

DEED OF ASSIGNMENT AND POWER OF ATTORNEY

THIS DEED is executed the _____ day of _____ 2022

[To be completed by Forest Enterprises Ltd]

Parties

1. [Name of Assignor(s)] ("the Assignor(s)")
2. [Name of Assignee(s)] ("the Assignee(s)")
4. [Investment Name] Forest LP ("the Limited Partnership")

Particulars of Managed Investment Scheme

Scheme Name:	[Investment Name] Forest Investment ("the Investment")
Scheme Number:	[Scheme Number]
General Partner:	[Investment Name] Forest GP Limited ("the General Partner")
Manager:	Forest Enterprises Limited ("the Manager")
Governing Documents:	Deed of Scheme Management dated [date]. Limited Partnership Agreement dated [date]. Constitution of the General Partner ("the Constitution")

Particulars of Securities Transferred

Limited Partnership:	Shares in the Limited Partnership ("the LP Shares")
Number of LP Shares:	[Number of LP Shares]
General Partner:	Shares in the General Partner ("the GP Shares")
Number of GP Shares:	[Number of GP Shares]
Consideration for LP Shares:	[Consideration for LP Shares]
Land Value:	[Land value]
Value of Standing Timber	[Share Consideration less Land Value]
Assignee Overseas Person:	Yes / No
Effective Date:	2022 <i>[To be completed by Forest Enterprises Ltd]</i>

Background

1. The Assignor(s) are the owner of the LP Shares and the GP Shares in the Investment.
2. On the Specific Terms and the General Terms and Conditions of this Deed and for the consideration specified above, the Assignor transfers to the Assignee the LP Shares and the GP Shares. On the Effective Date, the terms of the Governing Documents registered on the Disclose Register and the terms of the Constitution registered in the Companies Office will bind the Assignee.
3. The Assignee(s) wish to grant to Trustees Executors Limited the limited Powers of Attorney which are a condition in the Governing Documents of being a limited partner in the Limited Partnership and a condition in the Constitution of being a shareholder in the General Partner.

Specific Terms

4. **Tax Treatment if Standing Timber Consideration is >\$50,000:** The Assignor confirms that the consideration paid by the Assignee under this Deed is taxable income because the safe harbour under section HG 5 of the Income Tax Act 2007 does not apply. Therefore the Assignee is entitled to a 'cost of timber' deduction in terms of section DP 10 of the Income Tax Act. The Assignor and Assignee agree:
 - 4.1 The Assignor will obtain from the Manager details of the value of the standing timber component of this assignment.
 - 4.2 The Assignor will meet the resulting taxation liability.
 - 4.3 The Assignee will be entitled to a 'cost of timber' of the standing timber component of this transaction without additional payment to the Assignor. The Manager will advise the Assignee the quantum of the Assignee's 'cost of timber' entitlement which will be the value of the standing timber component of this assignment advised to the Assignor in accordance with 4.1 of this clause.
 - 4.4 In the event that IRD determines a different value of the standing timber component of this assignment to that obtained from the Manager, the Assignor will provide a copy of IRD's determination to the Manager who will then advise the Assignee of the amended quantum of the 'cost of timber'.
5. **Tax Treatment if Standing Timber Consideration is <\$50,000:** The Assignor confirms that the consideration paid by the Assignee under this Deed is exempt income under section HG 5 of the Income Tax Act 2007 and therefore the Assignee is not entitled to a 'cost of timber' deduction in terms of section DP 10 of the Income Tax Act. The Assignee acknowledges the taxation status of the assignment.
6. **IRD Determination:** In the event that the New Zealand Inland Revenue Department ("IRD") determines otherwise:
 - 6.1 The Assignor will advise the Manager of the change in status of this transaction and obtain from the Manager details of the value of the standing timber component of this assignment.
 - 6.2 The Assignor will meet the resulting taxation liability.
 - 6.3 The Assignee will be entitled to a 'cost of timber' of the standing timber component of this transaction without additional payment to the Assignor. The Manager will advise the Assignee the quantum of the Assignee's 'cost of timber' entitlement which will be the value of the standing timber component of this assignment advised to the Assignor by the Manager.
 - 6.4 In the event that IRD determines a different value of the standing timber component of this assignment to that obtained from the Manager, the Assignor will provide a copy of IRD's determination to the Manager who will then advise the Assignee of the amended quantum of the 'cost of timber'.

Signed by the Assignor

Signed by:

Assignor Full Name:

[Name of Assignor]

Assignor Signature:

In the presence of:

Witness Signature:

Witness Full Name

Witness Town/City of Residence:

Witness Occupation:

Signed by the Assignee

Signed by:

Assignee Full Name:

[Name of Assignee]

Assignee Signature:

In the presence of:

Witness Signature:

Witness Full Name

Witness Town/City of Residence:

Witness Occupation:

Signed by the Limited Partnership

Signed by [Investment Name] Forest Growth on behalf of "[Investment Name]" Forest LP:

Director Name:

Graeme Mark TINDALL

Director Signature:

Director Name:

Gordon Brent WILKING

Director Signature:

GENERAL TERMS AND CONDITIONS

1. **Execution in Counterpart:** This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.
2. **Definition of Independent Trustee:** For the purposes of the Governing Documents and this Deed, a person is an independent trustee if that person has no interest in the assets of the trust other than as a trustee. For the purposes of clarification (but without limitation) a person is not an independent trustee and has an interest in the assets of the trust if that person is a beneficiary or discretionary beneficiary in relation to the trust. All trustees acknowledge the need to immediately inform the Manager of changes to trustees, including appointments and retirements.
3. **Same Definitions in Governing Documents:** All terms defined in the Governing Documents bear the same meaning when used in this Deed unless the context requires otherwise.
4. **Interpretation:** Words importing the singular number include the plural and vice versa and where obligations bind more than one person those obligations bind those persons jointly and severally.

Assignment and Covenants

5. **Transfer of LP Shares:** On settlement of this assignment, all rights and interest in the LP Shares are vested in the Assignee effective from the Effective Date.
6. **Transfer of GP Shares:** On settlement of this assignment, effective from the Effective Date, all rights and interest in the GP Shares are vested in the Assignee in accordance with the requirements under the Governing Documents and the Constitution.
7. **Tax Loss/Tax Profit:** Any tax loss or tax profit attributable to the Investment in the financial year in which this assignment takes place will at the end of the financial year be treated as a tax loss incurred by the Assignee or a tax profit attributable to the Assignee, as the case may be, despite the Assignee not being a limited partner at the time the tax loss was incurred or the tax profit was made.
8. **Assignor's Obligations from Effective Date:** The Assignor covenants with the Assignee that the Assignor has to the Effective Date observed and performed all obligations required to be observed or performed under the Governing Documents in respect of the LP Shares and under the Constitution in respect of the GP Shares.
9. **Assignee's LP Share Obligations from Effective Date:** The Assignee covenants with the Limited Partnership and the other limited partners in the Limited Partnership that from the Effective Date the Assignee will observe and perform all obligations contained or implied in the Governing Documents and will keep indemnified the other limited partners in respect of any obligation required of the Assignee with respect to the LP Shares and otherwise in terms of the Governing Documents.
10. **Assignee's GP Share Obligations from Effective Date:** The Assignee covenants with the General Partner and the other shareholders in the General Partner that from the Effective Date the Assignee will observe and perform all obligations contained or implied in the

Constitution of the General Partner with respect to the GP Shares held by the Assignee.

11. **Assignee must not be a Minor:** The Assignee covenants with the Limited Partnership that for the purposes of the enforceability of this Deed the Assignee is not under the age of 18 years.
12. **Overseas Person:** The Assignee acknowledges that if the Assignee is an overseas person this Deed shall be of no force or effect unless the General Partner in its absolute discretion consents in writing to the Assignee holding the LP Shares. If the Assignee is not an overseas person at the Effective Date but subsequently becomes an overseas person while being a Limited Partner, the Assignee must immediately give notice of that fact to the General Partner and may be required to transfer all or some of the LP Shares and GP Shares to a person who is not an overseas person at the written direction of the Manager.
- No Encumbrances:** The Assignor warrants that the LP Shares and the GP Shares are unencumbered. The Assignee warrants that the LP Shares and the GP Shares will remain unencumbered.

13. **Instruction to Register Transfer:** The Assignee instructs the Manager to record the vesting of the LP Shares in the name of the Assignee (together with any other holders) in the register of limited partners in the Limited Partnership maintained by the Manager and to notify the Registrar of the change in terms of Section 59 of the Limited Partnerships Act 2008. The Assignee also instructs the Manager to record the vesting of the GP Shares to the Assignee in the register of shareholders maintained by the Manager.

Limitation of Liability of Independent Trustees

15. **Limitation of Liability:** Any person who is an independent trustee of a trust executes this Deed in their capacity as an independent trustee so that their liability will not be an unlimited personal liability but will be restricted to the funds and assets of that trust in their hands or under their control at the time demand is made on them for payment, performance or indemnity under this Deed or the Governing Documents.

Applicable Laws

16. **Compliance:** This assignment is subject to the obligation of the Assignee to provide the Manager with any documentation and information the Manager may request from time to time in order for the Manager to undertake any action required to comply with all laws, rules, codes, regulations and other legal requirements in force, including the Limited Partnerships Act 2008, the Financial Markets Conduct Act 2013 and the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("Applicable Laws"). The Assignee also agrees to such documentation and information provided to the Manager being disclosed to any person to enable it to be reported and used in compliance with the relevant Applicable Laws.

Privacy Act 2020

17. **Collection and Use of Personal Information:** The Limited Partnership, the General Partner and the Manager may collect and use any personal information about the Assignee that is required to comply with any legislation or requirements of law and reasonably necessary for the business of the Limited Partnership.

The name and address of the Assignee and the number of LP Shares and GP Shares held by the Assignee may be disclosed in a list by the Manager to other limited partners in the Limited Partnership but subject to clause 16, no other personal information about the Assignee that is not already in the public domain may be disclosed to any other person without the Assignee's consent.

18. **Access to and Correction of Personal Information:** The Assignee has rights of access to and correction of his or her personal information held by the Limited Partnership, the General Partner or the Manager pursuant to the Privacy Act 2020.

POWER OF ATTORNEY

19. **Appointment of Attorney:** The Assignee irrevocably appoints Trustees Executors Limited or any corporate trustee company that succeeds Trustees Executors Limited as the supervisor over the Investment ("the Attorney") to be the Assignee's Attorney with the limited powers given by this Deed.
20. **Powers:** The Attorney may in its own name and as the Assignee's Attorney do or perform any of the acts set out in paragraphs A and B below and will have sole discretion as to decision making with respect to this Power of Attorney.
21. **Binding and Non-Revocable:** The Assignee agrees to be bound by whatever the Attorney may lawfully do by this Power of Attorney. The powers conferred by this Power of Attorney may not be revoked or suspended except with the prior written agreement of the Manager and the Attorney.
22. **Reliance on Power of Attorney:** No person dealing with the Attorney in good faith will be bound to enquire as to whether this Power of Attorney is in full force and effect or as to the propriety of anything the Attorney may do by this Power of Attorney. A written statement by the Attorney to the effect that the Attorney has not received the revocation or suspension of its powers under the authorities under this Power of Attorney will be conclusive evidence to that effect.

A. Power of Attorney under the Governing Documents

The Attorney will have the following limited powers:

- (a) To appoint a General Partner present at any meeting of limited partners as proxy for all limited partners not present at the meeting solely for the purpose of satisfying the common law requirement that a meeting cannot be held without at least two individuals present in person or proxy;
- (b) To give on behalf of all limited partners who are entitled to attend and vote at any limited partnership meeting but who do not attend the meeting, any assent in the notice of meeting but only if the irregularity is of a technical or non-material nature;
- (c) To approve an amendment to a resolution set out in a notice of meeting provided that the amendment is:
 - (i) the correction of an error; or
 - (ii) a qualification of the application or restriction of the effect of the resolution on limited partners; or

- (iii) for clarification and in the opinion of the Attorney consistent with the clear intent of the resolution;

- (d) To approve on behalf of the limited partners an amendment to the Governing Documents if in the opinion of the Manager the amendment is made to correct a manifest error or is of a formal or technical nature or is convenient and is not prejudicial to the general interests of the Limited Partnership or the limited partners, and the amendment is subject to prior approval by the Attorney; and
- (e) To execute a deed of modification on behalf of the limited partners to record any amendment approved or passed in accordance with the Governing Documents.

B. Power of Attorney under the Constitution

The Attorney will have the following limited powers:

- (a) To pass a written resolution in lieu of annual meeting as provided for in the Constitution for the purposes of:
 - (i) to resolve to receive, approve and adopt any directors' statement, directors' report, or financial statements within the meaning of section 6 of the Financial Reporting Act 2013;
 - (ii) any resolution regarding appointment of auditors to the General Partner under section 207(3)(b) of the Companies Act 1993;
- (b) To vote on any resolution appointing a director of the General Partner;
- (c) To vote on any resolution accepting a director's resignation or removing a director from office;
- (d) To appoint a director present at any meeting of shareholders as proxy for any shareholders not present at the meeting who have not appointed a proxy for the limited purpose of satisfying the common law requirement that a meeting (other than a resolution in lieu of meeting under paragraph (g) below) cannot be held without at least two shareholders present in person or proxy;
- (e) To approve an amendment of a resolution set out in a notice of meeting provided that the amendment is:
 - (i) the correction of an error; or
 - (ii) qualification of the application or restriction of the effect of the resolution on shareholders; or
 - (iii) for clarification and in the opinion of the Attorney consistent with the clear intent of the resolution.
- (f) To waive on behalf of all shareholders who are entitled to attend and vote at any shareholder meeting but who do not attend the meeting any irregularity in the notice of meeting but only if the irregularity is of a technical or non-material nature; and
- (g) To sign any resolution made in lieu of a meeting of shareholders in accordance with section 122 of the Companies Act in respect of which the Attorney has the limited powers to vote under paragraphs (b) and (c) above and to pass.