

Dated

12 July

2010

DECLARATION OF TRUST

relating to

ROD DONALD BANKS PENINSULA TRUST
TE PATAKA O RAKAIHAUTU


Settlor

THE CHRISTCHURCH CITY COUNCIL

Trustees

THE PERSONS LISTED IN SCHEDULE 1

I, *Simon George Morthak*, certify that this document is a true and correct copy of the Declaration of Trust dated *12th July* 2010.


Certified at Christchurch this *12th* day of *July* 2010

BUDDLE FINDLAY

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DECLARATION OF TRUST

relating to

ROD DONALD BANKS PENINSULA TRUST TE PATAKA O RAKAIHAUTU

DATED

12 July

2010

PARTIES

- (1) THE CHRISTCHURCH CITY COUNCIL (the "Settlor")
- (2) THE PERSONS LISTED IN SCHEDULE 1 (the "Initial Trustees")

RECITALS

- A. The Settlor has paid an amount of \$1.00 to the Initial Trustees. The Trust Fund shall comprise the initial \$1.00 and any other money or property hereafter paid to or transferred to the Trustees with the direction that it be held on the trusts set out in this Deed.
- B. The Settlor and the Initial Trustees wish to enter into this Deed for the purpose of creating a charitable trust for the benefit of the present and future residents of the Region.
- C. The Initial Trustees wish to incorporate themselves as a Trust Board pursuant to Part II of the Charitable Trusts Act 1957.
- D. This Deed declares and constitutes the Trust, specifying its objects, and providing for its control, government and regulation.

IT IS DECLARED

1. GENERAL

- 1.1 In this Deed the following terms shall, where the context admits, have the following meanings:
 - (a) "**Concessionary Provisions**" means sections CW 41 (charities: non-business income), CX 25 (benefits provided by charitable organisations), DB 41 (gifts of money by company), DV 12 (Maori authorities: donations) and LD1 (credit in respect of gifts of money) of the Income Tax Act 2007 and section 73(1) of the Estate and Gift Duties Act 1968;
 - (b) "**Income**" means the income earned by the Trust, including donations and grants;
 - (c) "**Region**" means the area within the district administered by the Banks Peninsula District Council immediately prior to its amalgamation with the Christchurch City Council;

- (d) **“Trust”** means the charitable trust declared and constituted under this Deed;
 - (e) **“Trustees”** means the Trustees for the time being of the Trust (including the Initial Trustees); and
 - (f) **“Trust Fund”** means any money, investments or other property paid or given to or acquired by the Trustees after this Deed has been executed with the intention that it be held by the Trustees in accordance with the trusts and other provisions of this Deed.
- 1.2 In this Deed the following provisions shall apply:
- (a) references to clauses are to clauses of this Deed;
 - (b) references to schedules are to schedules in this Deed;
 - (c) references to this Deed include its schedules;
 - (d) references to the provisions of any Act shall be construed as a reference to those provisions as modified, extended or replaced by any statute for the time being in force;
 - (e) words importing the singular include the plural and vice versa;
 - (f) “including” and similar words do not imply any limitation;
 - (g) words importing one gender include the others; and
 - (h) the contents page and the headings to clauses are for convenience only and are not part of the content of this Deed.

2. ACKNOWLEDGMENT OF TRUST

- 2.1 The Settlor directs that the Trustees and the Trustees acknowledge that they have been directed, to hold the Trust Fund upon the trusts and with the powers set out in this Deed.

3. NAME OF TRUST

- 3.1 The Trust is known as the Rod Donald Banks Peninsula Trust but the Trustees may amend or change the name.

4. OBJECTS OF TRUST

- 4.1 The Settlor declares that the Trust is a trust for charitable purposes for the benefit of the present and future inhabitants of the Region and visitors to the Region and further declares and directs that the Trust Fund may be applied and used exclusively by the Trustees for the following general purposes within the Region (the **“Objects”**), namely:
- (a) to promote sustainable management and conservation (consistent with the purposes and principles of the Resource Management Act 1991 and the Conservation Act 1987 and any replacement legislation) of the natural environment in the Region;

- (b) to establish, support or facilitate environmental based projects that are focussed on:
 - (i) the maintenance and development of recreation facilities including parks, reserves, walkways and affordable camping grounds in the Region;
 - (ii) providing public access to recreation facilities including parks, reserves, walkways and affordable camping grounds in the Region;
 - (iii) the reinstatement and preservation of native vegetation in the Region;
 - (iv) the enhancement of the natural biodiversity of the Region;
 - (v) the restoration of the Region's waterways to their natural state; and
 - (vi) the protection of native endangered species present in the Region;
- (c) to establish, support or facilitate projects that are focussed on the protection, preservation and enhancement of areas of historical or cultural significance, or the built heritage of the Region;
- (d) to undertake or facilitate in any other way research projects or scientific enquiries to carry out the Objects;
- (e) to provide educational opportunities to further the public's understanding or enjoyment of the natural, historical and cultural qualities of the Region;
- (f) to commission or otherwise support research and monitor projects relating to the status and quality of the natural and physical environment throughout the Region;
- (g) to purchase or lease land to:
 - (i) carry out any improvements on land for the sustainable management of the environment or more general environmental or conservational purposes of the Trust,
 - (ii) provide facilities or opportunities for the educational purposes of the Trust;
- (h) to source and allocate funds for projects which support, promote or otherwise contribute to the Objects;
- (i) to seek the support and involvement of appropriate persons, organisations and agencies, (including the Settlor), and work alongside or collaboratively with such persons, organisations and agencies to carry out the Objects;
- (j) to hold seminars, tutorials and lectures within the Region and throughout Canterbury to demonstrate research relating to the objects, and to encourage the public to become involved with or to generally promote the aims and purposes of the Trust to the community;
- (k) to carry out any other charitable purpose which is capable of being carried out in connection with the Objects or may directly, or indirectly, advance the Objects;
- (l) to raise money and to seek, accept and receive gifts, donations, grants, endowments, legacies and bequests of money or in kind for the Objects; and

- (m) to do all such other acts and things that are incidental or conducive to the attainment of the Objects.

4.2 In pursuance of the Objects, the Trustees will have regard to:

- (a) the views of Te Hapu o Ngati Wheke (Rapaki), Te Runanga o Koukourarata, Wairewa Runanga, Te Taumutu Runanga and Onuku Runanga in respect of the value of the Region's Mana Whenua (Land), Mana Moana (Waterways) and Mana Tangata (People);
- (b) the potential for alignment between the activities of the Trust and any existing or future projects or initiatives of the Settlor;
- (c) whether other sources of funding or support are available, including assistance provided through industry or regional development policies and programmes of local authorities or central government;
- (d) the objectives, roles and activities of any other organisation engaged in similar activities in the Region; and
- (e) any other matters that they believe are relevant.

4.3 The Objects of the Trust are and shall be charitable and shall not include or extend to any matter or thing which is or shall be held or determined to be non-charitable. Any private benefit which is conferred on any individual or individuals must be incidental to the pursuit by the Trust of the Objects. The powers and purposes of the Trustees shall be restricted accordingly and limited to New Zealand.

4.4 Unless the context requires otherwise, none of the Objects will be deemed subsidiary or ancillary to any other Object and the Trustees may pursue any one or more of those Objects independently of the other Objects.

4.5 If as a result of any change in the law, including any change brought about by the enactment of new legislation or the amendment or repeal of existing legislation or by any change in the official interpretation or application of any such legislation, it is at any time necessary to modify the terms of this Deed in order to achieve or preserve the availability of any concession in relation to the Trust under any of the Concessionary Provisions, then notwithstanding clause 18, the terms of this Deed will at that time be deemed to be modified to the extent necessary, unless the Trustees have determined that eligibility for the benefit of a Concessionary Provision is not required in the best interests of pursuing the Objects.

5. POLICIES AND PROCEDURES OF TRUST

5.1 The Trustees will develop and will from time to time review and alter the policies and procedures which they will follow in administering the Trust and in particular in distributing the Trust Fund in order to pursue the Objects.

6. DONATIONS

- 6.1 The Trustees may accept any property that is donated to the Trust.
- 6.2 The Trustees must not accept any property subject to any condition that is inconsistent with the achievement of the Objects.
- 6.3 All property donated to the Trust will form part of the Trust Fund.

7. INVESTMENT OF TRUST FUND

- 7.1 The Trustees will invest any part of the Trust Fund which is not presently required for the pursuit of the Objects in accordance with the investment policies and guidelines set by the Trustees from time to time.

8. POWERS AND DISCRETIONS OF TRUSTEES

- 8.1 In addition to the powers, authorities and discretions vested in the Trustees by law or by this Deed, but subject to any specific or general prohibitions or restrictions on investment or trustee powers contained in this Deed, the Trustees in giving effect to the Objects in their discretion may at all times and from time to time exercise the fullest possible powers and authorities on such terms and conditions and in such manner and by such means as they think fit, as if they were the beneficial owners of the Trust Fund.
- 8.2 Without prejudice to the generality of clause 8.1, the Trustees have the powers set out in Schedule 2 and may in their discretion exercise any one or more of those powers in pursuit of the general administration of the Trust.

9. ELIGIBILITY FOR TAX CONCESSIONS

- 9.1 The Trustees must do all things necessary to ensure the availability of concessions in relation to the Trust under each of the Concessionary Provisions, unless in relation to any such provision the Trustees have determined that eligibility for the benefit of that provision is not required in the best interests of pursuing the Objects.
- 9.2 Without limiting the generality of clause 9.1, the things to be done under that clause include:
 - (a) maintaining registration with the Charities Commission under the Charities Act 2005; and
 - (b) complying with all relevant obligations under the Charities Act 2005, the Income Tax Act 2007, the Estate and Gift Duties Act 1968 and the Tax Administration Act 1994.

10. INCORPORATION

- 10.1 The Trustees will forthwith take all necessary steps to become incorporated under Part II of the Charitable Trusts Act 1957.

11. PECUNIARY PROFIT AND BENEFITS AND ADVANTAGES

- 11.1 No private pecuniary profit shall be made by any Trustee, except that (but subject to clause 11.3):
- (a) the Trustees may receive full reimbursement for all costs, charges and expenses properly incurred by the Trustees in connection with the affairs of the Trust; and
 - (b) the Trustees may receive (and may also pay to any person) reasonable and proper remuneration in return for services actually rendered to the Trust.
- 11.2 The Trustees, in determining all reimbursements, remuneration and charges payable in terms of this Deed, must ensure that the restrictions imposed by clause 11.3 are strictly observed.
- 11.3 Notwithstanding anything to the contrary in this Deed, no remuneration or benefit or advantage (regardless of whether it is convertible into money) or income of the kind referred to in section CW 42(1) of the Income Tax Act 2007 shall be paid or afforded to or received or gained or achieved or derived by any person if the payment of such income would deny the Trustees an exemption from tax or income derived by the Trustees from the carrying on of any business by, or for, or for the benefit of the Trustees, by reason of section CW 42(1)(b) of the Income Tax Act 2007.
- 11.4 A person who, in the course of and as part of the carrying on of his or her business of a professional public practice, renders professional services to the Trust, shall not, by reason only of his or her rendering professional services to the Trust, be in breach of clause 11.3.
- 11.5 Nothing expressed or implied in this Deed will permit the activities of the Trustees to be carried on for the private benefit of any person so as to affect:
- (a) the operation of the Trust for exclusively charitable purposes in accordance with New Zealand law and not for private profit; or
 - (b) the availability of any concession in relation to the Trust under any of the Concessionary Provisions, unless in relation to any such provision the Trustees have determined that eligibility for the benefit of that provision is not required in the best interests of pursuing the charitable purposes of the Trust.

12. TRUSTEES

- 12.1 The Initial Trustees are the first Trustees of the Trust.
- 12.2 The provisions of this Deed dealing with the number, appointment, payment and cessation of office of the Trustees are set out in Schedule 3.
- 12.3 The provisions relating to meetings of the Trustees are set out in Schedule 4.

13. INTERESTED TRUSTEES

- 13.1 A conflict of interest exists for a Trustee whenever a Trustee, whether directly or indirectly, has a material interest in any contract or proposed contract for arrangement or dealing with the Trust, in which case the relevant Trustee shall disclose the nature of that interest at a meeting of the Trustees and such disclosure shall be recorded in the minutes of the meeting.
- 13.2 A Trustee required to disclose an interest by clause 13.1 may be counted in a quorum present at a meeting but shall not vote in respect of the matter in which the Trustee is interested (and if the Trustee does so the vote shall not be counted) provided that the Trustee may expressly be permitted to vote by a unanimous vote of the other Trustees present given after the disclosure of the interest.
- 13.3 If any question shall arise at any meeting as to the materiality of a Trustee's interest or as to the entitlement of any Trustee to vote and such question is not resolved by the Trustee voluntarily agreeing to abstain from voting, such question shall be referred to the chairperson of the meeting and his or her ruling in relation to any such Trustee shall be final and conclusive except in the case where the nature or extent of the interests of the Trustee concerned have not been fairly disclosed.
- 13.4 Without limiting the generality of clauses 13.1 and 13.3, no person shall be deemed for the purposes of this clause 13 to have a disqualifying interest in respect of any matter concerning the Trust merely by reason of that person being:
- (a) an inhabitant of the Region; or
 - (b) an actual or potential user of the native bush, environmental projects, camping grounds, parks, reserves and walkways established, maintained or otherwise supported by the Trust.

14. EXECUTION OF DOCUMENTS

- 14.1 Whenever the Trustees need to sign or attest any deed, agreement or contract pursuant to a resolution of the Trustees, it will be sufficient for that deed, agreement or contract to be signed or attested by any 2 of the Trustees.

15. LIMITATION OF LIABILITY AND INDEMNITY

- 15.1 The Trustees are not liable for the consequence of any act or omission or for any loss unless the consequence or loss is attributable to their dishonesty or to the wilful commission by them of any act known by them to be a breach of trust or to the wilful omission by them of any act when the omission is known by them to be a breach of trust.
- 15.2 No Trustee is bound to take any proceedings against a co-trustee for any breach or alleged breach of trust by the co-trustee.
- 15.3 The Trustees are fully indemnified by and out of the Trust Fund for any loss or liability which they incur in the carrying out or omission of any function, duty or power of the Trustees under this Deed and in respect of any outlay or expenses incurred by them in the management and administration of the Trust unless the loss or liability is attributable to their dishonesty or to the wilful commission

by them of an act known by them to be a breach of trust or to the wilful omission by them of an act when the omission is known by them to be a breach of trust. The indemnity given by this clause extends to any loss or liability which the Trustees after having ceased to act as such incur through the carrying out of any function, duty or power of the Trustees, whether the carrying out took place before, during or after the period in which a person was a Trustee.

16. ACCOUNTS, AUDIT AND REPORTING

- 16.1 The Trustees must ensure that proper financial records are kept for the Trust.
- 16.2 The financial records must present the Trust's receipts, credits, payments, assets, liabilities and all other matters necessary or appropriate in a way that shows the true state and condition of the financial affairs of the Trust. The Trust's balance date will be 30 June.
- 16.3 The Trustees will have the annual accounts of the Trust audited.
- 16.4 The financial records and annual accounts will be kept at the Trustees' office or at such other place as the Trustees think fit.
- 16.5 The Trustees will, within two months after the end of the first half of the Trust's financial year, report on the affairs of the Trust to the Settlor during that first half year, in such form as may from time to time be agreed between the Trustees and the Settlor, but such report to include the information required to be included in the Trust's statement of intent. In addition, the Trust will, within 3 months after the end of the Trust's financial year, provide an annual report on the Trust's operations during that year which (in addition to what is required under generally accepted accounting principles) must disclose matters required by law to be publicly disclosed by entities similar to the Trust.
- 16.6 The financial records and annual accounts must always be available to be inspected by the Trustees.
- 16.7 The annual report will be made available to the public.

17. BORROWING

- 17.1 The Trustees shall have the power to borrow and to give guarantees or charges over the Trust Fund.

18. AMENDMENT OF TRUST DEED

- 18.1 Subject to any relevant legislation for the time being in force and only with the prior written consent of the Settlor, the Trustees have the power by deed:
 - (a) to amend, revoke or add to any of the provisions of this Deed unless to do so would:
 - (i) amend, revoke or add to the Objects;
 - (ii) allow the Trust to operate other than for exclusively charitable purposes in accordance with New Zealand law or to operate for private profit;

- (iii) affect the eligibility of the Trust for the benefit of any of the Concessionary Provisions, unless in relation to any such provision the Trustees have determined that eligibility for the benefit of that provision is not required in the best interests of pursuing the Objects; or
 - (iv) enable a payment or application of any part of the Trust Fund in a manner that is inconsistent with the Objects; and
- (b) notwithstanding clause 18.1(a), to amend, revoke or add to this Deed including the Objects if and to the extent that it is necessary to do so for the Trust to qualify as a charitable trust under the Income Tax Act 2007 and the Charities Act 2005.

19. WINDING UP

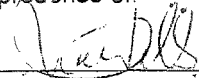
19.1 The Trust may be wound up or dissolved by a resolution of all Trustees. The net assets of the Trust after payment of all its debts and liabilities shall be disposed of by the Trustees by vesting those assets in such manner as shall ensure the assets will be applied exclusively for such charitable purposes within New Zealand similar to the Objects, as the Trustees may by resolution determine at or before or during the winding up, provided the Trustees have first used their best endeavours to vest the net assets exclusively for such charitable purposes within New Zealand that are identical to the Objects.

20. GOVERNING LAW


20.1 The Trust will be governed by, and this Deed will be construed in accordance with, the laws of New Zealand.

EXECUTION

THE COMMON SEAL of)
 THE CHRISTCHURCH CITY COUNCIL)
 was hereunto affixed by and in the)
 presence of:



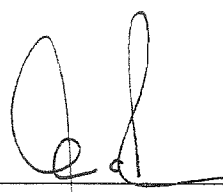
Mayor/Councillor



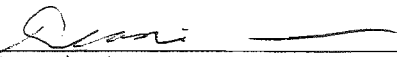
Authorised Officer

EXECUTED as a DEED by
CLAUDIA REID
in the presence of

)
)
)



Signature



Witness signature

DIANE LINDSAY BRANDISH
Full name


c/- CHRISTCHURCH CITY COUNCIL
Address

ACCOUNTANT
Occupation

Note: The signature must be witnessed by an independent person

EXECUTED as a DEED by
STEWART MILLER
in the presence of

)
)
)



Signature



Witness signature

DIANE LINDSAY BRANDISH
Full name

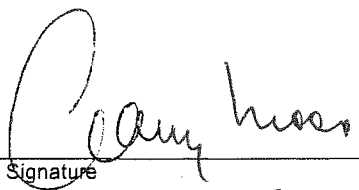
c/- CHRISTCHURCH CITY COUNCIL
Address

ACCOUNTANT
Occupation

Note: The signature must be witnessed by an independent person

EXECUTED as a DEED by
GARRY MOORE
in the presence of

)
)
)



Signature



Witness signature

DIANE LINDSAY BRANDISH
Full name

c/- CHRISTCHURCH CITY COUNCIL
Address

ACCOUNTANT
Occupation

Note: The signature must be witnessed by an independent person

EXECUTED as a DEED by
STUART WRIGHT-STOW
in the presence of

)
)
)

Stuart Wright-Stow
Signature

Diane
Witness signature

DIANE LINDSAY BRANDISH
Full name

c/- CHRISTCHURCH CITY COUNCIL
Address

ACCOUNTANT
Occupation

Note: The signature must be witnessed by an independent person

EXECUTED as a DEED by
TUTEHOUNUKU (NUK) KORAKO
in the presence of

)
)
)

Tutehoukuru
Signature

Diane
Witness signature

DIANE LINDSAY BRANDISH
Full name

c/- CHRISTCHURCH CITY COUNCIL
Address

ACCOUNTANT
Occupation

Note: The signature must be witnessed by an independent person

EXECUTED as a DEED by
NICOLA SHIRLAW
in the presence of

)
)
)

N. Shirlaw
Signature

Diane
Witness signature

DIANE LINDSAY BRANDISH
Full name

c/- CHRISTCHURCH CITY COUNCIL
Address

ACCOUNTANT
Occupation

Note: The signature must be witnessed by an independent person

EXECUTED as a DEED by
SIMON GEORGE MORTLOCK
in the presence of

)
)
)
Signature

Diane
Witness signature

DIANE LINDSAY BRANDISH
Full name

1- CHRISTCHURCH CITY COUNCIL
Address

ACCOUNTANT
Occupation

Note: The signature must be witnessed by an independent person

SCHEDULE 1
The Initial Trustees

Claudia Reid
PO Box 36
Diamond Harbour 8941

Stewart Miller
7 Heaphy Court
Rolleston 7614

Garry Moore
103 Warrington Street
Mairehau
Christchurch 8013

Stuart Wright-Stow
255 Okuti Valley Road
Little River 7591

Tutehounuku (Nuk) Korako
PO Box 210
Lyttelton 8841

Nicola Shirlaw
236 Wilsons Road
Waltham
Christchurch 8023

Simon Mortlock
PO Box 13174
Christchurch 8141

SCHEDULE 2

Powers of Trustees

1. Interpretation

1.1 In this schedule:

- (a) expressions or terms have the meanings given by the Trust Deed, unless the context requires otherwise; and
- (b) unless the context requires otherwise, references to clauses are to clauses of this schedule.

2. Powers of Trustees

2.1 The Trustees have power in accordance with clause 8 of the Trust Deed:

- (a) to invest the Trust Fund in accordance with policies determined by the Trustees from time to time;
- (b) to accumulate Income;
- (c) to enter into contracts for the provision of services to achieve the Objects;
- (d) to open and maintain a bank account and to decide who will be the signatories to that account;
- (e) to advertise the Trust and the Objects;
- (f) to obtain incorporation or registration of the Trust in accordance with any law from time to time in force relating to charitable trusts;
- (g) to appoint or engage or employ any person or company (including the Trustees) for any period:
 - (i) as an expert or professional person or entity to advise on or carry out any of the trusts and powers authorised by this Deed;
 - (ii) as an attorney or delegate for the Trustees in New Zealand or elsewhere for all or any of the purposes of the Trust;
 - (iii) as a manager or agent for or on behalf of the Trustees in all or any matters relating to the management and the control of the Trust; or
 - (iv) as an employee of the Trustees in all or any matters relating to the Trust;
- (h) to act upon any opinion or advice or information obtained from a person or entity referred to in clause 2.1(g)(i);

- (i) to determine all questions and matters of doubt which may arise in the course of the management, administration, investment, realisation, distribution, liquidation, partition, resettlement or winding up of the Trust Fund or the Trust, or to apply for directions under section 66 of the Trustees Act 1956;
- (j) generally to do all such other lawful acts and things that are incidental or conducive to the attainment of the Objects; and
- (k) subject to clauses 11.1 and 11.3 of the Trust Deed, to pay from the Trust Fund any costs or expenses incurred in the course of the Trustees discharging, carrying out or exercising any of their duties and powers.

SCHEDULE 3

Rules governing the number, appointment, payment and cessation of office of the Trustees

1. Interpretation

1.1 In this schedule:

- (a) expressions or terms have the meanings given by the Trust Deed, unless the context requires otherwise; and
- (b) unless the context requires otherwise, references to clauses are to clauses of this schedule.

2. Number of Trustees

2.1 There shall be up to 9 Trustees.

2.2 The Settlor will have the right to:

- (a) appoint up to 7 of the Trustees for such term of office (not exceeding three years, as provided for in clause 4) as it sees fit; and
- (b) remove any Trustee as it sees fit.

2.3 In exercising its power to appoint and remove Trustees, the Settlor will be mindful of the need to provide balanced representation in the Trust, including appropriate representation for relevant interest groups. In exercising such power the Settlor will comply with its policy on the appointment of trustees to a council controlled organisation and endeavour to ensure that the Trustees include persons possessing the generic and specific competencies identified by the Settlor from time to time as being desirable to be possessed by the Trustees.

2.4 Notwithstanding the foregoing powers of the Settlor, the Trustees may themselves co-opt from time to time persons from the Region to serve as additional Trustees but (for the avoidance of doubt) such persons so co-opted will be subject to the removal power of the Settlor. The Trustees will also be mindful of the need to provide balanced representation in the Trust as set out in clause 2.3.

2.5 The Trustees will have the power to appoint their chairperson and to determine the period for which he or she is to hold office, provided that the term of appointment of the first chairperson will be a period of one year.

3. Initial Trustees

3.1 Notwithstanding clause 4, the Initial Trustees will hold office until 30 June 2011.

3.2 The role of the Initial Trustees is to:

- (a) develop a model for the operation of the Trust and the achievement of the Objects;
- (b) investigate options for obtaining further contributions to the Trust Fund; and
- (c) consider appropriate projects for the Trust to support.

4. Term of Appointment

- 4.1 The term of each Trustee is up to 3 years from the date of appointment. Trustees may serve more than one term. No person may hold office as Trustee for more than nine consecutive years.
- 4.2 At the first meeting of the Trustees other than the *Initial Trustees*, every Trustee shall draw by ballot the length of his or her term of appointment, being either a 1, 2 or 3 year term, the intent being that after the ballot process has been completed the Trustees will be divided equally between 1, 2 and 3 year terms, with membership terms ending as at 30 June in each year. The term of appointment of the first Trustees (other than the *Initial Trustees*) will end on 30 June 2012, 2013 and 2014 respectively. Trustees whose terms have expired will be eligible for re-appointment.

5. Payment of Trustees

- 5.1 Fees payable to the Trustees will be appropriate for entities of this type.

6. Cessation of Trusteeship

- 6.1 A person shall cease to be a Trustee if the Trustee:
- (a) resigns or retires by written notice to the other Trustees;
 - (b) has held office for nine consecutive years;
 - (c) dies;
 - (d) refuses or is unable to act in his or her capacity as a Trustee;
 - (e) is a bankrupt who has not obtained a final order of discharge or whose order of discharge has been suspended not yet expired, or is subject to a condition not yet fulfilled, or to any order under section 299 of the Insolvency Act 2006;
 - (f) is a person who has been convicted of any offence punishable by a term of imprisonment of 2 or more years;
 - (g) is a person who is disqualified from being a director of a company under section 382 of the Companies Act 1993;
 - (h) is a person in respect of whom an order has been made under section 383 of the Companies Act 1993;
 - (i) is a person who is mentally disordered within the meaning of the Mental Health (Compulsory Assessment and Treatment) Act 1992;
 - (j) is a person who is subject to a property order made under sections 30 or 31 of the Protection of Personal and Property Rights Act 1988;
 - (k) is absent from 3 consecutive meetings without leave of absence from the chairperson; or
 - (l) in the opinion of 75 percent of all Trustees, is not fulfilling his or her role as trustee or is disruptive to the governance of the Trust.

A Trustee will cease to be a Trustee as a result of the circumstances set out in sub-clauses 6.1(k) and (l) at the discretion of all Trustees who are not subject to any of the circumstances referred to in sub-clause 6.1.

SCHEDULE 4

Rules governing the meetings of Trustees

1. Interpretation

1.1 In this schedule:

- (a) expressions or terms have the meanings given by the Trust Deed, unless the context requires otherwise; and
- (b) unless the context requires otherwise, references to clauses are to clauses of this schedule.

2. Quorum

- 2.1 A quorum for meetings of Trustees shall be a majority in number of the Trustees.

3. Time of meetings

- 3.1 Subject to these Rules and to this Trust Deed, the Trustees shall meet and regulate their meetings as they think fit.

4. Chairperson

- 4.1 The chairperson of the Trustees will be appointed and may be removed by the Trustees.
- 4.2 The chairperson will have a casting vote.

5. Notice of meetings

- 5.1 The chairperson or any 3 Trustees may at any time summon a meeting. Seven days' notice of any meeting (stating the place, day and time of the meeting) shall be communicated to each of the other Trustees unless all of the Trustees agree to shorten or waive the notice period.
- 5.2 No notice will be necessary for the resumption of adjourned meetings except to Trustees not present at the meeting adjourned.

6. Decisions

- 6.1 All questions and matters arising at meetings of Trustees shall be decided by unanimous agreement by those Trustees present at the meeting. In the case of dissent, the Trustee raising the question or matter in issue or the chairperson, may bring the matter forward for decision at a meeting dated 30 days after the date of the meeting at which a decision about the question or matter was originally made. The question or matter will then be decided by a majority vote calculated as if all Trustees were present at the meeting, notwithstanding that not all trustees may be present at the meeting.
- 6.2 A resolution in writing signed by all of the Trustees shall be as effective as if it had been passed at a meeting. Such a resolution may consist of several like documents each signed by one or more of the Trustees and may be sent by facsimile.

6.3 Any resolution of the Trustees may be rescinded or varied from time to time by the Trustees.

7. Audible communication

7.1 The contemporaneous linking together by telephone or any other means of audible communication of enough of the Trustees to constitute a quorum shall be deemed to constitute a meeting of the Trustees so long as the following conditions are met:

- (a) each of the Trustees must have received notice of the meeting (or have waived notice) under clause 5.1;
- (b) each of the Trustees taking part in the meeting must be able to hear each of the other Trustees taking part at the commencement of the meeting and (subject to the terms on which a Trustee may leave the meeting under clause 7.2) throughout the meeting;
- (c) at the commencement of the meeting each of the Trustees must acknowledge his or her presence to all the other Trustees taking part in the meeting.

7.2 A Trustee may not leave the meeting (whether by departing or disconnecting his or her telephone or other means of communication) unless he or she has previously obtained the express consent of the chairperson of the meeting. A Trustee shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting unless he or she has previously obtained the express consent of the chairperson to leave the meeting.

8. Minutes

8.1 The Trustees are to keep minutes of their meetings and of all of their decisions. The minutes shall be kept in a minute book maintained by a person appointed by the Trustees.

8.2 Any minute of a meeting of the Trustees (including their decisions) purporting to be signed by the chairperson of the meeting or of the next meeting shall be prima facie evidence of the matters referred to in such minute having been authorised done or passed by the Trustees. The decisions recorded in the minutes will be read in conjunction with the Trust Deed and will be binding on all persons interested in the Trust.

9. Adjournment

9.1 If a quorum is not present within 20 minutes after the time appointed for any meeting, the chairperson of the meeting may adjourn the meeting to another time.

9.2 Any meeting may be adjourned if the Trustees present so resolve.

10. Interested Trustees and conflict of interest

10.1 Clauses 13.1 to 13.4 of the Trust Deed govern the instances and consequences of a Trustee for whom a conflict of interest exists. When there is a conflict of interest, clauses 2 to 10 of these Rules shall be deemed to have been varied to the extent required by clauses 13.1 to 13.4 of the Trust Deed.