



Tātau Tātau o Te Wairoa and Kāhui

What we will cover

1. The Unit Trust Model

- a) The model
- b) Features
- c) What is a corporate trustee

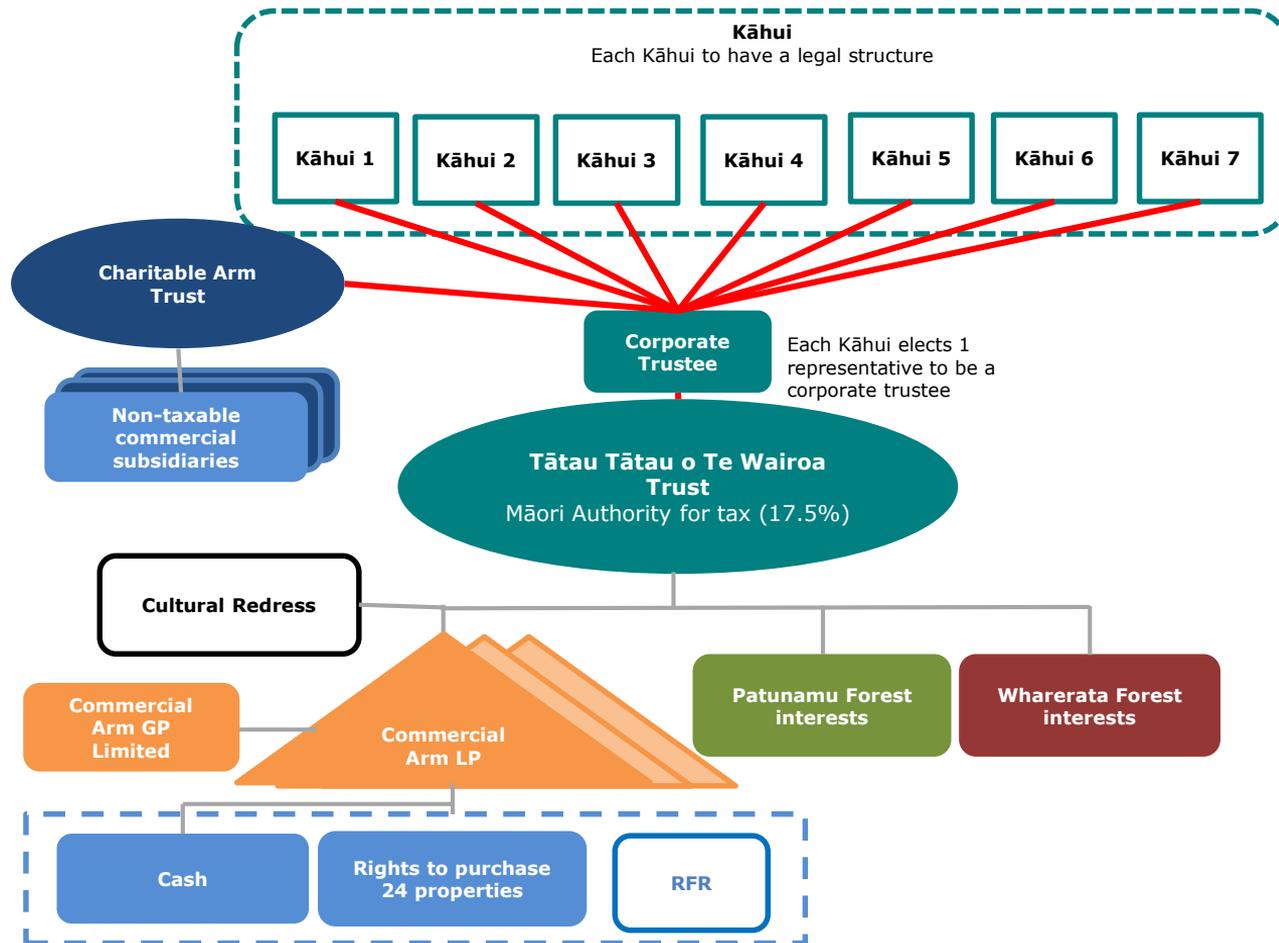
2. Kāhui

- a) Kāhui representation
- b) Setting up a discretionary trust
- c) Relationship with Tātau Tātau o Te Wairoa



1. Tātau Tātau o Te Wairoa – Unit Trust model

Tātau Tātau - Unit Trust model



Features

- Tātau Tātau o Te Wairoa Trust will be the “post-settlement governance entity” – the entity that receives cultural and financial and commercial redress from the Crown on the settlement date
- Each Kāhui will appoint one representative to Tātau Tātau o Te Wairoa Trust
- That representative will be a director on the corporate trustee of Tātau Tātau o Te Wairoa Trust
- Each Kāhui will hold units in Tātau Tātau o Te Wairoa Trust
- One unit will be equal to one dollar of financial and commercial redress
- It is intended that each Kāhui will hold the same number of units
- A charitable trust will hold one unit in Tātau Tātau o Te Wairoa Trust and will run charitable activities
- Subsidiaries of Tātau Tātau o Te Wairoa Trust will run commercial activities through a commercial arm

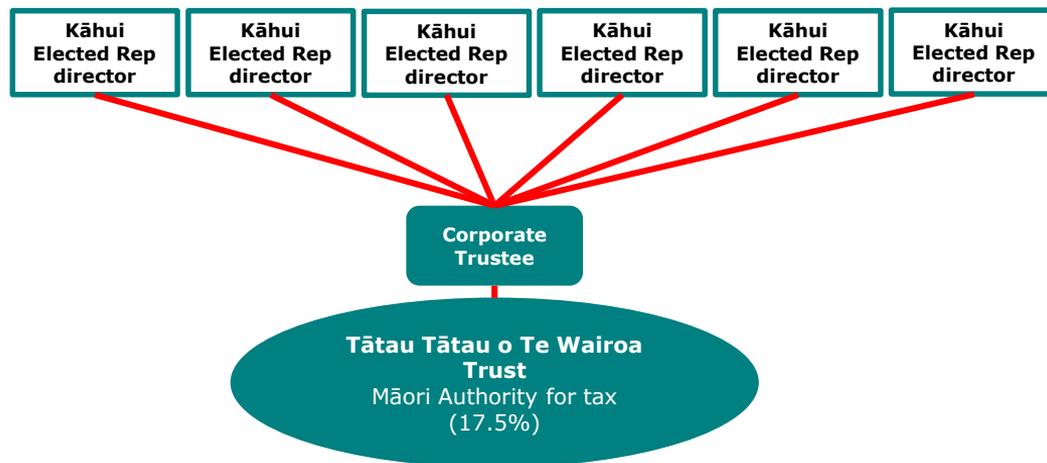
What is a corporate trustee?

- A corporate trustee is a company which acts as the trustee of a trust
- The people who would have been trustees of the trust are appointed as directors

WHY DO THIS?

- Reduces administrative burden: an authorised person(s) can bind the trust (rather than all the trustees having to sign contracts)
- Protection: Trustees are personally liable, which can put them and their whānau at risk, a corporate trustee provides a layer of protection

This is a common approach for a trust managing significant assets and post-settlement-governances entities e.g. Ngāti Whātua Ōrākei and Ngāti Porou both have corporate trustees





3. Kāhui

Kāhui representation

- A Kāhui needs to have a structure in place in order to be a unit holder in Tātau Tātau o Te Wairoa Trust on settlement
- The structure needs to be robust and have clear provisions around the appointment of its governors
- The structure may be charitable, however if it is charitable it will be restricted to charitable activities
- If your Kāhui does not have a structure in place, we recommend setting up a discretionary trust to represent your Kāhui
- We have prepared a template trust deed which can be aligned to your Kāhui's specific needs
- If you do have a structure in place already to represent your Kāhui, the options are:
 - to use your current structure;
 - set up a discretionary trust as another entity using the template trust deed; or
 - incorporate aspects of the template trust deed into your current structure by amending your current structure's governing documents

Setting up a discretionary trust

• If a Kāhui chooses to set up a discretionary trust using the template trust deed, the key terms of the trust are:

- Trustees will be appointed by elections and will rotate every three years (but this can be amended)
- The financial statements of the trust will be audited every year
- An AGM will be held every year
- Any disputes will be resolved by a disputes committee which will consist of one kaumātua, one Adult Member of the Kāhui with skills relevant to the dispute and one independent person
- The Trustees must administer and maintain a register of Members
- Certain decisions will require a special resolution of members (being 75% of Adult Members who validly cast a vote in favour of the special resolution), including a major transaction and triggering an exit from Tātau Tātau o Te Wairoa Trust

Relationship with Tātau Tātau o Te Wairoa

- A Kāhui will appoint one person to be its representative on Tātau Tātau o Te Wairoa Trust (who will be a director of the corporate trustee) by election
- The Tātau Tātau Representative will report to Tātau Tātau o Te Wairoa Trust on the Kāhui's activities annually
- The Tātau Tātau Representative will report to the Kāhui on Tātau Tātau o Te Wairoa Trust's activities annually
- The Kāhui will put forward 3 candidates as and when required by Tātau Tātau o Te Wairoa Trust to be appointed as directors of the commercial arm of Tātau Tātau o Te Wairoa Trust
 - The candidates must have the requisite skills to be a director of the commercial arm of a post-settlement governance entity
- The Trustees will appoint up to two kaumātua to the kaumātua council for Tātau Tātau o Te Wairoa Trust as and when required
- The Kāhui may trigger an exit from Tātau Tātau o Te Wairoa Trust by special resolution and must exit on the terms currently being agreed under the Tātau Tātau o Te Wairoa Trust trust deed