



Information Sheet to Accompany Special Resolution

The Raukawa ki te Tonga Trust (the **Trust**) is the Mandated Iwi Authority (**MIO**) for Ngati Raukawa ki te Tonga, pursuant to the Māori Fisheries Act 2004. The Trust is also a registered charity with Charities Services.

The purpose of this information sheet is to provide explanatory information in relation to the proposed changes to the Raukawa ki te Tonga Trust Deed (the **Trust Deed**) so that iwi members can make an informed decision about the proposed amendments.

A legal review of the Trust Deed was completed, and the proposed amendments relate to the following areas:

- Disestablishing the rotational system
- Suspension of Trustees
- Inclusion of indemnities and insurance
- Appointment of an advisory trustee / special trust adviser
- Investments
- Strategic planning processes
- Disputes committee
- Technological changes
- Major transactions
- Amendments for compliance with the Trusts Act 2019

There are also a range of other drafting changes, these are not substantial but tidy up the existing Trust Deed. The substantive changes are explained in more detail below.

Disestablishing the rotational system

Currently, the Trust Deed requires a rotational system for the election of trustees which has created excessive costs for the Trust given the frequency of elections that come with a rotational system. The amendments introduce an 'all on-all off' system that requires elections be held every three years unless a special election is required in the interim.

Changes have also been proposed so that the AGM and standard elections happen at the same time, rather than having separate processes.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **yellow**.

Amendments to eligibility criteria for Trustees

The current Trust Deed records a list of criteria that, if met, will mean a person shall cease to be a Trustee. The revised Trust Deed updates this with further criteria that are common across most trusts.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **green**.

The suspension of trustees

The revised Trust Deed proposes amendments that allow for a suspension of trustees, for misconduct. Suspension and removal clauses are commonly included to allow for other trustees to remove a particular trustee, generally due to trustee conduct, breaches of the code of conduct and / or bringing the Trust into disrepute.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **purple**.

Indemnities and insurance

The existing Trust Deed does not contain an indemnity clause for trustees. An indemnity protects trustees if they are held liable due to their actions as trustees, provided certain conditions are met. For example, for situations where the trustees were acting in good faith. This is an important clause to protect trustees from personal exposure.

The existing Trust Deed also does not specifically allow for insurance to be paid for director and officer insurance.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **aqua**.

Appointment of a special trust adviser / advisory trustee

The current Trust Deed does not include the ability to appoint 'Advisory Trustees', now known as 'Special Trust Advisors' under the Trusts Act 2019. The Trust Deed does need to have this ability in the Trust Deed in order to utilise this function.

We note that just because the trigger is included, there is no requirement to appoint a Special Trust Adviser, the purpose was to ensure that the trigger is available if required in the future.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **light grey**.

Investments

The current Trust Deed does not include a specific investments clause. This has been revised to provide a specific power to Trustees to invest, and also contracts out of the default duty in the Trusts Act 2019 to invest prudently. This is a common exclusion and is often used by MIO's and post-settlement governance entities given many investments provide a social or cultural return, that may not meet the commercial 'prudent investment' standard.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **red**.

Strategic planning process

The current Trust Deed does not have a strategic planning process. It proposed that the strategic planning occurs every five years.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **blue**.



Disputes resolution process

The current disputes process provides for the appointment of a standing disputes committee at every AGM. The more common approach is to form a disputes committee, once the dispute process is triggered, rather than having a standing disputes committee as often the makeup of the disputes committee will be relevant to the nature of the dispute.

A change has also been made to the appointment of a mediator, to Te Hunga Roia Māori (the NZ Māori Law Society), rather than the Māori Land Court, as this will likely be a quicker, and easier process to navigate.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **olive**.

Technological changes

A number of amendments have been made to allow for the use of technology and in particular to allow members / Trustees to attend meetings and the AGM virtually.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **teal**.

Major Transactions

An amendment has been made to require approval by Members (by a special resolution) for decisions to enter into a Major Transaction. This is a common feature.

To give effect to the above, the proposed amendments are set out in the Trust Deed and highlighted **dark grey**.

Amendments for compliance with the Trusts Act 2019

A range of minor amendments have been made throughout the Trust Deed to reflect the introduction and application of the Trusts Act 2019.

Process for amendment

Iwi members will be asked to vote on a single resolution to approve the amendments. In order for the amendments to be adopted, a Special Resolution is required. This requires at least 75% of the Adult Registered Members who vote, to vote in support of the resolution. For the avoidance of doubt, this does not mean 75% of all Adult Registered Members, just those who participate in the voting process.

Special Resolution

The Special Resolution you are being asked to vote on is:

"That the Adult Registered Members of Raukawa ki te Tonga Trust resolve to accept the proposed amendments to the Raukawa ki te Tonga Trust Deed as set out in the Explanatory Note and as tabled and discussed at the 2023 Annual General Meeting".