

FILE COPY

**DEED OF CHARITABLE TRUST
NELSON BAYS PRIMARY HEALTH**

between

Nelson PHO Limited

and

**Ann-Marie Bailey, Leanne Rachel
Curtis, Roma Ruruku Hippolite, Peter
Francis Mason, David John McKenzie-
Pollock, Janet Ruth Morgan, Hamish
John Cunningham Neill, Patricia
Webster and James Oliver Williamson**

PITT & MOORE
NELSON

Handwritten signatures and initials:
RM
JON
PW
J
J
J

Deed of Charitable Trust

Date:

2005

Parties

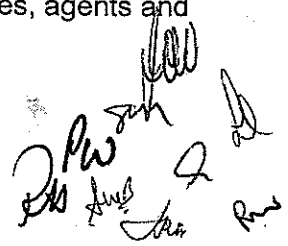
1. Nelson PHO Limited Nelson ("Settlor")
2. Ann-Marie Bailey, Leanne Rachel Curtis, Roma Ruruku Hippolite, Peter Francis Mason, David John McKenzie-Pollock, Janet Ruth Morgan, Hamish John Cunningham Neill, Patricia Webster and James Oliver Williamson ("the Trustees")

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 Nelson Bays Primary Health Trust established by this Deed to be known as Nelson Bays Primary Health Trust.
"Casual User"	means any person who is eligible for publicly funded health services in accordance with applicable legislation and who is not an Enrolled Person but who receives Services provided by the Trust or by Contracted Providers.
"Charitable Purpose"	means every purpose which in accordance of the law of New Zealand is charitable and includes every charitable purpose within the meaning of that term in the Charitable Trusts Act 1957 PROVIDED HOWEVER that any such purpose is also regarded as charitable under every statute, regulation or ordinance relating to income tax or gift duty for the time being in force in New Zealand.
"Chairperson"	means the Chairperson who is the Trustee appointed in accordance with clause 8.6.
"Community"	means all persons normally residing or located in the geographic region in which the Enrolled Population normally resides, including the Maori Community.
"Consumers"	means the Enrolled Population and all Casual Users.
"Contracted Provider"	means any health service provider with whom or with which the Trust has an agreement to provide Services to Consumers, including that provider's employees, agents and subcontractors.



- "Enrolled Person"** means any person who is eligible for publicly funded health services in accordance with applicable legislation and who is enrolled with the Trust (whether directly or via a Contracted Provider) so as to be eligible to receive health Services provided by the Trust.
- "Enrolled Population"** means all Enrolled Persons.
- "Financial Year"** means any year or other accounting period ending on the Balance Date.
- "Iwi / Maori Community"** means all natural persons claiming or recognising themselves as being of New Zealand Maori descent who normally reside in the geographic region in which the Enrolled Population normally resides.
- "month"** means calendar month.
- "Objects"** means the charitable objects of the Trust as set out in clause 5 of this Deed.
- "Ordinary Resolution"** is a resolution that is approved by a simple majority of the votes of the Trustees entitled to vote and voting on the question.
- "Other Provider"** means any health service provider with whom or with which the Trust does not have an agreement to provide Services to Consumers.
- "Property"** means any real and personal property of the Trust.
- "Representative Body"** means any person or association of persons (including natural persons acting in the capacity of trustees of an unincorporated trust) recognised by Ordinary Resolution of the Shareholders as having authority for the time being to represent the interests of either:
- a. the Community; or
 - b. the Iwi / Maori Community; or
 - c. Consumers; or
 - d. Contracted Providers; or
 - e. Other Providers; or
 - f. any section or component or interest group within any of a to e above,
- "Services"** means services provided by the Trust in the pursuit of its Charitable Purpose, whether provided directly by the Trust or via Contracted Providers and whether provided to

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- Consumers, Contracted Providers, the Community, the Iwi / Maori Community or any Representative Body.
- "Special Resolution"** means a resolution passed by not less than eight of the ten Trustees at a meeting of the Board where not less than 21 clear days prior written notice of the resolution is given to all the Trustees provided this requirement of 21 days notice is not required where all of the Trustees sign the resolution, which resolution may be in several copies it not being necessary that all Trustees have signed the same copy. A Special Resolution is defined as any action which may change the objects of the Trust and the powers and limitations as identified in the Trust Deed.
- "the Trust"** means the charitable trust established by this Deed and known as Nelson Bays Primary Health Trust.
- "the Trustees"** means the trustee or trustees of the Trust for the time being whether original, additional or substituted.
- "the Trust Fund"** means such sum as is received by the Board from Nelson PHO Limited 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

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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 objects set out in this Deed.

3. Name of Trust

3.1 The Trust and the Trust Fund shall be known as "Nelson Bays Primary Health Trust".

4. Office

4.1 The office of the Trust and the Board shall be at Nelson 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:

a. improving and maintaining the health of the Enrolled Population; and reducing health inequalities.

5.2 Other charitable objects of the Trust shall be:

a. providing primary health services to restore Consumers' health when they are unwell;

b. providing any educational, advisory, supervisory, planning, administrative and support services as are incidental or conducive to this pursuit of the above charitable objects.

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;

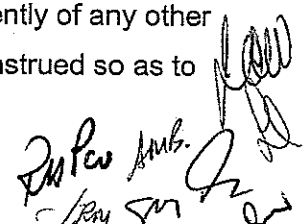
6. Limitation on Objects

6.1 The object of this Trust may not extend to any matter or thing which is not charitable within the meaning of 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 powers set out in Schedule A, which shall be exercised prudently to promote the Objects:

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

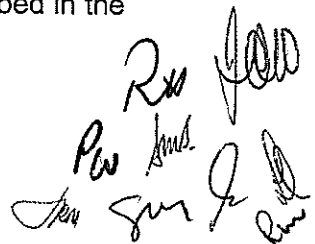


widen and not restrict the powers of the Trustees provided however that at no time shall any provision be construed so as to detract from the charitable object of the Trust.

- 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 and Removal of Trustees

- 8.1 The number of Trustees shall be ten.
- 8.2 The number of Trustees may be changed by the Trustees by Special Resolution.
- 8.3 Three of the Trustees shall be people representing the Community as selected in accordance with the Selection Process described in Schedule B.
- 8.4 Three of the Trustees shall be people representing the Iwi / Maori Community as selected in accordance with the Selection Process described in Schedule C.
- 8.5 Three of the Trustees shall be people representing the Contracted Providers as selected in accordance with the Selection Process described in Schedule D.
- 8.6 One of the Trustees will be a Chairperson selected independently of the groups referred to in accordance with the process described in Schedule E.
- 8.7 Subject to subclauses 8.8 to 8.15 of this rule, every Trustee shall hold office for a term of 3 years expiring at the end of the annual general meeting held in the third calendar year after the calendar year in which the Trustee was elected, unless the Trustee sooner dies or resigns or is sooner removed from office.
- 8.8 Notwithstanding subclause 8.7 of this rule, the Trustee may, by Special Resolution, determine that the term of office of any Trustee shall expire at such other date as will provide for the rotation of retirement dates
- 8.9 If in any calendar year the annual general meeting at which a Trustee is due to retire is not held for any reason, the term of office of that Trustee shall expire at the end of that calendar year.
- 8.10 Every Trustee who is elected to fill any extraordinary vacancy caused by death, resignation, or removal from office of any Trustee shall hold office for the remainder of the term for which his or her predecessor was elected.
- 8.11 On a Trustee's position becoming vacant by retirement or otherwise, a replacement Trustee shall be selected in accordance with the selection process described in the appropriate Schedule for that category of Trustee.



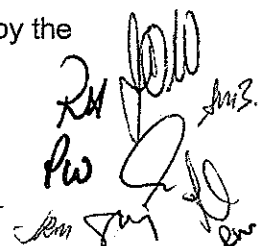
- 8.12 If no replacement Trustee is selected by the process to replace a vacancy within 3 months of the position becoming vacant the remaining Trustees within that group may appoint a person to fill the vacancy (the Interim Trustee).
- 8.13 Any Trustee appointed pursuant to 8.13 shall hold office for the balance of the term the Trustee whose position the Interim Trustee fills.
- 8.14 A Trustee shall cease to hold office if the Trustee:
- a. Retires in accordance with rule 8.7;
 - 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. Is adjudicated bankrupt;
 - f. Is convicted of an indictable offence without right of further appeal;
 - g. Becomes of unsound mind;
 - h. Has been deemed by unanimous vote of the other Trustees that he or she has failed to fulfil his or her duties as Trustees.
- 8.15 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. Duties and Functions of the Board

- 9.1 The Board shall conduct the business and activities of the Trust in an open and transparent manner.
- 9.2 The Board will set policies and resolve on courses of action and means of implementing the same so as to achieve the Objects.
- 9.3 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 those bodies and agencies which fund and support the Trust's activities that the funding and support provided is being effectively applied and utilised.

10. Proceedings of the Board

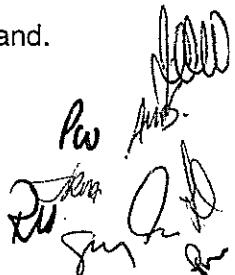
- 10.1 All meetings of the Board shall be chaired by the Chairperson. Should the Chairperson not be present, those of the Trustees present shall elect an acting chairperson from their number to chair that meeting.
- 10.2 As far as possible the Trustees will endeavour to make decisions by consensus but should that not be possible, a vote is required, voting at meetings of the Board shall be by simple majority of those Trustees present except for decisions requiring a Special Resolution. The Chairperson is not entitled to a second or casting vote.
- 10.3 Voting 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.



- 10.4 Written notice of the date, time and place of each meeting shall be posted by ordinary mail or sent by email or fax transmission 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 clear days prior to the meeting. This procedure will not apply to meetings called by the Chairperson pursuant to clause 11.14.
- 10.5 A meeting of the Trustees may be impeached or called into question in any way solely on the ground that the requisite notice has not been given, but only by a Trustee.
- 10.6 A proper written record of all decisions and business transacted at every meeting of the Board shall be kept. The minutes may include notice of the next meeting if fixed at the meeting.
- 10.7 A resolution in writing signed by all members of 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.

11. Meetings

- 11.1 Within three 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 given in writing to the Secretary of the Board at least 14 days before the meeting;
 - f. General business.
- 11.2 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.
- 11.3 Until otherwise decided by Special Resolution, a quorum for meetings of the Trustees shall be seven Trustees.
- 11.4 The Chairperson may call a special meeting of the Board (other than one at which it is proposed to move a resolution affecting a matter requiring a Special Resolution) by any means (including by telephone) at any time provided that the Chairperson in so doing gives 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.
- 11.5 A Trustee may not appoint another Trustee to be a proxy.



11.6 A Trustee may not delegate to another person his or her position as Trustee.

12. Bank Accounts and Property

12.1 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.

12.2 The bank accounts of the Trust shall be managed as the Trustees determine.

12.3 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.

13. Execution of Documents

13.1 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.

13.2 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.

14. Incorporation

14.1 The Trustees shall immediately apply for incorporation under Part II of the Charitable Trusts Act 1957 as a Board under the name "Nelson Bays Primary Health Trust".

15. 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 shall be prepared by such person or organisation appointed for that purpose by the Trustees. To avoid any doubt the accountant may be an accountant or organisation employed by the Board.

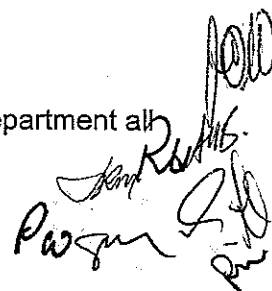
c. The books of account shall be kept at the office of the Trust and shall be open at all reasonable times to inspection and copy by any of the Trustees.

d. The Board will have the Trust's accounts audited each year by an independent auditor appointed by the Trustees.

15.2 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.

16. Tax Returns

16.1 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.

17. **Declarations of Interest**

- 17.1 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.
- 17.2 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.

18. **Remuneration of Trustees and Payments of Expenses**

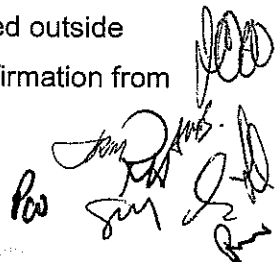
- 18.1 The Trustees shall be paid remuneration for time spent as a Trustee as determined by the Trustees by Special Resolution. Each Trustee shall be entitled to such expenses incurred in that capacity as the Trust Board may from time to time authorise or ratify by resolution.
- 18.2 Subject to clause 18.3, 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.
- 18.3 No Trustee receiving any remuneration referred to in subclause 18.2 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.

19. **No Private Pecuniary Profit**

- 19.1 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.

20. **Alterations and Additions**

- 20.1 Subject to clauses 20.2 and 20.3, the Board may resolve by Special Resolution to amend any provisions of this Deed.
- 20.2 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 and no alteration to this Deed shall be made without prior confirmation from



the Commissioner of Inland Revenue or other appropriate authority that the alteration does not prejudice the charitable nature of the objects of the Trust.

- 20.3 Notwithstanding anything set out in clauses 20.1 or 20.2 the Board shall amend this Deed to comply with any requirement of the Commissioner of Inland Revenue or other appropriate authority or to comply with the Income Tax Act 1994.

21. Liability of Trustees

- 21.1 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.

- 21.2 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.

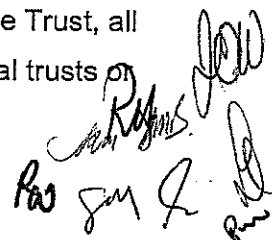
- 21.3 No Trustee shall be bound to take any proceedings against a co-Trustee for any breach or alleged breach of trust by that co-Trustee.

- 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.

22. Winding Up

- 22.1 The Trust may be wound up on a unanimous resolution of all the Trustees at a meeting of the Trustees called for that purpose.

- 22.2 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 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.

22.3 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.

23. **Governing Law**

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

Signed by **Nelson PHO Limited** by:

Director's signature

Director's signature

Director's full name

Director's full name

Signed by **Ann-Marie Bailey** in the presence of:

Ann Marie Bailey
Ann-Marie Bailey

B Anne
Signature of witness

Bernadette Anne
Name of witness

Manager
Occupation

P.O. Box 1776 Nelson
Address

Signed by **Leanne Rachel Curtis** in the presence of:

Leanne Rachel Curtis
Leanne Rachel Curtis

[Handwritten signatures and initials in the bottom right corner]

JRCarey
 Signature of witness
Jillian Carey
 Name of witness
Administrator
 Occupation
P.O. Box 1776 Nelson
 Address

Signed by Roma Ruruku Hippolite in the presence of:

R. Hippolite
 Roma Ruruku Hippolite

JRCarey
 Signature of witness
Jillian Carey
 Name of witness
Administrator
 Occupation
P.O. Box 1776 Nelson
 Address

Signed by Peter Francis Mason in the presence of:

[Signature]
 Peter Francis Mason

B. Anne
 Signature of witness
Benedette Anne
 Name of witness
Manager
 Occupation
P.O. Box 1776 Nelson
 Address

Signed by David John McKenzie-Pollock in the presence of:

[Signature]
 David John McKenzie-Pollock

[Handwritten signatures]
 PM

B Anne
Signature of witness

Bernadette Anne
Name of witness

Manager
Occupation

P.O. Box 1776 Nelson
Address

Signed by **Janet Ruth Morgan** in the presence of:

J. R. Morgan
Janet Ruth Morgan

B Anne
Signature of witness

Bernadette Anne
Name of witness

Manager
Occupation

P.O. Box 1776 Nelson
Address

Signed by **Hamish John Cunningham Neill** in the presence of:

H. Neill
Hamish John Cunningham Neill

B Anne
Signature of witness

Bernadette Anne
Name of witness

Manager
Occupation

P.O. Box 1776 Nelson
Address

Signed by **Patricia Webster** in the presence of:

Patricia Webster
Patricia Webster

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B Anne
Signature of witness

Bernadette Anne
Name of witness

Manager
Occupation

P.O. Box 1776 Nelson
Address

Signed by **James Oliver Williamson** in the presence of:

James Oliver Williamson
James Oliver Williamson

B Anne
Signature of witness

Bernadette Anne
Name of witness

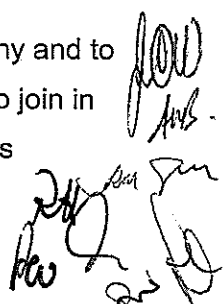
Manager
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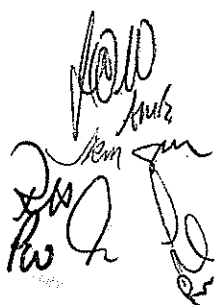
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Schedule A

- a. 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;
- b. To promote and further the Objects by the publication and distribution of papers, journals and other publications and by advertising in any medium or by any other means;
- c. 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 appoint or remove one or more Trustees to or from the Trust in accordance with the provisions of this Deed;
- d. To appoint to each regional trust or organisation created or approved in d. above, one regional trustee or equivalent regional organisation executive committee member;
- e. 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;
- f. 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;
- g. 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;
- h. To acquire, dispose of, lease, or otherwise deal with property on such terms and conditions as the Trustees think fit;
- i. To maintain the property;
- j. To provide such amenities as considered necessary;
- k. To operate any lawful trading activity;
- l. To borrow money or provide guarantees on such terms, conditions or security (including mortgages) as the Trustees consider appropriate;
- m. To invest or lend money on such terms as the Trustees decide and to vary such loans or investments from time to time;
- n. 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;
- o. 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;
 - p. To contribute to any IRD approved charitable trust having substantially similar objects as the Objects;
 - q. 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 in order to further the charitable objects of the Trust;
 - r. 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 in order to further the charitable objects of the Trust;
 - s. To charge any person for use of the property or services such charges as may be fixed by the Trust;
 - t. To join with any other person, group, body or organisation under such arrangement as the Trustees think fit to provide for the charitable object;
 - u. To pay all or any of the reasonable expenses incurred in and in connection with the establishment, incorporation and running of the Trust;
 - v. 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 he were acting for himself, for such amounts and on such terms as the Trustees may from time to time think fit;
 - w. To appoint committees as expedient to carry out the Objects. Members of any committee need not be Trustees;
 - x. 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;
 - y. To do such other lawful acts and things as in the opinion of the Trustees are incidental or conducive to the attainment of the charitable object of the Trust.



Schedule B**Selection of Community Representatives**

1. Trustees shall be selected by a Selection Panel.
2. The Selection Panel shall consist of three people.
3. The Selection Panel shall be established in the following way:
 - 3.1 The Trustees shall take steps to notify the request for nominations through the Community Whanau and Community Health group networks.
 - 3.2 The Trustees shall receive the nominations and if three or fewer nominations are received those nominated persons or person will be declared by the Trustees to be the Selection Panel
 - 3.3 If more than three nominations are received, the Independent Chairperson will convene a meeting of the nominated persons to seek consensus from the group if possible on the three persons who shall constitute the Selection Panel but if consensus is not possible, the three persons shall be selected by ballot conducted under the supervision of and in such manner as the Independent Chairperson shall determine.
 - 3.4 Within one month of the Selection Panel being appointed, they shall select and advise in writing to the Board, the person or persons selected by them as Trustee or Trustees.
 - 3.5 The selection panel shall be guided by the job Description, Person Specifications, Code of Conduct of Board members and Principles and Values of the Board in making their decisions.
4. The process of advising a community Trustee vacancy shall be in the following way:
 - 4.1 The Trustees shall place newspaper advertisements across the region, advising of the vacancy and inviting applications for the position. The number and frequency of the advertisements is to be determined by the Trustees. Information about the role, including an application form will be sent to each prospective applicant.

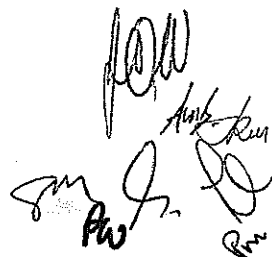


Schedule C

Selection of Iwi / Maori Representatives

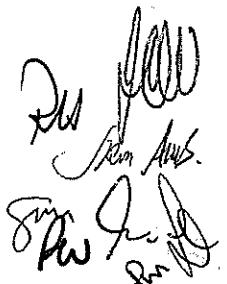
1. The process whereby the Iwi / Maori representatives are appointed to the Board shall be as follows:
2. The management services organisation will act as returning officer and advertise for a call for nominations to all Iwi, Maori organisations, and individual Maori within the PHO boundaries.
3. Nominations are to be made on a set form which will be transmitted and made available to applicants.
4. The representatives will serve a term of 3 years with 1 person retiring each year in turn.
5. All nominations received are to be delivered to the Iwi Health Board who will then select one person for the Nelson Bays Primary Health Trust Board each year.
6. The criteria used to assist selection will include:
 - Experience in the health field
 - Experience in business
 - Experience in tikanga maori
 - Other criteria as agreed to by the Iwi Health Board and circulated to potential applicants.
7. The Chairperson of the Nelson Bays Primary Health Trust Board will sit on the panel as an observer.

The 3 Iwi / Maori representatives by Treaty right and definition represent all Maori living within the boundaries of the Nelson Bays Primary Health Trust. Along with this right, comes the responsibility to also ensure that all Maori are given an opportunity to have input, and are looked after (manakitanga).



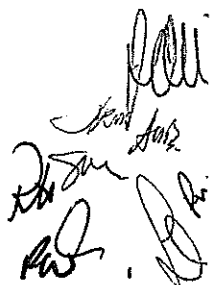
Schedule D**Selection of Contracted Providers Representatives**

1. The representatives for the Contracted Providers shall be selected in the following manner:
 - 1.1 The Trustees will cause notice to be given to the Contracted Providers of the need for the appointment of a Trustee to represent the interests of Contracted Providers.
 - 1.2 Nominations for the position will be invited from the Contracted Providers. Information about the Trustee vacancy, including the Job Description, Person Specifications, Code of Conduct and Principles and Values of Nelson Bays Primary Health Trust Board members will be given to prospective nominees and made available to voters.
 - 1.3 If two or more persons apply for the vacancy, an election by postal ballot will be held to be conducted by the Trustees.
 - 1.4 Those eligible to vote will be those persons who are Contracted Providers.
 - 1.5 The Trustees shall determine the timing and process of the above.
 - 1.6 In the criteria for selection, the significance of General Practice needs to be recognised. To achieve this, at least one of the 3 persons must be a General Practitioner representative.

Handwritten signatures and initials in the bottom right corner, including names like "Dun", "Alan", "John", and "Rm".

Schedule E**Selection of Independent Chairperson**

1. The outgoing Chairperson's performance over the past term of 3 years is assessed by those continuing members of the Board.
2. A discussion is held with all the new Board based around draft criteria for the Chairperson's position and any necessary adjustments to the criteria are made.
3. Consideration is given as to possible Chairs including the possibility of reappointing the existing Chairperson.
4. The position of Independent Chairperson will be advertised and known potential candidates will be contacted to gauge interest.
5. A selection panel from the Board interviews interested candidates and recommends an appointment to the rest of the Board.
6. The full Board ratifies the appointment.
7. The new Chairperson takes over at the next meeting.
8. This process will be a 3 year cycle beginning from AGM 2006.



Nelson Bays Primary Health Trust

Special Resolution pursuant to Clause 8.8 of Constitution (appointment and removal of Trustees)

Section A

Background

- 1 The current constitution provides for the appointment of 3 community trustees as selected in accordance with a process set out in Schedule B to the Constitution.
- 2 Three trustees representing the Iwi/Maori community are selected in accordance with the process set out in Schedule C.
- 3 Three trustees representing the contracted providers are selected in accordance with a process set out in Schedule D.
- 4 The Chairperson is selected independently of the other 3 groups under a process set out in schedule E.
- 5 Trustees hold office for a term of "3 years expiring at the end of the AGM held in the third calendar year after the calendar year in which the trustee was selected/elected (unless the trustee sooner dies or resigns or is sooner removed from office)".
- 6 However, the trustees may by special resolution (which requires the vote of not less than 8 of the 10 trustees, where not less than 21 clear days prior written notice of the resolution is given to all the trustees provided this requirement of 21 days notice is not required where all of the trustees sign the resolution) determine that the term of office of any trustee shall expire at such other date as will provide for the rotation of retirements dates.

Section B

Resolution

In order to provide for the orderly rotation of existing trustees, the trustees pursuant to its powers under clause 8.8 of the Constitution hereby pass the following special resolution:-

- i The resignation of Pat Webster shall be accepted as at July 2007;
- ii The re-appointment of Jan Morgan to September 2009 shall be noted;
- iii The term of office of Philip Chapman shall be extended to September 2008;
- iv The provisions of clause 8.10 of the constitution shall stand; however where a trustee vacancy is filled owing to death, resignation or removal from office of any trustee, the Board shall, at its discretion, exercise its powers under clause 8.8

to extend such appointments in a manner that will ensure orderly rotation of trustees.

Resolved at Nelson this 24TH day of MAY 2007

Signed by all the trustees:

J. R. Morgan
[Signature]
John Beaton
[Signature]
P. Webb

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

Election of Community Representative to Board

A Special Resolution to change the Trust Deed was notified on 24th September 2009.

A quorum of eight Trustees is required for Special Resolutions. There being sufficient Board members present, on 26 November 2009, the following Resolution was put:

Resolution:

That the Board of Nelson Bays Primary Health approve the following amendment to the Deed of Charitable Trust:

Schedule B

Selection of Community Representatives

1. A Selection Panel shall select trustees.
2. The Selection Panel will be comprised of serving Community Representatives at that time, plus one (or two) independent person/s with relevant skills co-opted from the community. The Selection Panel will consist of no more than five people in total.
3. The process of advising a community Trustee vacancy shall be in the following way:
 - 3.1 The Trustees shall place one advertisement to cover as wide an area as possible, advising of the vacancy and inviting applications for the position. The advertisement shall highlight the skills required. Information about the role, including an application form, will be sent to each prospective applicant.
 - 3.2 Applicants should be nominated or supported by two community groups.
 - 3.3 Applicants will need to provide curriculum vitae that are applicable, highlighting their community involvement, and addressing the skills that the Board requires.
4. The Selection Panel will make recommendations to the full Board and shall be guided by the Job Description, Person Specifications, Code of Conduct of Board members and Principles and Values of the Board in making their decisions.

The Trustees will be able to be re-appointed after three years via Special Resolution.

Moved: Philip Chapman

Seconded: Lisa Lawrence

CARRIED

**RESOLUTION OF NELSON BAYS PRIMARY HEALTH TO CHANGE TRUST DEED
APPOINTMENT OF CHAIR**

1. Resolved by special resolution this 27th day of March 2008 as follows:
 - 1.1. Pursuant to the powers vested in the Board under Clause 20.1 of the Trust Deed and the Board being satisfied that the proposed amendment is not contrary to the provisions of 20.2 and 20.3 of the Deed it is resolved:
2. That Schedule E be amended as follows:
 - 2.1. Clause 3 be deleted and the following substituted:

"Consideration is given as to possible Chairs, including the possibility of re-appointing the existing Chairperson or appointing any person who is presently a member of the Board, provided that such an appointment if from an existing member, then that member relinquishes their position as a representative of the group appointing them."
3. Clause 4 be deleted and the following substituted:

"If required and considered necessary by the Board, the position of Independent Chairperson will be advertised and known potential candidates will be contacted to gauge interest."
4. Clause 5 be deleted and the following substituted:

"If required, a selection from the Board interviews interested candidates and recommends an appointment to the rest of the Board."

Date this 27th day of March 2008

Schedule E

Appointment of Chair

1. The outgoing Chairperson's performance over the past term of 3 years is assessed by those continuing members of the Board.
2. A discussion is held with all the new Board based around draft criteria for the Chairperson's position and any necessary adjustments to the criteria are made.
3. Consideration is given as to possible Chairs, including the possibility of reappointing the existing Chairperson or appointing any person who is presently a member of the Board, provided that such an appointment if from an existing member, then that member relinquishes their position as a representative of the group appointing them.
4. If required and considered necessary by the Board, the position of Independent Chairperson will be advertised and known potential candidates will be contacted to gauge interest.
5. If required, a selection from the Board interviews interested candidates and recommends an appointment to the rest of the Board.
6. The full Board ratifies the appointment.
7. The new Chairperson takes over at the next meeting.
8. This process will be a 3 year cycle beginning from AGM 2006.