

DATED

COPY

2007

**NICHOLAS SARGOOD MILLS and
JENNIE BLENNERHASSETT**

Settlors

**Those persons whose names and descriptions
are set forth in the Schedule attached hereto**

Trustees

TE KAKANO AOTEAROA TRUST

**CHECKETTS MCKAY
Lawyers
Central Otago**

DATED this

day of

2007

PARTIES:

SETTLORS **NICHOLAS SARGOOD MILLS** of Wanaka, Artisan Wine-Grower and
JENNIE BLENNERHASSETT of Wanaka, Self-employed Horticulturalist

TRUSTEES Those persons whose names and descriptions are set forth in the Schedule
attached hereto (who with successive Trustees for the time being of the
Trust Fund are referred to as "the Trustees")

The Settlers with a general intention of charity desire to create a charitable trust to be known as **TE KAKANO AOTEAROA TRUST** ("the Trust") and concurrently have paid to the Trustees the sum of **TEN DOLLARS (\$10.00)**

THIS DEED RECORDS:

- A. That the Settlers have paid the Initial Contribution to the Trustees by way of charitable gift;
and

- B. The Trustees **ACKNOWLEDGE AND DECLARE** that the Trustees stand possessed of
the Initial Contribution and all other monies investments and other property in future paid,
transferred, purchased or agreed to be paid, transferred or purchased to or held by the
Trustees together with income arising from it ("the Trust Fund") to be held upon the trusts
and with the powers declared in this Deed.

1. APPLICATION OF INCOME AND CAPITAL

- (a) Exclusive Charitable Objects and Purposes: The Trustees stand possessed of the Trust Fund
on trust to pay or apply so much of the capital and income of the Trust Fund as the Trustees
think fit for or towards any one or more of the exclusively charitable objects and purposes,
which are declared to be the objects and purposes of the Trust, as provided for in clause 2 of
this deed.

2. TRUST OBJECTS

- (a) To create a community based plant nursery founded on principles of sustainability, whose function it is to provide plants for local regeneration and revegetation projects.
 - (b) To manage or oversee native revegetation and regeneration projects to their natural completion.
 - (c) To establish a centre of learning which promotes, employs and teaches sustainable practices and raises awareness about current environmental issues and concerns.
 - (d) To document the process of establishment of the nursery in the form of an informational reference manual for the facilitation of other community groups in establishing subsequent nurseries in their own areas.
 - (e) To endeavour to carry out the above goals whilst adhering to organic principles and propagating plant material that is native to New Zealand.
- 2.2. To establish, implement and manage a system for the purposes of seeking, raising, accepting, receiving, accumulating, investing and managing funds for the purposes of the Trust generally including but not in any way limiting those purposes, for the planning, development and maintenance.
- 2.3. Incidental Matters: All things incidental to the charitable objects described in clauses 2.1 and 2.2.
- 2.4. To enter into such business arrangements and Agreements as the Trustees in their discretion think fit and apply the income to or for all or anyone or more (to the exclusion of the others) of the trust objects set out in this Deed as the Trustees in their discretion shall determine from time to time.
- 2.5. To carry on any other charitable object which may seem to the Trustees capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to advance the objects of the Trust or any of them.
- 2.6. To apply for and obtain (if granted) approval of the Trust from the Commissioner of Inland Revenue as a Charitable Society within Section 56A of the Income Tax Act 1976.

2.7. To apply for incorporation of the Trust in Part II of the Charitable Trusts Act 1957 under the name "TE KAKANO AOTEAROA TRUST" or such other name as the Trustees by written resolution may determine or which is approved by the Registrar of Incorporated Societies and upon such incorporation the powers and discretions shall be hereby conferred upon the Trustees.

3. ADDITIONS TO TRUST PROPERTY

3.1. The Trustees shall be at liberty to receive and accept from any person, firm, company, society, institution or any other body of persons any gifts of moneys, and investments to become part of the Trust Fund and to be held upon the trusts and with the powers declared in this Deed.

4. APPLICATION OF TRUST FUND

4.1. The Trustees shall hold the Trust fund in perpetuity or until the Trust is sooner wound up in accordance with Clause 15 hereof on the following Trusts:

- (a) To pay out of the income of the Trust Fund all costs and charges involved in raising the Trust Fund and administration expenses of the Trust Fund notwithstanding that some of these expenses may be of a capital nature;
- (b) To accumulate income arising from the Trust Fund and to invest such monies in accordance with the provisions of this Deed;
- (c) To apply in accordance with the recommendations of the Trustees the income and the capital of the Trust Fund for the benefit of the objects of the Trust.

PROVIDED THAT no part of the income or capital of the Trust Fund may be applied or used for any purpose not being a charitable purpose.

4.2. The Trustees shall not be obliged to spend the whole of the income accruing in any year but may, to the extent lawfully permitted, accumulate income to a future year or years and may set aside from such income a reserve to meet fluctuations in future years and any other contingencies.

5. TRUSTEES OF THE TRUST

5.1. There shall be no fewer than four (4) or more than eight (8) Trustees and the Trustees at the date of this Deed shall have been appointed by the Settlers.

- 5.2. The Settlers may by a majority vote appoint further Trustees of the Trust provided that prior to any such appointment a call for nominations for new Trustees shall have been called for and advertised.
- 5.3. The Trustees may by a majority vote of the Trustees for the time being appoint any person or persons as advisory trustee of the Trust PROVIDED THAT such advisory trustee or trustees shall have no voting power in respect of any decision or resolution of the Trustees. Any such advisory trustee or trustees shall be appointed for such period as the Trustees shall determine and may be discharged from their position as advisory trustee or trustees at any time by a majority vote of the Trustees for the time being of the Trust.
- 5.4. Any Trustee may resign from the Trust by written notice addressed to the secretary of the Trust for the time being (if any) and in the event of there being no such secretary by notice in writing addressed to the Settlers.
- 5.5. If any Trustee shall die, resign or become insane or incapable or shall be convicted of any offence which the other Trustees decides disqualifies him or her from remaining a Trustee or shall refuse to act or shall be absent from three consecutive meetings of the Trustees without reasonable cause or without leave of absence granted by the Trustees he or she shall ipso facto cease to be a Trustee.
- 5.6. The term of office of each Trustee shall be three years PROVIDED THAT:
 - 5.6.1 At the expiration of the Trustee's three year term of office the Trustee may seek reappointment as a Trustee in the usual manner according to this Deed of Trust.

6. ACCOUNTS

- 6.1 The Trustees shall ensure proper books of account are kept which contain full true and complete accounts of the affairs and transactions relating to the Trust Fund and the income arising from it.
- 6.2 The books of account shall be kept at Rippon Vineyard and Winery, Mount Aspiring Road, Wanaka (PO Box 175) or at such other place or places as the Trustees think fit and shall always be open to the inspection of any of the Trustees.

6.3 At each Annual General Meeting an auditor who shall not be a member of the Trust shall be appointed by a majority of the Trustees to audit the accounts of the Trust (the "Audited Accounts")

7. PATRONS

7.1 The Trustees may from time to time appoint, renew the appointment of, or remove a person or persons of their choice as Patron or Patrons of the Trust. Any person so appointed shall have no powers or duties in relation to the Trust but shall be a person whose personal distinction and support of the Trust is likely to advance the Trust objects.

8. FUNCTIONS, POWERS AND DUTIES OF THE TRUSTEES

8.1 The functions, powers and duties of the Trustees shall be:

- (a) To control, administer and manage the property, funds and affairs of the Trust and to liaise with Associate members and seek their support to attain the objects of the Trust.
- (b) To carry out, effect and perform the objects of the Trust according to law and as provided in and by the Charitable Trusts Act 1957 or any statutory modification, variation or re-enactment thereof and in accordance with this Deed.
- (c) To appoint officers, assistants, and other staff whether honorary or otherwise and upon such terms and conditions as the Trustees shall think fit and at such reasonable and fair remuneration for services performed from time to time to remove and replace any person so appointed.
- (d) Engage or employ any Trustee to provide services and carry on activities for the Trust, and to remunerate all reasonable expenses incurred by the Trustees in the execution of their duties as Trustees.
- (e) To establish and expand working committees and support groups intended and constituted to advance the Trust objects and in particular Associate membership and to decide upon the appointment, renewal of appointment, and removal of persons as members of such committees and groups.

- (f) To develop any property by the expenditure of monies forming part of the Trust Fund in any manner the Trustees in their discretion think fit.
- (g) To borrow monies on mortgage, bank overdraft or otherwise for any reason upon such security by way of mortgage or otherwise and on such terms and subject on such conditions as the Trustees think fit.
- (h) To promote or form any company or join in so doing for the purpose of its acquiring any property which, or any interest in which, forms part of the Trust Fund or income of it or in acquiring the property of any company in which the Trustees hold shares notices stock or debentures and to sell or concur in selling any property in exchange for share notes stock debentures or other interests in any company upon such terms and conditions as the Trustees think fit.
- (i) Generally to use maintain manage repair improve and develop any real or personal property which, or any interest in which, for the time being forms part of the Trust Fund in such manner as the Trustees think fit and for that purpose to pay and apply such of the capital and income of the Trust Fund as the Trustees think fit.
- (j) To employ and pay any person, firm, company or corporation to do any act of whatever nature relating to this Trust including the receipt and payment of money without being liable for loss incurred.
- (k) To open an account at any time or times in any name or names either on their own behalf or jointly with another or others at any Bank or Banks and to overdraw any such account with or without giving security and in addition to the powers conferred by section 81 of the Trustee Act 1956 (or any Act for the time being in force amending or passes substitution for the same) to make arrangements with any Bank for any two or more of the following namely the Trustees and/or any delegate or delegates named in writing by all the Trustees to operate on any account from time to time opened to existing at that Bank.
- (l) To exercise the powers conferred by Section 15(2) of the Trustee Act 1956 (or any Act for the time being in force amending or passed in substitution for the same) for setting up a depreciation or replacement fund.
- (m) To grant an option or options (whether incidental to or independent of any sale lease exchange or other disposition) for such period or periods as the Trustees in each case

deem fit to purchase lease or exchange any real or personal property or any part or parts thereof or any interest in the same or any value whatsoever at a price or prices determined at the time of the granting of the option or options or at such later date or dates as the Trustees in their discretion think so.

- (n) To purchase, acquire, take hold, exercise, sell, transfer or dispose of options in respect of shares, notes, stock, debentures or other securities on such terms and subject to such conditions as the Trustees in their discretion think fit.
- (o) To insure against loss or damage by fire, earthquake or otherwise any building or other insurable property to any amount not exceeding its full insurable or replacement value and also to insure against any risk, liability or loss and to pay the premiums for any such insurance out of either income or capital as the Trustees think fit.
- (p) To enter into contracts of any nature for the purpose of protecting, maintaining or enhancing the value of all or any assets acquired or held by the Trustees as part of the Trust Fund or which the Trustees have the right to acquire or hold, or for the purpose of producing business income for the furtherance of the objects of the Trust.
- (q) To adopt such means as the Trustees may from time to time determine for the purpose of marketing the Trust and its property, raising money and obtaining property for the furtherance of any object of the Trust, and to accept contributions, collections, donations, legacies, devises, gifts, grants and subsidies.
- (r) To invest subject to the terms of any trust or grant or endowment any money held by or on behalf of the Trust in any securities in which funds may be invested by the Settlers provided that all trust funds must be invested by trustees in accordance with the Trustee Act 1956 and pending disbursement of any money held by or on behalf of the Trust to deposit the same subject as aforesaid so as to yield interest in such manner as the Trustees may approve.
- (s) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (t) To enter into any arrangement with any government or authorities supreme municipal local or otherwise that may seem conducive to the Trust's objects or any of them and to obtain from any such government or authority any rights privileges and concessions

which the Board may think it desirable to obtain and carry out, exercise and comply with any such arrangements, rights, privileges and concessions.

- (u) To obtain any provision, order or Act of Parliament or town planning ordinance, classification, designation or by-law for enabling the Trust to carry out any of its objects or for any other purpose which in the opinion of the Trustees is directly or indirectly conducive to the carrying out of the objects of the Trust and to oppose any proceedings, applications, classifications, designations, orders, Acts, ordinances or by-laws which may seem to the Trustees to be likely directly or indirectly to prejudice or injure the interests, objects and purposes of the Trust.
- (v) To promote any other society trust, association or institution for the purpose of acquiring or taking over all or any other the property rights and liabilities of the Trust or for any other purpose which may seem directly or indirectly calculated to benefit the Trust and to further or more effectively carry out its objects provided that the objects and purposes of such society, trusts, association or institution are wholly charitable.
- (w) To co-operate with any other society, trust or institution whether incorporated or not whose objects are altogether or in part similar to those of this Trust and to procure from or communicate to such society, trust or institution such information as may be likely to forward the objects of this Trust.
- (x) To agree and settle accounts with all persons, companies or other bodies liable to account to the Trust and to compromise all questions relating to the Trust property and to grant effectual receipts, discharges and releases.
- (y) 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 Trustee shall think necessary or expedient for the purpose of attaining the objects of the Trust or any of them or promoting the interests of the Trust or its members and to sell, exchange, let on hire or lease with or without option or purchase in any manner dispose of any such property rights or privilege.
- (z) To do all such other things as, not being contrary to law and not prohibited by this Deed, shall or may be necessary or desirable in the opinion of the Trustees for the carrying out and performance of the objects of the Trust.

PROVIDED THAT none of the functions, powers and duties detailed above shall authorise any function, power or action that is not charitable at law.

9. OFFICERS OF THE TRUST

9.1 The Trustees shall by majority vote appoint one of their number to be Chairperson.

9.2 The Trustees may from time to time appoint one of their number to be Deputy Chairperson.

9.3 The Trustees may from time to time appoint a Secretary whose duties shall be to give notice of all meetings, to keep minutes and records of all meetings of the Trust and of any committees, and perform such other duties as the Trustees may direct and as are normally incidental to the office of Secretary and who may also carry out the duties of Treasurer.

9.4 The Trustees may from time to time appoint a Treasurer who shall have the custody of the books of account and other records of the funds of the Trust. It shall be the duty of the Treasurer to see that all statutory and other requirements with reference to the financial matters of the Trust are complied with and that the provisions of this Deed as to such matters are carried out so far as lies in the Treasurer's power, and to perform such other duties as the Trustees may determine and as are normally incidental to the office of a Treasurer.

9.5 Neither the Secretary nor the Treasurer need be a Trustee.

9.6 The Trustees shall elect an Auditor or Auditors annually.

9.7 There shall be nothing to prevent the Trustees from naming one and the same person to hold more than one office except that a person holding office as Auditor shall not be entitled to hold any other office.

9.8 Any officer shall be appointed and may be dismissed by majority vote of the Trustees.

10. VARIATION OF THIS DEED

10.1 This Deed may be added to, rescinded, or otherwise amended by a unanimous resolution of the Trustees personally present at any meeting of the Trust provided that the notice convening such meeting shall set forth the purpose of such alterations

and provided that no alterations shall be made that would change the charitable aim or charitable objects of the Trust.

11. MEETINGS OF TRUSTEES

- 11.1 Meetings of the Trust may be held at any time or place and, subject to any express provisions contained in this Deed, the Trustees may regulate their own procedure in such manner as they think fit.
- 11.2 At every meeting of the Trustees the Chairperson or in his absence the Deputy Chairperson shall preside as Chairperson. If at any meeting the Chairperson or Deputy Chairperson is not present within ten minutes after the time appointed for the holding of such meeting or is unable or unwilling to act as Chairperson the Trustees present shall appoint one of their number to act as Chairperson of that meeting.
- 11.3 No business shall be transacted at any meeting unless a quorum of the Trustees is present at the time when the meeting proceeds to business. A quorum shall consist of a majority of the number of current Trustees.
- 11.4 At all meetings of the Trustees full minutes shall be kept and shall be signed by the Chairperson of the meeting of which they are a record or of the meeting at which the minutes are read and confirmed, and every such minute purporting to be signed shall be prima facie evidence of the facts stated therein.
- 11.5 Except as otherwise provided in this Deed, every resolution or decision of the Trustees shall be decided by a majority of the votes cast by the members present at the meeting. At any meeting of the Trustees, the Chairperson or other person presiding shall have a deliberate vote, and in the case of an equality of votes shall also have a casting vote.
- 11.6 Seven days notice of any meeting of the trustees shall be given to all Trustees (and if invited Associate Members). Notice may be given verbally, or in writing addressed to each Trustee at the address notified by each Trustee to the Trust for that purpose, or failing such notice, at the last known residence, place or business of such Trustee. Notice given verbally shall be deemed to be received at the time it is given and notice given in writing shall be deemed to be received on the second day after the posting of the notice.

11.7 A meeting of the Trustees may be called upon shorter notice than provided for in the previous clause **PROVIDED THAT** any decision or resolution at any such meeting may only be passed by a majority of the number of Trustees current at the time of such meeting.

12. **NO ASSOCIATED PERSON TO BENEFIT FROM TRUST**

12.1 Any income benefit, or advantage, shall be applied to the charitable purposes of the Trust. The provisions and effect of this clause shall not be amended from the Deed and shall be included and applied into any document which may replace this Deed.

12.2 Notwithstanding anything contained in this Deed, no Trustee or person associated with a Trustee 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:

(a) Professional services to the Trust rendered in the course of business charged at no greater rate than that paid in an arms length transaction (being the open market value);

(b) Interest on money lent to the Trust at no greater rate than current market rates.

13. **TRUSTEES' LIABILITY**

13.1 The Trustees shall not be liable for (and shall be indemnified out of the Trust Fund for) any loss or liability which they may incur by reason of the exercise, manner of this Deed or by law **PROVIDED THAT** this clause shall not operate to relieve a Trustee from liability for losses which may be incurred by the Trust as a result of the wilful misconduct, dishonesty or neglect of such Trustee.

14. **OFFICE**

14.1 The office of the Trust shall be the registered office of the Trust and be established at 19 Dale Street Albert Town or at such other places as the Trustees shall from time to time determine.

15. **WINDING UP OF THE TRUST**

- 15.1 No resolution for dissolving or winding up the Trust shall take effect unless it has been consented to by at least three fourths of the number of Trustees for the time being present at a meeting of the Trust convened for that purpose and unless in the notice convening such meeting due notice shall have been given of the intention to move such a resolution or unless an instrument of dissolution is duly executed by at least three fourths of such Trustees confirmed in either case at a further meeting of the Trust of which due notice has been given, such meeting to be held not earlier passed on executed and such confirming resolution is passed by a majority of the Trustees present in voting.
- 15.2 The Trust shall be governed by the provisions of winding up contained in Section 24 of the Charitable Trusts Act 1957 and should the Trust be dissolved or wound up as provided in the preceding clause then any moneys or properties remaining after the due settlement of the affairs of the Trust and the payment of all just debts and claims shall be distributed to one or more charitable bodies which have been approved by the Inland Revenue Department for the purposes of Inland Revenue acts but in any event all funds be applied for exclusively charitable purposes within New Zealand.
16. **ANNUAL PUBLIC MEETING**
- 16.1 Within four months after the end of each Financial Year of the Trust the Trustees shall in addition to making available to the public the financial statements publish an annual report on the activities of the Trust and hold a public meeting in the District which shall be the Annual Public Meeting;
- 16.2 The Trustees shall give not less than 14 days notice in a principal newspaper or newspapers circulating in the District of the holding of such Annual Public Meeting and the date, time and place of the meeting;
- 16.3 The business to be conducted at the Annual Public Meeting shall be:
- (a) The consideration and adoption of the Annual Report of the Trustees and the Annual Financial Statements of the Trust; and
 - (b) The appointment of the auditors; and
 - (c) Such other business (if any) as the Trustee and those attending think fit.
 - (d) The Annual Report and Annual Financial Statements shall include:

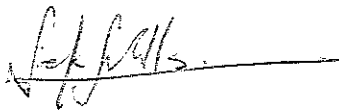
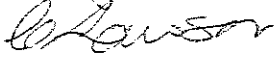
- (iv) A forecast of the ability of the Trust to sustain donations in view of current investments and reserving policies;
- (v) Any proposed or actual divergence from Trust objects or investment policies;
- (vi) The contribution of any Co-opted Trustee;

- 16.4 The Annual report of the Trust shall be made available to the Electors at least fourteen days prior to the date set for the Annual Public Meeting.
- 16.5 Any Elector may attend the Annual Public Meeting and may raise matters for discussion by the Trustees and Electors present at the meeting.
- 16.6 The Trustees, in accordance with the procedures set down in the Deed, may pass resolutions taken at the Annual Public Meeting.
- 16.7 Electors shall not vote upon resolutions taken at the Annual Public Meeting.
- 16.8 A quorum at the Annual Public Meeting shall be a majority of the Trustees.

17. INCORPORATION

17.1 The trust shall be incorporated under and in compliance with the Charitable Trust Act 1957 or any legislation in substitution hereof.

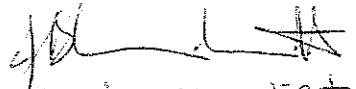

EXECUTED by
NICHOLAS SARGOOD MILLS
as Settlor and Trustee
in the presence of:

) 
) Winegrower
) 
) CLAIRE LAWSON
 CHIEF EXECUTIVE
 OFFICER



44 Ballantyne Rd
P.O. Box 175
WANAKA.

9 B RAGAN LAINE
WANAKA

EXECUTED by
JENNIE BLENNERHASSETT
as Settlor and Trustee
in the presence of:

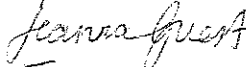

) 
) Horticulturalist
) 19 Dale St, Albetown R.D. 2 WANAKA
) 

EXECUTED by
GERALD DAVIES
as Trustee in the presence of:

) 
) PROJECT MANAGER
) 

2/197 OUTLET R
WANAKA.

EXECUTED by
JOANNA KATIE GUEST
as Trustee in the presence of:

) 
) Teacher
) 

13a achilles place
wanaka

SCHEDULE A

(Schedule of Trustees)

Name of Member	Occupation	Address
Jennie Blennerhassett	Self-employed Horticulturalist	Dale Street, Albert Town, RD 2 Wanaka
Gerald Davies	Project Manager	P O Box 657 Wanaka
Nicholas Sargood Mills	Artisan Wine-Grower	Rippon Vineyard & Winery P O Box 175 Wanaka
Joanna Katie Guest	School Teacher	13A Achilles Place, Wanaka