'income share' is being replaced by 'ordinary share' throughout the MFA.</p>	Change 'Income Shares' to 'Ordinary Shares' in rule 4.1 of the Eleventh Schedule.
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