

**DEED OF CHARITABLE TRUST ESTABLISHING
THE NEW ZEALAND FARM ENVIRONMENT
AWARD TRUST**

between

THE FARM ENVIRONMENT AWARD
TRUST

And

James Henry Cotman

Bruce Murray Fraser

William Graham Garland

Peter Joseph Mourits

Gwyneth Anne Verkerk

Martin Lindsay Wallace

Susan Mary Bennett

William Ian Gordon

Grant Harper McFadden

David Roderick Pearce

Ian Herbert Pirani

James Alan Strang

SHARP TUDHOPE
TAURANGA

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DEED OF CHARITABLE TRUST ESTABLISHING THE NEW ZEALAND FARM ENVIRONMENT AWARD TRUST

Date:

2004

Parties

1. **THE FARM ENVIRONMENT AWARD TRUST** ("Settlor")

2.

James Henry Cotman	Farmer	of Te Kauwhata
Bruce Murray Fraser,	Group Manager Community Relations	of Whakatane
William Graham Garland,	Farmer	of Maugatautari
Peter Joseph Mourits	Marketing Manager	of Tauranga
Gwyneth Anne Verkerk	Veterinarian	of Hamilton
Martin Lindsay Wallace	Farmer	of Morrinsville
Susan Mary Bennett	Farmer	of Te Anau
William Ian Gordon	Retired Farmer	of Winton
Grant Harper McFadden	Agricultural Policy Analyst	of Christchurch
David Roderick Pearce	Farmer	of Waitotara
Ian Herbert Pirani	Farmer	of Katikati
James Alan Strang	Farmer	of Gladstone

("the Trustees")

This deed records

1. Interpretation

1.1 In this Deed unless the context otherwise requires:

"Balance Date" means 30 June or any other date adopted from time to time by the Trustees as the end of the Trust's Financial Year.

"the Board" means the Board of Trustees of the New Zealand Farm Environment Award Trust established by this Deed.

"Chairperson" means the Chairperson who is the Trustee appointed in accordance with clause 9.1.

"Financial Year" means any year or other accounting period ending on the Balance Date.

"month" means calendar month.

"Objects" means the charitable objects of the Trust as set out in clause 5 of this Deed.

"property" means any real and personal property of the Trust.

"Stakeholders" means sponsors, and those persons, agencies, bodies or organisations as identified by the Trust which contribute to, support or fund the Trust and shall include members, if any, according to clause 17 of this Deed.

- "the Trust"** means the charitable trust established by this Deed and known as the New Zealand Farm Environment Award Trust.
- "the Trustees"** means the trustee or trustees of the Trust for the time being.
- "the Trust Fund"** means the sum of \$100 held by the Board at the date of this Deed and such further money or property as may from time to time be added to it by way of capital or income to be held by the Board upon the trusts, for the charitable object and with the powers as set out in this Deed.

- 1.2 Clause and other headings are for ease of reference only and shall not be deemed to form any part of the context or to affect the interpretation of this Deed;
- 1.3 References to parties are references to parties to this Deed;
- 1.4 References to persons include references to individuals, companies, corporations, firms, partnerships, joint ventures, associations, organisations, trusts, estates, agencies of state, government departments, state-owned enterprises and municipal authorities in each case whether or not having separate legal personality;
- 1.5 Expressions defined in the main body of this Deed bear the defined meaning in the whole of this Deed including the recitals;
- 1.6 References to clauses and recitals are references to clauses and recitals of this Deed;
- 1.7 References to the singular include the plural and vice versa;
- 1.8 Any obligations not to do anything shall be deemed to include any obligation not to suffer, permit or cause that thing to be done;
- 1.9 References to statute include references to any regulations, orders or notices for the time being in force made under or pursuant to such statute, and references to a statute include references to all amendments to that statute or otherwise, and references to a statute or provision thereof include references to any statute or provision for the time being in force passed in substitution for that statute or provision thereof.

2. Establishment

- 2.1 The Settlor directs and the Trustees acknowledge and agree that the Trustees stand possessed of the Trust Fund upon the trusts to achieve the charitable object set out in this Deed.

3. Name of Trust

- 3.1 The Trust and the Trust Fund shall be known as the "New Zealand Farm Environment Award Trust"

4. Office

- 4.1 The office of the Trust and the Board shall be at 3 Cook Street, P O Box 4464 Hamilton East, New Zealand or such other place as the Board from time to time decides.

5. Charitable Objects

- 5.1 The principal charitable object of the Trust shall be:

The advancement, education, assistance and promotion of sustainable environmental management of land and other natural resources on farms within New Zealand.

- 5.2 Other charitable objects of the Trust shall be:

- a. The promotion of the principal object by way of education, events, prizes and otherwise.
- b. The provision of financial assistance for those participating in and contributing to achieving the principal object.
- c. Such other activities that are consistent with the attainment of the principal object.

- 5.3 In interpreting the terms of this trust deed and undertaking the rights, powers and duties:

- a. The principal object in clause 5.1 shall take precedence;
- b. All other objects shall be pursued to further the principal object;
- c. The Trustees shall as far as practicable use objective criteria to determine sustainable environmental management.

6. Limitation on Objects

- 6.1 The Objects of this Trust may not extend to any matter or thing which is not charitable within the meaning of the Charitable Trusts Act 1957 or the Income Tax Act 1994 or not carried out within New Zealand.

7. Powers

- 7.1 The Trustees shall in addition to all other powers conferred by law have the following powers, which shall be exercised prudently to promote the Objects:

- a. To establish an organisation to promote sustainable environmental management and practices on farms;
- b. To co-ordinate the provision of facilities, education and promotion of sustainable environmental management of farms with other relevant community groups within New Zealand;

- c. To raise money by all means and in particular to solicit, receive and enlist financial or other aid from individuals and organisations, including gifts and bequests from individuals and organisations, and to conduct fundraising activities;
- d. To publish and distribute papers, journals and other publications and to advertise in any medium or to promote and further the Objects by any other means;
- e. To create or approve such regional trusts or organisations on such terms and conditions as the Trustees think fit, provided the objects of such regional trusts or organisations are charitable and are the same as or substantially similar to the Objects, and provided the powers include the power to elect or remove one or more Trustees to or from the Trust in accordance with clauses 8.3.a. i. and 8.7.e.;
- f. To appoint to each regional trust or organisation created or approved in e. above, one regional trustee, or equivalent regional organisation executive committee member;
- g. To provide out of the Trust Fund financial assistance for any trust or organisation as above that the Trust is instrumental in establishing for furtherance of the Objects and to do so by way of advances, loans, guarantees, grants or in such other manner and on such terms and conditions as the Trustees may think proper;
- h. To make such payments, grants, loans or provide such other financial assistance to any person on such terms and conditions as the Trustees think proper;
- i. To enter into any arrangements with any government or municipal or local authority that may seem conducive to the Objects and to obtain from any such government or authority any rights, privileges or concessions which the Trustees may think is desirable to obtain, and to carry out and to comply with any such arrangements, privileges, rights and concessions;
- j. To acquire, dispose of, lease, or otherwise deal with the property on such terms and conditions as the Trustees think fit;
- k. To maintain the property;
- l. To provide such amenities as considered necessary;
- m. To operate any lawful trading activity;
- n. To borrow money or provide guarantees on such terms, conditions or security (including mortgages) as the Trustees consider appropriate;
- o. To invest or lend money on such terms as the Trustees decide and to vary such loans or investments from time to time;
- p. To subscribe for, pay up and accept shares in any limited liability company and to purchase or otherwise acquire and hold shares in such companies and to join in and become a member of any partnership, joint venture or other

- business enterprise of which the Trustees approve. This includes the power to act as a shareholder and exercise all powers of a shareholder;
- q. To employ and act as a good employer towards any person engaged to carry out the services of the Trust with power to dismiss such person as necessary;
 - r. To contribute to any IRD approved charitable trust having substantially similar objects as the Objects;
 - s. To collect funds and raise money by all lawful means and to receive, accept and encourage financial and other contributions, subscriptions, donations, legacies, endowments or bequests from any source and to conduct fundraising campaigns;
 - t. To receive from the New Zealand Government or any council, board or body under the jurisdiction thereof or any other government, state or national body or any international organisation, any grant, subsidy or payment whatsoever;
 - u. To charge any person for use of the property such charges as may be fixed by the Trust;
 - v. To join with any other person, group, body or organisation under such arrangement as the Trustees think fit;
 - w. To pay all or any of the reasonable expenses incurred in and in connection with the establishment, incorporation and running of the Trust;
 - x. To insure against loss or damage by any cause whatsoever any insurable property forming part of the Trust Fund, and to insure against any risk or liability against which it would be prudent for a person to insure if they were acting for themselves for such amounts and on such terms as the Trustees may from time to time think fit;
 - y. To appoint committees as expedient to carry out the Objects. Members of any committee need not be Trustees;
 - z. To do the above things as principal, agent, contractor, trustee or otherwise and by or through agents, trustees or otherwise and either alone or in association with others;
 - aa. To do such other lawful acts and things as in the opinion of the Trustees are incidental or conducive to the attainment of the Objects of the Trust.
- 7.2 None of the powers conferred on the Trustees by this clause or otherwise shall be deemed subsidiary or ancillary to any other power or authority and the Trustees shall be entitled to exercise all or any of the said powers and authorities independently of any other or others of them. In the event of any ambiguity this provision shall be construed so as to widen and not restrict the powers of the Trustees provided however that at no time shall any provision be construed so as to detract from the Objects of the Trust.
- 7.3 Special Trusts: When property is accepted by the Trustees upon special trusts to be declared by the donor all the powers and provisions of these presents shall be deemed to be incorporated in the deed declaring such special trusts except insofar

as the same shall be expressly excluded or modified or be inconsistent with such special trusts.

- 7.4 Bare or Passive Trusts: Where property is accepted by the Trustees on bare or passive trusts they shall from time to time apply such property according to the lawful directions of the Trustees or managers to whom the management and administration thereof may have been confided.

8. Appointment, Election and Removal of Trustees

- 8.1 The original Trustees are the Trustees named in this Deed who are signatories to this Deed. Thereafter, the Trustees shall be appointed on the basis of their skill, understanding of good governance, and experience necessary to enable the Trust to achieve its Objects, according to clause 8.3.

- 8.2 The number of Trustees shall be not less than four nor more than ten, except that in the first two years the maximum number of Trustees may be twelve. If at any time there are less than four Trustees the person or persons having the power of appointment of such Trustees under clause 8.3 shall increase the number of such Trustees to four as soon as is reasonably practicable. The remaining Trustees shall be entitled to act until the number of Trustees appointed is so increased and no act or decision of the Trustees shall be called into question on such account provided that such actions are limited to essential administrative matters only.

8.3

- a. The Trustees, other than the original Trustees or any appointed under clause 8.3 b., shall be appointed at every 2nd annual meeting following the establishment of the Trust ("the biennial meeting"), in the following manner:

- i. Up to six Trustees shall be elected by the regional trusts or organisations created or approved by the Trust under clause 7.1 (e) in accordance with clause 10:

- (1) Nominations for these positions shall be called by notice to all regional trusts or organisations;
- (2) In making the nominations the regional trusts or organisations shall consider geographical balance and accountable representation and, after election in accordance with clause 10, effect appointment by notice in writing to the Trust;
- (3) Without limiting clauses 8.4, 8.6 and 8.7 the election in this clause 8.3 a. i. shall be completed by the time of the relevant biennial meeting of the New Zealand Farm Environment Award Trust so as to fill the six regionally appointed vacancies arising at the conclusion of that annual meeting .

- ii. Up to four Trustees elected by the outgoing Trustees at each biennial meeting in accordance with clause 10, taking into account the skills and expertise of the incoming Trustees appointed in accordance with clause 8.3 a. i.:

- (1) Nominations for these positions shall be called for by notice to the Trustees, and all regional trusts or organisations.

- b. At any time that a vacancy occurs other than at each biennial meeting, the Trustees shall have the power to appoint Trustees to fill, by way of recount of the original election, new election or other means, any casual vacancy in their number.
 - c. Unless otherwise removed or ceasing to hold office, each appointment as a Trustee shall continue until the end of the biennial meeting next after that Trustee's appointment, whether as a signatory to this deed, under clause 8.3 a., under clause 8.3 b. or otherwise.
 - d. An outgoing Trustee shall be eligible for reappointment.
 - e. Nomination for the position of Trustee shall be by way of notice of nomination in writing endorsed with the consent of the nominee.
 - f. Trustees shall be appointed:
 - i. Under clause 8.3 a. as from the close of the relevant biennial meeting;
 - ii. Under clause 8.3 b. as from the declaration of the appointment.
- 8.4 In the event that there are no remaining Trustees under clause 8.3 who can exercise the power of appointment of Trustees then that power may be exercised by the Settlor, at its discretion, to appoint such number of Trustees as are necessary to bring the numbers back to the minimum number necessary as required by clause 8.2.
- 8.5 The Trustees shall have the power to appoint any person at any time or times as an advisory Trustee provided that any such advisory Trustee shall not vote on any resolution of the Trustees or participate in the management or administration of the Trust Fund
- 8.6 Any person whose appointment as a Trustee would result in the Trust not being able to attain or maintain charitable registration or charitable status whether under the Charitable Trusts Act 1957, the Income Tax Act 1994, any statutes passed in substitution or amendment to those statutes, or otherwise shall not be eligible for appointment as a Trustee and may not hold office as a Trustee. If not otherwise prohibited as above the following persons shall not be eligible for appointment as a Trustee and may not hold office as a Trustee:
- a. An employee;
 - b. Bankrupt: a bankrupt who has not obtained a final order of discharge or whose order of discharge has been suspended for a term not yet expired, or is subject to a condition not yet fulfilled, or to any order under section 111 of the Insolvency Act 1967;
 - c. Conviction: a person who has been convicted without further right of appeal of any offence punishable by a term of imprisonment of two or more years unless that person has obtained a pardon or has served the sentence or otherwise suffered the sentence imposed on that person;
 - d. Imprisonment: a person who has been sentenced without further right of appeal to imprisonment for any offence unless that person has obtained a pardon or has served the sentence;

- e. Restraining Order: a person to whom an order made under section 189 of the Companies Act 1993 applies;
- f. Mentally Disordered: a person who is mentally disordered within the meaning of the Mental Health Act 1969;
- g. Property Order: a person who is subject to a property order made under section 30 or 31 of the Protection of Personal and Property Rights Act 1989.

8.7 A Trustee shall cease to hold office if the Trustee:

- a. Is not re-elected;
- b. Resigns as Trustee;
- c. Dies while holding office as a Trustee;
- d. Fails to attend three consecutive Board meetings without being granted written leave of absence by the Board;
- e. Has been deemed by unanimous vote of the other Trustees that he or she has failed to fulfil his or her duties as Trustees;
- f. Becomes ineligible to hold office for any of the reasons in clause 8.6.

8.8 Upon every appointment, reappointment, removal or cessation of office of any Trustee the Trustees shall cause an entry thereof to be recorded in the minute book of the Trust.

9. Appointment and Election of Officers

9.1 The Trustees shall annually appoint one of their number to be Chairperson of Trustees to hold office for a period of 12 months from the annual meeting.

9.2 The Trustees shall annually appoint one of their number to be Secretary to hold office for a period of 12 months from the annual meeting.

9.3 The Trustees shall annually appoint one of their number to be Treasurer to hold office for a period of 12 months from the annual meeting.

9.4 The Secretary and Treasurer may be the same person.

9.5 Only the Trustees are eligible to be an officer of the Board. Any officer of the Board shall automatically cease to hold office upon ceasing to be a Trustee.

9.6 A Trustee may resign from an office to which that Trustee has been appointed, without resigning as a Trustee.

10. System for Elections

10.1 Appointments of Trustees shall be by elections conducted by the existing Trustees. The elections shall be conducted using the Single Transferable Voting system in accordance with the First Schedule to the Local Electoral Act 2001 using the New

Zealand method of counting Single Transferable Votes, except that clause 10 of that Schedule (with respect to certification) shall not apply, and shall be calculated as provided for in I D Hill's "NZ rules" computer program (current version 6.8.7, dated 14 February 2003). In respect of the trustees appointed under clause 8.3 a. i. clause 10.3 shall also apply.

- 10.2** The general description of Single Transferable Voting used for elections has the following features which are illustrative, not exhaustive, and do not amend or replicate the schedule as referred to above:
- a.** Voting by order of preference for the candidates;
 - b.** A quota for election, calculated from the number of votes and the number of positions to be filled;
 - c.** A first count of first preferences only, and the election of any candidate who equals or exceeds the quota (except in special cases of a multi-way tie);
 - d.** Redistribution of surplus votes (above the quota) for any candidate in accordance with the voter's further preferences, and election of any candidate who then reaches the quota;
 - e.** When no further distribution of surpluses is possible, the exclusion of the candidate who then has the fewest votes, and redistribution of those votes;
 - f.** Further counting, election, redistribution of surpluses, and exclusion, as necessary, until all positions for election are filled.
- 10.3** The election of the six Trustees representing the regional trusts or organisations (8.3 a. i.) shall in addition be conducted by the following method:

Every vote shall be appropriately weighted according to the number of voting papers issued to eligible trustees or committee members in each region so as to allow for equality of influence between regions and shall be counted using the I D Hill program (above) to determine the six Trustees.

11. Duties and Functions of the Board

- 11.1** The Board shall conduct the business and activities of the Trust in an open and transparent manner.
- 11.2** The Board will set policies and resolve on courses of action and means of implementing the same so as to achieve the Objects.
- 11.3** In the first year of the Trust, the Trust shall complete a draft Statement of Corporate Intent as soon as practicable. Thereafter, the Trust shall complete a draft Statement of Corporate Intent at least four months before the Balance Date in each year.
- 11.4** Each Statement of Corporate Intent shall be for the immediately following Financial Year and shall specify the following information:
- a.** The Objects;
 - b.** The nature and scope of the activities to be undertaken;

- c. The accounting policies;
 - d. The performance targets and other measures by which the performance of the Trust may be judged in relation to the Objects;
 - e. A list of who, in the opinion of the Board, comprises for the time being, the Stakeholders;
 - f. Such other matters as are agreed by the Trustees.
- 11.5 The Board shall inform the regional trusts or organisations and Stakeholders of the Trust's draft Statement of Corporate Intent not later than three months before the commencement of the Financial Year to which it relates. However, in the first year of the Trust such notice shall be given as soon as practicable.
- 11.6 Any comments on the draft Statement of Corporate Intent by the regional trusts or organisations and Stakeholders must be made in writing and must be received by the Board not later than six weeks before the commencement of the Financial Year to which it relates. However, in the first year of the Trust such comments on the draft Statement of Corporate Intent must be made in writing and must be received by the Board not later than six weeks after receipt of such notice.
- 11.7 The Board shall:
- a. Consider any comments on the draft Statement of Corporate Intent that are made to it; and
 - b. Report on the completed Statement of Corporate Intent (including response and reasons for the response to comments on the draft) at the annual meeting.
- 11.8 The Board will monitor the activities of the Trust to ensure its funds are used as effectively as possible to achieve the Objects and to demonstrate to the regional trusts or organisations and Stakeholders that the funding and support provided is being effectively applied and utilised.
- 11.9 The Settlor expressly declares that it is its intention that the Trust shall be a perpetual trust but that the Trustees shall have power to:
- a. Deal with the income derived from the Trust Fund in accordance with clause 11.10; and
 - b. Pay, appropriate or contribute such portion of the capital of the Trust Fund towards the attainment of the Objects as the Trustees consider prudent taking into account the above intention;
- provided that nothing in this clause shall restrict the powers of the Trustees pursuant to clause 25 of this deed.
- 11.10 The Trustees shall stand possessed of the income derived from the Trust Fund upon the following trusts:
- a. To pay or apply the same or any part of the current net annual income for or towards the Objects;

- b. To appropriate for any of the Objects the whole or any part of the net annual income arising from the Trust whether or not the same shall have been received by the Trustees;
- c. To make or retain out of or charge against income in any income year any payments, reserves or any provision of a capital nature for any of the Objects or incidental to the exercise of any of the powers, authorities or discretions conferred on the Trustees by this deed in respect of the Trust Fund;
- d. To accumulate the whole or any part of current net annual income derived by the Trust by investing the same in the resulting income therefore to the intent that the Trustees may elect either:
 - i. To resort to any accumulated surplus for the same purposes and subject to the same trusts and powers as set out in this deed as for income; or
 - ii. To add any accumulated surplus as an accretion to the Trust Fund to be held by the Trustees upon the same trusts and with the powers declared in this deed in respect of the capital of the Trust Fund.

12. Proceedings of the Board

- 12.1 All meetings of the Board shall be chaired by the Chairperson. Should the Chairperson not be present, those of the Trustees present shall elect an acting chairperson from their number to chair that meeting.
- 12.2 Voting at meetings of the Board shall be by simple majority, except for elections and meetings held pursuant to clause 25.1. The Chairperson is not entitled to a second or casting vote.
- 12.3 Voting, except that conducted pursuant to clause 10, shall be by show of hands or oral indication unless a ballot is directed by the Chairperson or required by any two of the Trustees present at the meeting.
- 12.4 Except as required under clause 23.1, the Secretary shall post by ordinary mail or send by e mail or fax written notice of the date, time and place of each meeting of the Board and a draft agenda (which shall include details of the business proposed to be transacted or discussed) to all of the Trustees so that it is received in the ordinary course of the post or email or fax transmission not less than 14 clear days or in the case of the annual meeting one month, prior to the meeting. This procedure will not apply to meetings called by the Chairperson pursuant to clause 13.4.
- 12.5 The Trustees shall at least ten, or in the case of the annual meeting 21, days prior to any meeting give the Secretary notice of any matter they wish to be included or discussed in the agenda. Any matter not notified in writing to the secretary prior to dispatch of the final agenda (pursuant to clause 12.6) may only be dealt with under general business.
- 12.6 The Secretary shall post by ordinary mail or send by e mail or fax written notice of the date, time and place of each meeting of the Board and a final agenda (which shall include details of the business to be transacted or discussed), to all of the Trustees so that it is received in the ordinary course of the post or email or fax transmission not less than 7, or in the case of the annual meeting 14, clear days prior to the

meeting. This procedure will not apply to meetings called by the Chairperson pursuant to clause 13.4.

- 12.7 The Chairperson shall admit any further business at any meeting if the majority of the Trustees consider it appropriate.
- 12.8 A meeting of the Trustees may be impeached or called into question on the ground that the requisite notice has not been given, but only by a Trustee.
- 12.9 A proper written record of all decisions and business transacted at every meeting of the Board shall be kept by the Secretary and shall be signed by the Chairperson of the meeting or of the meeting at which the minutes are read and confirmed. The minutes may include notice of the next meeting if fixed at the meeting.
- 12.10 A resolution in writing approved by the Board shall be valid as if it had been passed at a meeting of the Board duly called and held. Any such resolution may consist of several documents in like form each signed by one or more members.
- 12.11 The Secretary shall supply a copy of the Trust Deed without charge:
- a. To all new Trustees;
 - b. On reasonable request, to any Stakeholder.

13. Meetings

- 13.1 Within two months of incorporation as a Board and thereafter within two months of the end of each Financial Year a meeting ("the annual meeting") shall be called to:
- a. Receive and consider the annual report and review the Board's activities during the preceding year;
 - b. Receive, consider and adopt the audited income and expenditure account and balance sheet;
 - c. Report on the Statement of Corporate Intent for the following year;
 - d. Appoint an Auditor who shall not be a Trustee;
 - e. Consider any resolution notice of which shall have been properly given;
 - f. General business.
- 13.2 The Trustees shall otherwise meet together for the conduct of the affairs of the Trust from time to time and shall regulate and conduct their meetings as they think fit and for such purpose they may make such rules and regulations as they consider desirable, including, without limitation, rules and regulations relating to the conduct of telephone meetings.
- 13.3 A quorum for meetings of the Trustees shall be four Trustees (excluding advisory Trustees).
- 13.4 The Chairperson may call a special meeting of the Board (other than one at which it is proposed to move a resolution under clause 25.1) by any means (including by telephone) at any time provided that the Chairperson in so doing does in fact give at

least 7 clear days notice which must include advice of the matters to be considered at the special meeting to each of the Trustees then within New Zealand.

- 13.5 A special meeting may at any time be summoned by any three Trustees on the giving of two weeks notice, such notice to be given to all the other trustees and to contain details of the business to be transacted or discussed,. The business, place and time of such a meeting shall be advised to the Trustees in advance in the manner set out in clause 12.6.
- 13.6 At any meeting of the Trustees any Trustee unable to attend may by notice in writing signed by or on his or her behalf and delivered to the Chairperson prior to the commencement of the meeting appoint a proxy in his or her place.

14. **Bank Accounts and Property**

- 14.1 The Trust Fund will be held by and in the joint names of the Trustees until the Board is incorporated as a Board under the provisions of the Charitable Trusts Act 1957, in which case it will be held by and in the name of the Board.
- 14.2 Bank accounts shall be operated on the signatures (or secure bank-authorized electronic equivalent) of a minimum of any two of the Trustees, but one of the signatories must be the Chairperson or the Treasurer.
- 14.3 The Treasurer or other officer of the Board shall have the power to receive and give receipts for all legacies, donations, subscriptions or other moneys bequeathed, made or given to the Trust and every such receipt shall be an effective discharge for the money or other money stated to have been received.

15. **Execution of Documents**

- 15.1 If the Trustees are not incorporated as a Board under the Charitable Trusts Act 1957, documents to be executed by or for the Trust shall be signed by any two of the Trustees, one signatory to be the Chairperson.
- 15.2 When the Board is incorporated under the Charitable Trusts Act 1957, documents to be executed by the Board shall be executed under its common seal and attested by any two of the Trustees, one of whom shall be the Chairperson.

16. **Incorporation**

- 16.1 The Trustees shall immediately apply for incorporation under Part II of the Charitable Trusts Act 1957 as a Board under the name "New Zealand Farm Environment Award Trust".

17. **Membership**

- 17.1 Trustees may establish a membership. The Trustees may:
- a. Invite persons, firms and corporations who wish to support or take an interest in the purposes of the Trust to become members of the Trust;
 - b. Establish different classes of membership;

- c. Fix and charge membership fees (including joining fees and subscriptions) for members or each class of members, as the case may be;
- d. Call members' meetings;
- e. Subject to clause 17.2 determine the rules relating to membership and confer membership rights on members; and
- f. Issue membership certificates or other evidence of membership.

17.2 Limitations on personal benefit arising from membership rights:

- a. All income, benefit or advantage shall be applied to the charitable objects of the Trust;
- b. No member of the Trust or any person associated with a member shall participate in or materially influence any decision made by the Trustees in respect of the payment to or on behalf of that member or associated person of any income, benefit or advantage whatsoever;
- c. Any such income paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being the open market value);
- d. The provision and effect of this clause shall not be removed from this document and shall be included and implied into any document replacing this document;
- e. Membership shall not confer on any member the right to vote at any meeting of the Trust or the Board or to control the Trustees in the exercise of their powers.

17.3 For the purpose of this deed members are also Stakeholders (clause 1.1).

18. Accounts

- a. The Board will cause complete and accurate records to be kept in such manner as it thinks fit of all its receipts credits payments liabilities and other matters necessary for showing the true state and condition of the Trust Fund;
- b. The annual accounts of the Trust Fund shall be prepared by an independent accountant appointed for that purpose by the Trustees. To avoid any doubt the independent accountant may be an accountant employed by the Settlor;
- c. The books of account shall be kept at the office of the Trust and shall be open at all reasonable times to inspection and copy by any of the Trustees;
- d. The Board will have the Trust's accounts audited each year by an independent auditor appointed by the Trustees.

18.2 The Board will properly receive all payments and property paid or transferred to the Trust, will properly meet all liabilities and responsibilities incurred or undertaken by it, and will properly administer the Trust Fund.

19. Tax Returns

- 19.1 The Trustees shall cause to be prepared or filed with the Inland Revenue Department all necessary tax accounts, returns, reports, declarations, notices, certificates, reconciliations and other information required to be prepared or filed so as to allow the Trust to retain its charitable status for taxation purposes and to meet all of its obligations under the Acts administered by the Inland Revenue Department.

20. Declarations of Interest

- 20.1 No Trustee shall vote on any matter in which he or she has any personal or pecuniary interest or in which any company or other body in which the Trustee has a personal or financial interest itself has any pecuniary interest.
- 20.2 Any Trustee shall declare any such interest in writing as soon as the Trustee concerned becomes aware of the existence of the interest, the declaration to include all relevant detail needed to result in a full and fair disclosure. All Trustees shall act in good faith in all such matters.

21. Remuneration of Trustees and Payments of Expenses

- 21.1 None of the Trustees shall be paid any remuneration for time spent as a Trustee, but shall be entitled to such expenses incurred in that capacity as the Trust Board may from time to time authorise or ratify by resolution. The intent is that no Trustee shall derive pecuniary gain from his or her office as a Trustee, or from any act done in the capacity of a Trustee, but may be paid expenses if the Trust Board so resolves.
- 21.2 Subject to clause 21.3, any Trustee shall be entitled to be paid all usual professional, business and trade charges for business transacted, time expended and all acts done by him or her or any employee or partner of his or hers in connection with the trusts of this Deed, other than acting as a Trustee.
- 21.3 No Trustee receiving any remuneration referred to in sub clause 21.2 shall take part in any deliberations or proceedings relating to the payment or otherwise of that remuneration nor shall that Trustee in any way determine or materially influence directly or indirectly the nature or amount of that payment or the circumstances in which it is to be paid. Any such remuneration must be approved in writing by the Trust Board.

22. No Private Pecuniary Profit

- 22.1 Nothing expressed or implied in this Deed shall permit the activities of the Trust or any business carried on by or on behalf of or for the benefit of the Trust to be carried on for the private pecuniary profit of any individual.

23. Alterations and Additions

- 23.1 Subject to clauses 17.2 d. and 23.2, the Board may resolve to amend any provisions of this Deed. Any resolution to effect an alteration or addition must be passed by a majority of not less than two thirds of the Trustees at a meeting of the Board where not less than twenty one clear days prior written notice of intention to move the amendment is given to all the Trustees.

- 23.2** No amendment may be made to the Trust Deed in any respect which would have the effect of causing the Trust to cease to be a charitable trust or to amend the Objects to include any objective which is not a charitable objective or one to be achieved outside New Zealand or to amend clauses 5, 17.2, 20, 22, 23 and 25, and no alteration to this Deed shall be made without prior confirmation from the Commissioner of Inland Revenue that the alteration does not prejudice the charitable nature of the objects of the Trust.
- 23.3** Notwithstanding anything set out in clauses 23.1 or 23.2 the Board shall amend this Deed to comply with any requirement of the Commissioner of Inland Revenue or to comply with the Income Tax Act 1994.

24. Liability of Trustees

- 24.1** The Trustees are expressly authorised to exercise the powers of investment expenditure and acquisition conferred upon them notwithstanding that the Trust Fund may be subject to any liability or liabilities and the Trustees shall not be liable for any loss occurring on the realisation of any asset which pursuant to the exercise of those powers comprises part of the Trust Fund.
- 24.2** To the extent permitted by law no Trustee of the trusts of this Deed shall be subject to any duties except:
- a.** The duty to act honestly and the duty not to commit wilfully any act known to be a breach;
 - b.** The duty not to omit wilfully any act when the omission is known by the Trustee to be a breach of trust;
 - c.** For the consequences of any act or omission or for any loss attributable to the Trustee's own dishonesty, or for the wilful commission by the Trustee of any act known by the Trustee to be a breach of trust.
- 24.3** No Trustee shall be bound to take any proceedings against a co-Trustee for any breach or alleged breach of trust by that co-Trustee.
- a.** A Trustee shall be indemnified by and out of the Trust Fund (whether as to the capital or the income thereof) for and in respect of any loss or liability incurred by the carrying out or omission of any function duty or power of the Trustees under this Deed unless such loss or liability is attributable to such Trustees dishonesty or to the wilful commission by such Trustee of an act known by such Trustee to be a breach of trust or to the wilful omission by such Trustee of any act when that omission is known by the Trustee to be a breach of trust;
 - b.** The Board may effect insurance for the Trustees and will meet all costs associated with such insurance.

25. Winding Up

- 25.1** The Trust may be wound up on a unanimous resolution of all the Trustees at a meeting of the Trustees called for that purpose.
- 25.2** In the event of the Trust being wound up and after all liabilities of the Trust have been discharged the Board shall vest in trust for the same general purposes as the Trust,

all remaining funds and assets comprising the Trust Fund equally in the regional trusts or organisations created or approved by the Trust in accordance with clause 7.1 (e) or, in the absence of any of those trusts or organisations, some other organisation within New Zealand having objects which are exclusively charitable and include objects which the Trustees consider are compatible with and substantially similar to the Objects, and shall transfer the said funds and assets to such trusts or organisations or organisation for their or its general purposes and the receipt of the Treasurer or Secretary or other proper officer of such trusts or organisations or organisation shall be a sufficient discharge to the Board and the Board will not be bound to further see to the application of those funds and assets.

25.3 If the Board is unable to make such decisions the Trust Fund shall be disposed of in accordance with the directions of the High Court under section 27 of the Charitable Trusts Act 1957.

26. **Governing Law**

26.1 The Trust shall be governed by and construed in accordance with the laws of New Zealand.

SIGNED by **THE FARM ENVIRONMENT AWARD TRUST**
by affixing its common seal in the presence of: _____)

Authorised officer:

Authorised officer:

SIGNED by James Henry Cotman
.....)
.....)
as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by Bruce Murray Fraser
.....)
.....)
as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by William Graham Garland
.....)
.....)
as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by Peter Joseph Mourits

.....)
.....)

as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by Gwyneth Anne Verkerk

.....)
.....)

as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:)
.....)

SIGNED by Martin Lindsay Wallace

.....)
.....)

as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by Susan Mary Bennett

.....)
.....)

as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by William Ian Gordon

.....)
.....)

as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by Grant Harper McFadden

.....)
.....)

as Trustee in the presence of:) X _____

Witness:

Occupation:

Address:

SIGNED by David Roderick Pearce

.....)
.....)
as Trustee in the presence of:)

X _____

Witness:

Occupation:

Address:

SIGNED by Ian Herbert Pirani

.....)
.....)
as Trustee in the presence of:)

X _____

Witness:

Occupation:

Address:

SIGNED by James Alan Strang

.....)
.....)
as Trustee in the presence of:)

X _____

Witness:

Occupation:

Address: