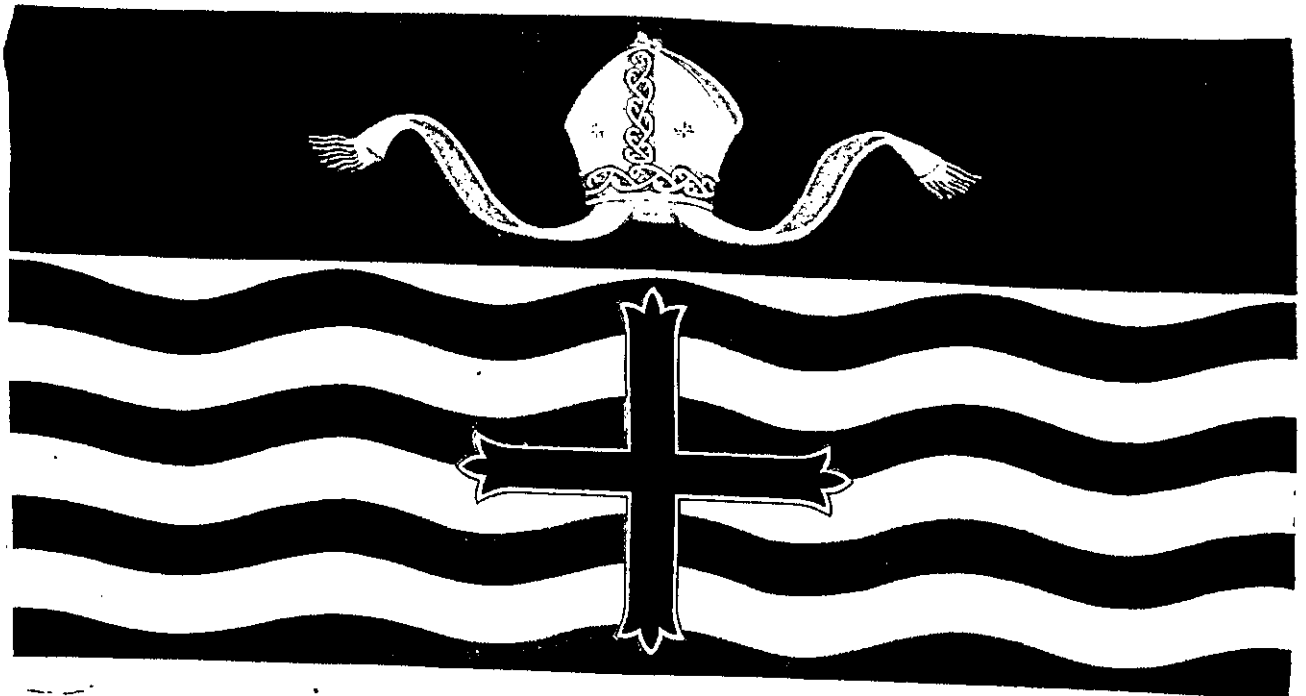


CITY OF NELSON CIVIC TRUST



TRUST DEED

OCTOBER 2003



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CITY OF NELSON CIVIC TRUST
TRUST DEED

PART ONE

OBJECTS AND POWERS

The objects for which the Trust is established and the powers of the Trust Board are:-

1. (a) To stand possessed of the annual income of the Trust Fund after paying and discharging all costs, expenses, charges, and outgoings of, or in relation to the Trust or the Trust Fund, and setting aside such reserves as it may determine pursuant to the powers herein provided, and to use and apply the remainder of such income in such portions as in its absolute discretion it might determine for any charitable purpose within the City of Nelson as defined in part 2 of the second schedule to the Local Government Act 2002, and as may from time to time be constituted pursuant to any re-organisation under that Act, and its environs (hereinafter called the City).
 - (b) Subject to the prior approval of the Nelson City Council the Trust Board may pay or apply the whole or any part of the capital for the time being of the Trust Fund for charitable purposes within the City.
 - (c) In this clause the expression "charitable purpose" shall have the same meaning as in the Charitable Trust Act 1957 and the words "Charity" and "Charities" shall have corresponding meanings.
 - (d) If by reason of any alteration in the law relating to income tax it is at any time or times necessary to restrict such purposes in order to preserve the status of a Trust as provided for in Section CB4 of the Income Tax Act 1994 Act such purposes shall thereupon be deemed restricted to the extent so necessary.
 - (e) Without in any way limiting the definition of "Charitable purpose" hereinbefore contained it shall be deemed to include –
 - i) Assistance to any charitable organisations or societies within the City.
 - ii) The preservation, development, improvement or restoration of such buildings or other features in and about the City, which the Trustees consider by reason of their cultural, architectural, historical, heritage or amenity value, to be worthy of such protection, preservation, development, improvement, or restoration.
 - iii) The creation or improvement of features of beauty or interest in and about the City.
 - iv) The stimulation of public interest in and care for the beauty history and character of the City and its surroundings.
 - v) The enhancement of the streetscape and character of the City.
2. To seek, raise, accept, and receive donations, subsidies, grants, endowment, gifts, legacies, and bequests either in money or in kind, or partly in money and partly in kind, for all or any of the purposes and objects of the Trust, and to carry out any specified Trust attaching to or relating to the same.
 3. To accept transfers of unencumbered property by way of gift subject to a contingency that the donor or his or her spouse shall be entitled to use occupy and enjoy the same until the death of the survivor of them, and subject to the Trust Board meeting such conditions as to the payment of outgoings in the way of rates, insurances and maintenance which may be agreed to by the donor and the Trust.

4. To collaborate with any person, firm, association, company, society, organisation, or institution in any way connected with or likely to assist in furthering the purposes and objects of the Trust.
5. To retain any property given to or acquired by the Trust in specie as an authorised investment without responsibility for any loss occasioned by such retention, notwithstanding that any such property may be of a hazardous or wasting nature or may not be an investment authorised by law for the investment of Trusts Funds.
6. To retain any property given or acquired in respect of any shares in registered companies or company securities, and in its discretion exercise in relation to such shares or securities all powers conferred upon Trustees by law.
7. To enter into any arrangement with any government agency or local authority that may seem conducive to the objects of the Trust and to obtain from any such agency or authority any rights privileges and concessions which the Trust Board may think it desirable to obtain and to carry out, exercise, and comply with any such arrangements, rights, privileges, and concessions.
8. To lend money to such persons or companies and on such terms and security as the Trust Board may deem expedient, in pursuance of any purpose specified under clause 1(e) hereof.
9. To borrow or raise or secure the payment of money in such manner including the security of any property, and on such terms and conditions as the Trust Board shall think fit.
10. To invest money in any investment of which it approves or in the purchase or improvements of any land or property or any interest in land or property and to vary and transpose any such investments from time to time.
11. To pay all expenses and outgoings as may be incurred in relation to the Trusts from time to time vested in it.
12. To demise or let any property forming part of the Trust Fund for such terms and at such rent and subject to such other provisions as the Trust Board requires and to the Trust Board shall appear desirable.
13. To employ such, persons whether honorary or otherwise as the Trust Board may from time to time deem necessary, and to determine their terms and conditions, including any remuneration or honorarium to be paid.
14. To draw, make, accept, endorse, discount, execute, and issue cheques promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
15. To adopt such means of making known the activities and objects of the Trust as may seem appropriate.
16. To obtain any provisional order or Act of Parliament for enabling the Trust to carry any of its objects into effect or for effecting any modification of the Trust's constitution or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Trust's interests.

17. To receive and hold any life insurance or endowment policy or policies which may be transferred to the Trust and in the discretion of the Trust Board to apply the income of the Trust Fund in payment of premiums thereon or otherwise to deal with any such policies as the Trust Board decides.
18. To sell, improve, manage, develop, subdivide, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Trust.
19. To develop and turn to account any land acquired by the Trust or in which it is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up, and improving buildings, and by planting, paving, draining, farming, cultivating, and letting on building lease, or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders and others.
20. To pay all or any of the expenses incurred in and in connection with the incorporation and establishment of this Trust, or any variation to the trust deed.
21. To do all or any of the above things as principals, agents, contractors, trustees, or otherwise and by or through agents, trustees, or otherwise and either alone or in conjunction with others.
22. To do all such other things as in the opinion of the Trust Board may be incidental or conducive to the attainment of any of the foregoing objects or the exercise of any of the foregoing powers.
23. The Trust funds and all income arising therefrom shall be applied solely towards the promotion of the objects of the Trust as herein set forth PROVIDED that nothing herein expressed shall prevent or be deemed to prevent the payment in good faith of reasonable and proper remuneration or honorarium to any member, officer or servant of the Trust Board for services actually rendered to or for the benefit of the Trust, or the payment of reasonable and proper expenditure relating to the carrying out of the objects for which the Trust is established.
24. No trustee or person associated with a trustee of the trust shall derive any income, benefit, or advantage from the trust except where that income, benefit or advantage is derived from:
 - a) professional services to the trust rendered in the course of normal or usual business; or
 - b) interest on money lent by such person to the trust at no greater rate than current market rates

The provision and effect of this clause shall not be removed from this document and shall be included and implied in any document replacing this document.

25. Any Trustee of the Trust may contract and have dealings with the Trust in respect of the Trust assets, whether as purchaser, vendor, lessor, lessee, licensor, licensee, manager, employee or otherwise howsoever, provided that if any Trustee of the Trust or any other person (whether that person and the Trustee are associated persons as defined in the

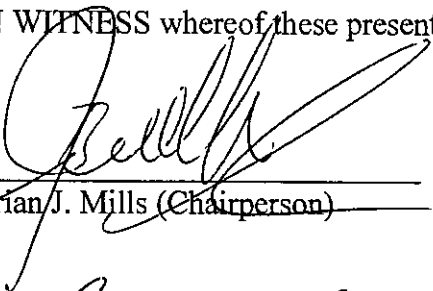
Income Tax Act 1976), either personally or by virtue of being a director or shareholder of any company or as Trustee of any other Trust:

- a) is in any way interested in any contract or dealing with the Trust; or
- b) shall have an interest or duty in any particular matter or matters which shall conflict with the duty of the Trustee or the terms of the Trust herein;

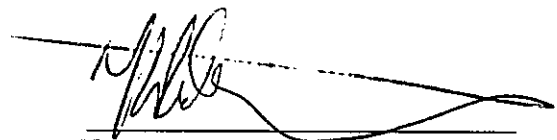
then such Trustee must prior to any relevant discussion declare his or her interest in the matter and he or she shall not be entitled to participate or vote in any consideration of it by the Trustees.

- 26. Where any matter in which a Trustee or Trustees have a personal interest is being considered then that Trustee or Trustees shall declare that interest prior to any discussions or decision being made.
- 27. Unless the contrary is expressed in this Trust Deed, the Trust shall also have the powers and authorities granted by the Charitable Trust Act 1957.

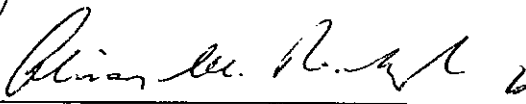
IN WITNESS whereof these presents have been executed this 17th day of October 2003



Brian J. Mills (Chairperson)



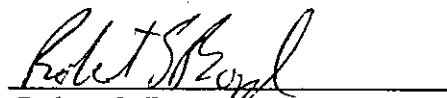
Kent J. Robertson
(Deputy Chairperson.)



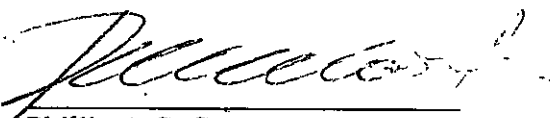
Alison Roxburgh.

Peter H. Malone.

Mary B. Gavin.



Robert S. Boyd.



Phillip A.C. Coote.



Viesturs R. Altmants.

PART TWO

RULES – INTERPRETATION: In these Rules the word “Trustee” unless the context otherwise requires, means and includes each person for the time being duly appointed and holding office as a member of the Trust Board.

1. FUNDS AND PROPERTY

- a) The funds and property vested in the Trust shall be administered by the Trust Board in accordance with these Rules.
- b) All monies received shall be paid to the credit of the Trust at such trading bank or savings bank as the Trust Board shall from time to time appoint and cheques on the bank account and other negotiable instruments shall be signed by two Trustees. Endorsements of cheque and other negotiable instruments in favour of the Trust shall be made by one Trustee or the Secretary or the Treasurer or such other person as may be appointed by the Trust Board.
- c) Where it shall be made to appear to the Trust Board that any legacy endowments, contribution, or other gift has been made in despite of or in ignorance or without full appreciation of the claim, whether legal or moral, of any person upon the duty or bounty of the testator or donor, the Trust Board notwithstanding that the Trust may have expressed its acceptance of such legacy endowment, contribution, or other gift either wholly or in part, may make such payment or gift, of or out of the property comprised therein, towards the satisfaction or relief of such claim as the Trust Board may in its absolute discretion think fit.
- d) The Secretary or the Treasurer shall have power to receive and give receipts for all legacies, donations, or other monies bequeathed, made, or given to the Trust and every such receipt shall be an effective discharge for the money or other property therein stated to have been received.
- e) No part of the income or property of the Trust shall be paid or transferred directly or indirectly by way of profit to any Trustee PROVIDED THAT nothing therein contained shall preclude any payment to a Trustee for services rendered or for goods supplied or by way of interest on monies borrowed from or by way of rent for premises let or leased to the Trust by any Trustee.

2. CONSTITUTION OF TRUST BOARD

The Patron of the Trust shall be His Worship the Mayor of Nelson.

- a) The Trust Board shall consist of no less than 7 nor more than 10 Trustees as determined by the Trust Board at an AGM.
- b) The Chief Executive Officer of the Nelson City Council shall be ex officio a member of the Trust Board.
- c) i) All vacancies in membership of the Trust Board howsoever arising shall be filled by appointment by resolution of the Nelson City Council on the recommendation of the remaining members of the Board.

The term of appointment shall commence at the date of the meeting of the NCC at which the said resolution was passed.

- ii) The Council shall consider for appointment as Trustees persons who;
- Are respected in the community and have high personal integrity.
 - Are committed to the Trust and its objectives as set out in the Trust Deed.
 - Have a knowledge of and a regard for the history, arts and architecture of the City of Nelson.
 - Are community minded and are willing to work with the other Trustees and volunteers to promote the aims and objects of the Trust.
 - Are prepared to make sufficient time available to discharge their responsibilities.
 - Have business acumen and financial stewardship skills relevant to the running of a Charitable Trust.
- d) Trustees shall be appointed for a term of three years and unless earlier resigning from the Trust shall subject to the following clause, retire at the conclusion of the third Annual General Meeting following their appointment.
- e) Notwithstanding sub clause (d) above, at the conclusion of each AGM of the Trust, one third of the Trustees for the time being (or the number nearest to one third) shall retire from office.

The Trustees to retire shall be those who have been in office for 3 or more years.

Where at the conclusion of the AGM of the Trust, no Trustee has been in office for 3 years then the provisions of this sub-clause shall not be applied.

Where more than one third of the Trustees have been in office for 3 years those to retire shall be determined by lot.

- f) The provisions of sub-clauses (c), (d) and (e) above shall not apply to the ex officio Trustee.
- g) Any Trustee retiring pursuant to sub-clause (c) above shall be eligible for re-appointment as a Trustee.
- h) The Office of Trustee shall become vacant if that person:
- (i) Resigns from office
 - (ii) Becomes bankrupt or insolvent
 - (iii) Is convicted of an offence punishable by 12 months or more imprisonment
 - (iv) Becomes of unsound mind
 - (v) Dies
 - (vi) Fails to attend 3 consecutive meetings unless that non-attendance is excused by the Trust Board
 - (vii) Is removed in accordance with sub-clause (i) below
- i) The Nelson City Council shall have the power at any time to remove by notice in writing any Trustee, and to appoint a Trustee in his or her place provided such

replacement Trustee is a person who meets the criteria in clause 2(e)(ii) above. Provided also that the Council shall not exercise this power without first consulting with the remaining members of the Trust Board.

3. POWERS OF THE TRUST BOARD

The Trust Board shall be responsible for the control, administration and management of all the affairs of the Trust and may exercise all the powers and authorities conferred by these presents or by law conferred on Trustees generally.

4. PROCEEDINGS OF THE TRUST BOARD

- a) Subject to the following provisions the Trust Board shall meet together for the dispatch of business, adjourn and otherwise regulate its meetings in such manner as it from time to time determines. Provided that the trust will meet on no less than four occasions in any calendar year, with one such meeting being the Annual General Meeting.
- b) Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of voting the Chairperson shall have a second or casting vote.
- c) The quorum necessary for the transaction of the business of the Trust Board shall be half the number of Trustees for the time being.
- d) The continuing Trustees of the Trust Board may act notwithstanding any vacancy in their body but if and as long as their number is reduced below the number fixed by these Rules as the necessary quorum of members the continuing member or members may act for the purposes of increasing the number of members to that number but for no other purpose whatsoever.
- e) The Trustees at their first ordinary meeting following the Annual General Meeting shall elect a Chairperson and Deputy Chairperson for their meetings who, unless sooner removed from office by the Trustees, shall hold such appointment until the next subsequent such meeting. If no such Chairperson or Deputy Chairperson is elected or if at any meeting the Chairperson or Deputy Chairperson are not present within five minutes after the time appointed for holding the meeting the Trustees present may choose one of their number to be Chairperson of the meeting.
- f) The Trust Board may at any meeting appoint two or more of its members to be a committee for making any inquiry or for superintending or transacting any business, but every act and proceeding of such committee shall except in cases of urgency be submitted to a meeting of the Trust Board for approval.
- g) A resolution in writing signed by all the Trustees for the time being entitled to receive a notice of a meeting of the Trust Board shall be as valid and effectual as if it had been passed at a meeting of the Trust Board duly convened and held. Any such resolution may consist of several documents in like form each signed by one or more Trustees.
- (h) The Trust Board shall determine the date on which the financial year of the Trust shall end and may at any time alter such date and the Trust Board shall within three months of the end of the financial year of the Trust hold the Annual General Meeting of the Trust Board. The business of the Annual General Meeting shall be:-
 - i) To receive and consider the Annual Report.
 - ii) To receive consider and adopt the Annual Balance Sheet.
 - iii) To consider the number of Trustees on the Trust Board.

- iv) To consider any resolution, notice of which shall have been given in writing to the Secretary at least 21 days before the date of the meeting.
- (i) The Trust Board shall each year forward a copy of its Annual Report to the Nelson City Council and to such other persons and organisations as it may determine.
- (j) A meeting of the Trust Board shall be called at any time by direction of the Chairperson or of two Trustees, and shall be called within one calendar month after receipt by the Secretary of a requisition signed in that behalf.
- (k) Notice of all meetings of Trust Board, specifying the business of such meeting shall be posted by the Secretary to the Trustees at least seven days prior to the date fixed for the holding of the meeting. Notice of any meeting may be waived by all Trustees signing a waiver of notice and such waiver of notice being placed in the Minutes.
- (l) It shall not be necessary to give notice of a meeting of the Trust Board to any Trustee for the time being absent from New Zealand.
- (m) The accidental omission to give notice of any meeting to, or the non-receipt of notice of any meeting by any Trustee shall not invalidate the proceedings of that meeting.

5. MEETINGS BY WAY OF ELECTRONIC COMMUNICATION

The contemporaneous linking together by telephone or other means of communication of a number of Trustees being not less than the quorum (whether or not any one or more of the Trustees is out of New Zealand) shall be deemed to constitute a meeting of Trustees and all the provisions of this Deed in respect of such meetings shall apply, so long as the following conditions are met:

All the Trustees for the time being entitled to receive notice of a meeting of the Trustees shall be entitled to notice of the meeting by telephone or other means of communication and to be linked by telephone or other means for the purpose of such meeting and shall receive two working days notice prior to such meeting.

Each Trustee taking part in a meeting by telephone or other means of communication must throughout the meeting be able to hear each of the Trustees taking part in the meeting.

At the commencement of the meeting each Trustee must identify himself/herself to each other Trustees and must acknowledge the Trustees presence for the purpose of the meeting to all other Trustees taking part.

6. MINUTE BOOK

All proceedings of the Trust Board shall be recorded in the form of minutes entered in a proper Minute Book and confirmed as correct at a subsequent meeting.

7. SECRETARY

A Secretary may be appointed by the Trust Board for such term and at such remuneration and upon such conditions as it might think fit and any Secretary so appointed may be removed by the Trust Board.

8. TREASURER

A Treasurer may be appointed by the Trust Board for such term at such remuneration and upon such conditions as it might think fit and any Treasurer so appointed may be removed by the Trust Board.

9. SEAL

The Trust Board shall have a common seal and may from time to time by resolution change alter, or adopt any new such seal as it may deem proper. The common seal shall not be affixed to any document except pursuant to a resolution of the Trust Board previously passed and shall be so affixed in the presence of two Trustees who shall affix their signatures to every document so sealed.

10. INDEMNITY

The Trustees shall not be liable for:

- (a) any losses or liabilities except losses or liabilities arising from their own dishonesty, wilful default or wilful breach of trust; or
- (b) any act or acts or attempted act done in exercise of or pursuant to any trust, power or discretion vested in them by this Deed; or
- (c) any omission or omissions or non-exercise in respect of any trust, power or discretion of the Trustees under this Deed.

10.1 The Trustees and every other person acting on behalf of the Trustees shall be indemnified out of the Trust Assets against all liabilities and expenses incurred by them in the exercise or attempted exercise of the trusts, powers and discretions vested in the Trustees pursuant to this Deed and in respect of any matter or thing done or omitted to be done in any way relating to this Deed and the Trust. This indemnity shall extend to any payments made to any Person whom the Trustees bona fide believe to be entitled thereto though it may be subsequently found that the person was not in fact so entitled. The Trustee shall have a lien or charge on the Trust Assets and may retain and pay out of any moneys in the Trust all sums and amounts necessary to give effect to this indemnity.

10.2 The liability of the Trustees in connection with this Deed or at law shall at all times be limited to the Trust Assets.

10.3 No Trustee shall be subject to any greater standard of care, diligence and skill in executing the trusts of this Deed by virtue of that Trustee's professional employment or business. In particular, although the Trustees will from time to time include persons whose professions, employment or business is, or includes acting as a trustee or investing money on behalf of others, the care, diligence and skill to be exercised by the Trustees shall be the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.

11. AUDITOR

The accounts of the Trust shall be audited by an auditor approved by the Nelson City Council.

12. ALTERATION AND ADDITIONS TO THE RULES

These rules may be altered or added to at any meeting of the Trust Board subject to the following conditions:

- i) Notice outlining the proposed alterations to the Rules shall be given to each Trustee.
- ii) The meeting may amend any such proposals.
- iii) No resolution of any meeting shall effect any alterations to the Rules or addition to the Rules unless it be carried by the unanimous vote of all the Trustees.
- iv) No rescission alteration amendment or addition to these Rules shall be in conflict with any of the provisions of the objects or powers of the Trust or of the Charitable Trusts Act 1957, or which detracts from the exclusively charitable nature of the Trust.

13. ACCOUNTS

The Trust Board shall cause proper books of account to be kept in which shall be kept full true and complete accounts of the affairs and transactions of the Trust. The book of accounts shall be kept at the Nelson City Council office or at such other place or places as the Trust Board thinks fit and shall always be open to the inspection of any Trustee.

The Trust Board shall be entitled to acknowledge, gifts, donations, or contributions to the Trust Fund in such and by such means as it shall think fit.

14. WINDING UP

On the winding up of the Trust or its dissolution by the Registrar of Incorporated Societies, all surplus assets after the payment of costs, debts and liabilities shall vest in the Nelson City Council in Trust to be applied in furtherance of the purposes of the Trust as set out in Part I of this deed.