

TĀTAU TĀTAU
o Te Wairoa

INFORMATION BOOKLET

**FINAL REPRESENTATION AND ASSET
ARRANGEMENT MODEL**

— NOVEMBER 2018 —

OUR VISION

Tātau Tātau o Te Wairoa: He Iwi Motuhake, He Tāngata Ōranga Ake

Key Dates

VOTING OPENS	<i>Saturday 3 November 2018</i>
FIRST HUI - SPECIAL GENERAL MEETING <i>Wairoa College Hall, Wairoa</i>	<i>6pm - Friday 9 November 2018</i>
SECOND HUI <i>Emerald Hotel, 13 Gladstone Road, Gisborne</i>	<i>11am - Saturday 10 November 2018</i>
THIRD HUI <i>Hastings Function Centre, 101 Karamu Road, Hastings</i>	<i>11am - Sunday 11 November 2018</i>
FOURTH HUI <i>Novotel Lakeside, Lake End Tutanekai Street, Rotorua</i>	<i>6pm - Friday 16 November 2018</i>
FIFTH HUI <i>Novotel Tainui, 7 Alma Street, Hamilton</i>	<i>11am - Saturday 17 November 2018</i>
SIXTH HUI <i>Jet Park Hotel, 63 Westney Road, Mangere, Auckland</i>	<i>11am - Sunday 18 November 2018</i>
SEVENTH HUI <i>Coachman Hotel, 140 Fitzherbert Avenue, Palmerston North</i>	<i>6pm - Friday 23 November 2018</i>
EIGHTH HUI <i>James Cook Hotel, 147 The Terrace, Wellington</i>	<i>12pm - Saturday 24 November 2018</i>
NINTH HUI <i>Sudima Hotel, 550 Memorial Avenue, Christchurch</i>	<i>10am - Sunday 25 November 2018</i>
VOTING CLOSES	<i>12pm - Monday 26 November 2018</i>

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TO REGISTER OR FOR MORE
INFORMATION GO TO OUR WEBSITE

www.ttotw.iwi.nz

He Mihi

TĒNĀ KOUTOU KATOĀ

In August and November 2017 we held Engagement Hui around Aotearoa to seek your thoughts and feedback on our aspirations, values, and principles, and on potential models for our asset and representation arrangements.

It was great to see so many of our whānau participating, with many tuning in to watch the livestreamed videos and sending us messages online.

We received invaluable feedback from you during this time, which has shaped our Trustees' mahi over 2018.

It has been a busy year, which included the third and final reading of our Iwi and Hapū of Te Rohe o Te Wairoa Claims Settlement Bill in Parliament. This was a historic occasion for our iwi, hapū, and whānau, and the culmination of many years of hard work by our people. We are so happy and proud to have been able to collectively complete this, in recognition of the mahi of our tīpuna, and so our tamariki and mokopuna can benefit moving forward.

Our settlement is now law, and it is time for all of us to vote on the model for our representation and asset arrangements.

We are pleased to present you with our final recommendation for the representation and asset arrangement model for Tātau Tātau o Te Wairoa Trust, our post-settlement governance entity (PSGE). The Trust is the entity that receives the cultural, financial and commercial redress from the Crown on the Settlement Date, which is confirmed as 12 November 2018.

In putting together a proposed model for you to vote on, we had to consider which model would enable more immediate benefits and greater control of our settlement for our iwi, hapū and whānau right from the start.

We analysed other PSGE models of a similar size to Tātau Tātau and how representation and delivery of benefits to their members is undertaken. However, we do not believe these existing models are appropriate for the management of our settlement assets. Our settlement is unique, and we need a model that is tailored specifically to the needs of our own iwi, hapū and whānau.

We have put together this comprehensive information booklet so you can make an informed decision and vote on our special resolution.

We are also holding a Special General Meeting (SGM) and a series of Information Hui throughout Aotearoa in November 2018 so you can ask questions kano ki te kano.

It is you, our people, who determine the final asset and representation arrangements.

Everyone with whakapapa to the iwi and hapū of Te Rohe o Te Wairoa is welcome to attend our SGM and Information Hui. However, only our registered members can vote, so please check your whānau are registered – if not, tell them to head to www.ttotw.iwi.nz today.

Thank you for your support whānau, your input is crucial in helping us build a positive future for the iwi and hapū of Te Rohe o Te Wairoa.

Nākū iti nei, nā



Leon Symes
Chairperson
Tātau Tātau o Te Wairoa Trust



“OUR WHAKAPAPA AND TĪPUNA ARE SHARED AND INTERCONNECTED. WE, ALL OF US, HOLD A KAITIAKITANGA ROLE IN LOOKING AFTER THE INTERESTS OF OUR FUTURE GENERATIONS, OUR MOKOPUNA.”

Tātau Tātau Iwi Member feedback

Overview of Special General Meeting and Information Hui

A SPECIAL GENERAL MEETING AND SERIES OF INFORMATION HUI ARE BEING HELD IN NOVEMBER TO PRESENT YOU WITH THE FINAL REPRESENTATION AND ASSET ARRANGEMENT MODEL FOR TĀTAU TĀTAU O TE WAIROA TRUST, AS THE 'POST-SETTLEMENT GOVERNANCE ENTITY' (PSGE) THAT RECEIVES CULTURAL, FINANCIAL AND COMMERCIAL REDRESS FROM THE CROWN ON SETTLEMENT DATE.

This is your opportunity to ask any questions you have before casting your Special Resolution Vote.

Adult Registered Members will be able to vote on the resolution by post, online or by ballot box at the SGM or Information Hui.

The structure of the SGM and Information Hui is:

01
PROTOCOL

02
VIDEO
PRESENTATION

03
Q & A

05
KAPUTĪ



The video presentation will cover all the information included in this Booklet. Following the presentation, you can ask questions of the Trustees who are present. We have allocated 30 minutes for questions and answers. We will then have a kaputī together, so you can meet your Trustees one-to-one.

Tātau Tātau Representatives at the Hui

CHAIRPERSON – *Leon Symes*

DEPUTY CHAIR – *Pieri Munro*

ENGAGEMENT LEAD FOR TRUST – *Apiata Tapine*

ONE REPRESENTATIVE PER CLUSTER

REGISTRATION SUPPORT

Key terminology

DURING THE SGM AND THE INFORMATION HUI YOU MAY HEAR TRUSTEES USE SOME OF THE FOLLOWING WORDS. THESE ARE ALSO USED THROUGHOUT THIS BOOKLET.

KUPU	MEANING / EXPLANATION
ADULT REGISTERED MEMBER	A member of the Iwi and Hapū of Te Rohe o Te Wairoa identified on the Register as being 18 years of age or over.
ASSET ARRANGEMENT	How the settlement funds and assets will be managed.
BENEFICIAL ENTITY	An entity which represents the interests of, and is ratified by, a Kāhui.
COMMERCIAL ARM	The commercial arm of Tātau Tātau o Te Wairoa Trust will be able to run commercial activities under the Unit Trust Model.
MAJOR TRANSACTION	A financial transaction (e.g. an agreement to buy or dispose of property) that is worth more than 25% of the value of the Tātau Tātau o Te Wairoa Group. Refer to Clause 41.1 of the Trust Deed for a list of what is not included as a 'Major Transaction'.
MODEL	Type of structure for the organisation.
PSGE	Post-Settlement Governance Entity. This is the organisation that administers and manages the settlement redress. For the Iwi and Hapū of Te Rohe o Te Wairoa, that is Tātau Tātau o Te Wairoa Trust.
RATIFICATION	Approval / vote from members.
RATIFICATION DATE	The date the results of the vote are approved by Tātau Tātau o Te Wairoa Trust.
REPRESENTATION	How our people are represented within the organisation.
UNITS	The financial value of the PSGE is represented in units. Initially one (1) unit is equal to \$1 of financial and commercial redress (excluding interest).

Our Settlement journey

OUR SETTLEMENT JOURNEY BEGAN MORE THAN 30 YEARS AGO, WHEN OUR ELDERS FIRST LODGED HISTORICAL TREATY CLAIMS WITH THE WAITANGI TRIBUNAL IN THE EARLY 1980S FOR THE AREA BETWEEN TŪRANGANUI-A-KIWA AND MŌHAKA (THE 'WAIROA INQUIRY DISTRICT').

Ultimately our whakapapa and whanaungatanga helped us to work together. Our iwi and hapū eventually formed into a single large natural grouping under the name of Te Tira Whakaemi o Te Wairoa, made up of seven clusters of iwi and hapū groups across the region.

It took years of intense discussion, consultation and negotiation to get to our Deed of Settlement and PSGE, Tātau Tātau o Te Wairoa Trust, which our iwi and hapū approved in 2016. Our official Deed of Settlement signing ceremony was held in Wairoa on 26 November 2016.

The Iwi and Hapū of Te Rohe o Te Wairoa Claims Settlement Bill had its first and second readings in Parliament on 20 December 2017 and 15 March 2018 respectively, which were well-attended by whānau.

On 6 September 2018 we celebrated the third and final reading of our Settlement Bill in Parliament. This was a historic occasion for our iwi, hapū, and whānau, and the culmination of many, many years of hard work that our tīpuna started.

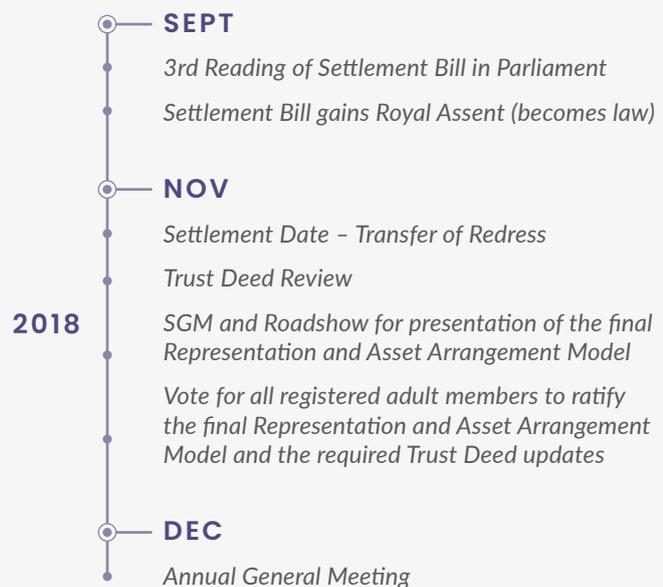
Our settlement gained the Royal Assent on 13 September 2018 and is now law.

We have been engaging with our members to confirm the final representation and asset arrangements for Tātau Tātau o Te Wairoa Trust as the PSGE. This is presented to you in this booklet and will be discussed at the SGM and the Information Hui.

For further information on the details of our settlement, visit www.ttotw.iwi.nz



Timeline and Key Dates



Our Trust

TĀTAU TĀTAU O TE WAIROA TRUST WAS APPROVED AS OUR PSGE DURING OUR SETTLEMENT RATIFICATION IN 2016.

The Iwi and Hapū of Te Rohe o Te Wairoa Claims Settlement Bill has now passed through Parliament and is law. Tātau Tātau will now receive and begin administering our settlement redress.

Our Initial Trustees are responsible for:

- managing and overseeing a review process in relation to the ownership arrangement for the Trust's assets and representation (our current mahi)
- consulting with representatives of our iwi and hapū to decide whether to purchase any properties that might become available during the initial two-year period, including properties that become available through the right of Deferred Selection or Right of First Refusal in the Deed of Settlement
- maintaining records and information that will facilitate the Initial Trustees' preparation of the first annual plan, five-year strategic plan and annual report.

Tātau Tātau has all the usual powers of a PSGE, including the ability to establish subsidiaries. The Initial Trustees are restricted in their ability to sell or dispose of any assets.

The Trust is accountable to our iwi and hapū and has committed to engaging regularly and keeping members up to date through hui, pānui, our website and social media.

Initial Trustees

TĀTAU TĀTAU HAS 14 INITIAL TRUSTEES, ELECTED BY OUR IWI AND HAPŪ, WHO ARE HELPING TO ENSURE WE BUILD A SOLID FOUNDATION FOR FUTURE GROWTH AND DEVELOPMENT OPPORTUNITIES.

Initial Trustees aim to serve a term of two years. Their first term began in November 2016. Trustee elections will be held later in 2018.

Our Initial Trustees are:

Leon Symes **(CHAIRPERSON)**

Phillip Beattie

Bubby McGregor*

Huia LH Huata

Carwyn Jones

Heta Kaukau

Oha Manuel

Carmen Morrell

Pieri Munro **(DEPUTY CHAIRPERSON)**

Richard Niania

Pauline Symes*

Moana Rongo

Apiata Tapine

Johnina Tewira Symes

**Bubby McGregor was appointed following Darren Beatty's resignation, effective 26 November 2017 and Pauline Symes was appointed, following Tāmāti Olsen's resignation, effective 23 April 2017.*

The SGM and Information Hui

THE SGM AND INFORMATION HUI FOLLOW ON FROM OUR HUI LAST YEAR WHERE WE SOUGHT YOUR FEEDBACK ON SEVERAL PROPOSED ASSET AND REPRESENTATION MODELS.

As Initial Trustees, we have been undertaking significant mahi over the past year to consolidate all your feedback and get us to this point where we can recommend a final representation and asset arrangement model for you to vote on.

At the SGM and Information Hui, you will be able to:

- hear how we will manage our settlement assets, including how our Unit Trust Model and Kāhui representation could work
- ask all the questions you have
- vote on our Representation and Asset Arrangement Model and Trust Deed changes.

The information we are presenting to you and the Special Resolution you are being asked to vote on, have been shaped based on your feedback and in consultation with an experienced team of legal advisors at Chapman Tripp and financial advisors at Deloitte.

What am I being asked to vote on?

THE ADULT REGISTERED MEMBERS RESOLVE TO:

- 1. amend the Tātau Tātau o Te Wairoa Trust Deed as set out in the marked up Trust Deed entitled Revised Version November 2018; and**
- 2. approve the Unit Trust Model as the asset and representation model for the Tātau Tātau o Te Wairoa Trust.**

The Trust needs to pass this Special Resolution so that we have an agreed representation model and way of managing our settlement assets.

The Trust asks all whānau to review the proposed representation and asset arrangement model and then to vote 'YES' to approve the Special Resolution.

The Special Resolution MUST receive at least 75% support of valid votes cast for it to be passed.

The current Trust Deed ratified in August 2018 has been updated to reflect the proposed final representation and asset arrangement model. The marked up Trust Deed entitled Revised Version November 2018 can be accessed on our website: www.ttotw.iwi.nz/library/documents.

If the Special Resolution does not receive the required level of support, the current Trust Deed ratified in August 2018 will stand and a new set of Trustee Elections will be held. We will lose the opportunity our iwi, hapū and whānau have been waiting so long for.

Our ultimate goal has been to move as quickly as possible through the legislative process to complete Crown involvement in this part of our journey and move into a position of holding our destiny in our own hands. We are pleased that we have achieved this and it is now solely up to our iwi, hapū and whānau to make the big decisions on our future.

This is an exciting time - it's you, our people, who'll decide on the final asset and representation arrangements. Your participation in this vote is crucial to a successful future for the iwi and hapū of Te Rohe o Te Wairoa.

**“TĀTAU TĀTAU MEANS TOGETHER, LET'S NOT LOSE SIGHT OF
THE THINGS GIVEN TO US.”**

Tātau Tātau Iwi Member feedback

How to vote

THE VOTING PERIOD IS OPEN FROM SATURDAY 3 NOVEMBER TO 12PM MONDAY 26 NOVEMBER 2018.

You will be able to vote and ask questions at the SGM in Wairoa on Friday 9 November 2018 and at the series of Information Hui held from 10 November to 25 November 2018 across Aotearoa.

The Trust encourages you to come to the SGM and Information Hui if you can. You will be able to cast your vote at the hui, or vote by post or online if you cannot make it to the SGM or Information Hui.

The Independent Returning Officer, electionz.com, is running this voting process.

All adult registered members of Tātau Tātau o Te Wairoa are eligible to vote.

We are asking you to vote 'YES' to the Special Resolution to approve the final representation and asset arrangement model for Tātau Tātau o Te Wairoa Trust, and the required Trust Deed changes.

The Trust strongly encourages you to vote yes, and to ask your whānau to do the same. We want to get on and see some progress for our iwi, hapū and whānau.

You can vote in any of the following ways:



POST



ONLINE



BALLOT BOX AT THE SGM
& INFORMATION HUI

For voting enquiries, including requests for replacement voter packs, please contact the election helpline on 0800 666 946 (NZ residents) or 00 64 3 377 3530 (overseas residents) or email iro@electionz.com.

Please read this Information Booklet and if you have any pātai (questions) please kōrero with your current Kāhui representatives and/or Initial Trustees, or just email the Trust at register@ttotw.iwi.nz.

What happens after the vote?

ONCE VOTING HAS CLOSED, WE EXPECT TO RECEIVE THE RESULTS WITHIN ONE WEEK.

The Trust will notify all members of the outcome of the vote. Keep an eye on your email, as well as the Trust's website and Facebook page for updates.

If the Trust achieves the required support for introducing this final representation and asset arrangement model, the Trust will make the required changes to the Trust Deed and new Kāhui Tātau Tātau Representatives will be elected by the end of March 2019. The Tātau Tātau representatives will be the directors of the Corporate Trustee of Tātau Tātau o Te Wairoa Trust.

Our new Tātau Tātau Representatives will focus on finalising Tātau Tātau o Te Wairoa's Five-Year Strategic plan which is currently in draft form. A consultation process will be run next year amongst our members so that we can get your feedback on this important document.

Thank you for your support whānau. Your input is crucial to the future success of our people.

A new way forward

AT OUR ENGAGEMENT HUI IN 2017, WE PRESENTED TO YOU SOME POSSIBLE MODELS FOR THE FUTURE STRUCTURE OF TĀTAU TĀTAU, FOR YOU TO CONSIDER. WE DISCUSSED HOW THESE MODELS COULD BE APPLIED SEPARATELY OR PARTS TAKEN FROM EACH TO CREATE A FINAL MODEL.

You told us what you thought of the models presented to you and why – what aspects you liked and what parts you didn't like.

We have listened to your views and brought them together to develop a recommended final representation and asset arrangement model for the future structure of Tātau Tātau.

It is this final model that you are being asked to vote on now.

If you vote yes to this model, and we strongly encourage you to do so, this is how we will manage the settlement redress received on the Settlement Date (12 November 2018) to benefit our iwi, hapū and whānau for generations to come.

Our recommended representation and asset arrangement is:

- **Seven (7) Kāhui/Cluster groups**
Each with a legal structure in place in order to be a unit holder in Tātau Tātau o Te Wairoa Trust upon settlement.
- **A Unit Trust Model**
With each Kāhui holding 'units' in Tātau Tātau o Te Wairoa Trust

The Unit Trust Model is intended to enable more immediate benefits and greater control of our settlement for our iwi, hapū and whānau right from the outset.

We have looked closely at all other PSGE models of a similar size to Tātau Tātau and how representation and delivery of benefits to their members is undertaken. However, none of these models are believed to be appropriate for the management of our settlement assets.

Our settlement is unique, and we need a model that is tailored specifically to the needs of our iwi, hapū and whānau.

This is your opportunity to vote on the final representation and asset arrangement model that will help shape the future for our tamariki and mokopuna.

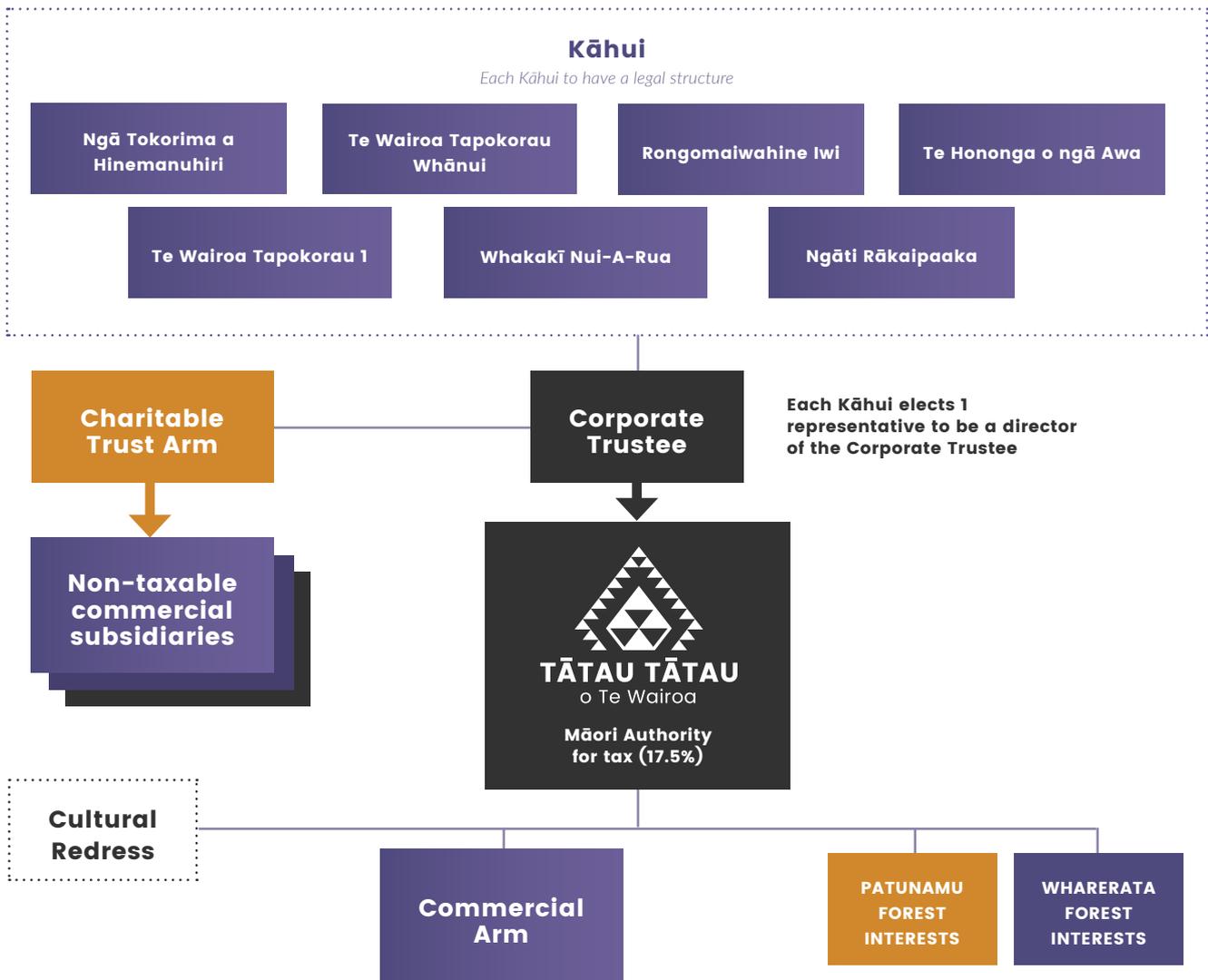




TĀTAU TĀTAU O TE WAIROA: HE IWI
MOTUHAKE, HE TĀNGATA ŌRANGA AKE

Unit Trust Model

WHAT DOES THE UNIT TRUST MODEL LOOK LIKE?



What are the key features of the Unit Trust Model?

The Unit Trust Model reflects a combination of the concepts and models presented to you in the August and November 2017 engagement hui. It incorporates a combination of both shared and diversified asset ownership.

Representation on Tātatau Tātatau o Te Wairoa Trust

- Each Kāhui will elect one (1) representative to Tātatau Tātatau o Te Wairoa Trust to be its Tātatau Tātatau Representative.
- The elected Tātatau Tātatau Representative will be a director of the Corporate Trustee of Tātatau Tātatau o Te Wairoa Trust.

Unit Holding

- Each Kāhui will have a representative Beneficial Entity which will hold units in Tātatau Tātatau o Te Wairoa Trust.
- Each Beneficial Entity will hold the same number of units initially.
- 1 unit = \$1 of financial and commercial redress (excluding value of interest received).

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.
- A corporate trustee provides some protection for governors and is very common for a PSGE.

Charitable Trust Arm

- A Charitable Trust will be established and will hold two (2) units in Tātau Tātau o Te Wairoa Trust.
- The focus of the Charitable Trust will be to run charitable activities for the benefit of the members of the iwi and hapū of Te Rohe o Te Wairoa.

Commercial Arm

- A commercial arm will run the commercial activities of Tātau Tātau o Te Wairoa.
- The commercial arm will be managed through a commercial company.

Commercial Company Board

- The commercial company board is a separate board from the Tātau Tātau Board.
- The commercial company board will prepare a Statement of Investment Policy and Objectives (SIPO) which includes the parameters under which the commercial company board will operate. The SIPO must be approved by the directors of the Corporate Trustee of Tātau Tātau o Te Wairoa Trust.
- The commercial board will make investment decisions within those parameters.

Commercial Company Board Representation

- A minimum of 5 directors will be appointed and removed by the Trustee (at least 1 member has to reside in the Wairoa District.)
- Remunerated by Tātau Tātau, on a fixed fee basis.
- Appointed for a two-year term initially, then three yearly appointments thereafter.
- All directors may be re-appointed for a further term or terms.
- An appointment process would be held to replace a vacancy more than six months out from expiry. Where a vacancy existed within six months of an expiry, the vacancy would remain until the next appointment.
- Appointments will be made on a 'best person for the role' basis. i.e. they must have the ability and expertise to maximise returns that will either be re-invested or distributed to Kāhui.
- Selections for candidates will need to be done in consultation with a suitably qualified independent agency.

Deferred Selection Properties (DSPs)

- The Beneficial Entity/ies of a Kāhui may choose to purchase a DSP during the first three quarters of the DSP selection period for the relevant DSP, after which the Commercial Company may purchase the DSP.
- Where only one Kāhui has an interest in a DSP:
 - That Kāhui may notify Tātau Tātau in writing that it wishes to purchase it and work with Tātau Tātau to go through the DSP process.
 - The Trustee will then purchase the DSP and transfer it to the Kāhui (or its nominee). Note, under the Deed of Settlement, there's no provision to nominate another entity to purchase DSPs.

- Where there's an overlapping interest in a DSP:
 - All the Kāhui with overlapping interests must establish and nominate a joint entity (which they must determine their respective interests in) to purchase the DSP.
 - They must then notify the Trustee that they wish to purchase the DSP jointly, then work with the Trustee to go through the DSP process.
 - The Trustee will purchase the DSP and transfer it to the joint nominated entity.
- The price for a DSP will initially be satisfied by Tātau Tātau and on transfer to the Kāhui, will be satisfied by a payment of cash, through a redemption of units or a mixture of both by the Beneficial Entity representing the Kāhui.
- Where a Beneficial Entity/ies has not exercised its right to purchase a DSP during the first 3/4 of the Deferred Selection period, or no Kāhui has an interest in the DSP, the commercial company will be able to purchase the DSP.

RFR Properties Purchases

- Rights of First Refusal Properties (RFRs) will have a similar process to that of DSPs.
 - Where a RFR is triggered, Tātau Tātau will notify the Kāhui that has indicated an interest and work through the process together.
 - Where there are overlapping interests in RFRs, Tātau Tātau will notify the Kāhui that has indicated an interest, and these Kāhui may establish a joint entity to purchase the property.
 - Where a Beneficial Entity/ies does not confirm it wishes to purchase the property within a certain timeframe, the commercial company will be able to purchase the properties.

Distributions

- The interest accrued will be distributed to each Beneficial Entity over three years from the date the Unit Trust Model is ratified in proportion to their units.
- From the fourth year on, distributions will be made corresponding to unit interest in December every year at 40% of profits.
- If a Kāhui did not want to receive some or all of their annual distribution, then this could be held by Tātau Tātau for up to six months.
- A Kāhui could also reinvest some or part of its distribution with Tātau Tātau that would result in increased units for that Kāhui.

Forests

- By the fifth anniversary of the Unit Trust Model being ratified, the Beneficial Entities representing Kāhui with interests in the forests must enter an agreement outlining their interests.
- If a Beneficial Entity/ies becomes independent, they will receive shares in the relevant forestry company in proportion to their interest outlined in the agreement.

Independence

- A Beneficial Entity representing a Kāhui may go through an independence process on the fifth and tenth anniversary of the Unit Trust Model being ratified and every tenth anniversary thereafter (see page 19).
- A Beneficial Entity may re-join Tātau Tātau at a minimum cost of \$5 million.

Kāhui Representation

WE HAVE HEARD YOUR VIEWS ABOUT HOW YOU WANT TO BE REPRESENTED IN TĀTAU TĀTAU O TE WAIROA GOING FORWARD.

The feedback we have received is that many whānau think it's best to continue on the path that we have forged through the settlement process so far – being grouped by hapū for representation, then coming together under one umbrella group.

Many whānau say they are used to the Kāhui/Cluster structure and feel that it is fair, in that each group can elect its own representatives as Trustees on the Board. That way each smaller group's voice is heard, but overall, we are stronger together as one.

After considering your feedback, the Initial Trustees recommend we continue with the existing Kāhui representation approach for Tātau Tātau o Te Wairoa Trust.

What should the Kāhui structure look like?

Under the Unit Trust Model, each Kāhui needs to have a structure in place in order to be a unit holder in Tātau Tātau o Te Wairoa Trust.

There are several requirements for a Kāhui structure to stand:

1. It needs to be robust and have clear provisions around the appointment of its governors.
2. The structure may be charitable.
 - However, **if it is charitable, it will be restricted to charitable activities.**

“THE PROCESS THAT I SEE BEING OF MOST BENEFIT TO MY FUTURE GENERATIONS IS COLLABORATION – IN THE END THIS SHOULD BE WHAT WE ARE ABOUT! ONE PEOPLE WORKING TOGETHER FOR THE SAME OUTCOME; MAHI TAHI ENHANCES TAPU AND MANA.”

Tātau Tātau Iwi Member feedback

What if an existing Kāhui does not have a structure in place?

If your Kāhui does not have a structure in place currently, it is recommended that a discretionary trust is set up to represent your Kāhui on Tātau Tātau o Te Wairoa Trust.

A template trust deed has been prepared which can be aligned to the specific needs of your Kāhui. This can be accessed here: www.ttotw.iwi.nz/library/documents.

It takes approximately three months to set up a discretionary trust.

Rules of operation for discretionary trusts

If a Kāhui chooses to set up a discretionary trust using the template trust deed, there are several requirements. The key terms of operation include:

1. Trustees will be appointed via an election and will rotate every three years (the length of term can however be amended).
2. The financial statements of the Trust will be audited every year.
3. An Annual General Meeting (AGM) will be held every year.
4. Any disputes will need to be resolved by a disputes committee which will consist of:
 - one kaumātua
 - one Adult Registered Member of the Kāhui with skills relevant to the dispute
 - one independent person.
5. The elected Trustees must administer and maintain a register of members (a master register will be held by Tātau Tātau o Te Wairoa Trust).
6. Some decisions will require a special resolution vote of members.
 - For a special resolution to be passed, 75% of adult registered members in that Kāhui must validly cast a vote in favour of the special resolution.
 - Decisions where a special resolution vote is required, includes but is not limited to:
 - i. a major transaction
 - ii. triggering independence from Tātau Tātau o Te Wairoa Trust

What if a Kāhui already has a structure in place?

If you already have a structure in place to represent your Kāhui, the options are:

1. Continue using your current structure upon Settlement Date.
2. Set up a discretionary trust as another entity, using the template trust deed.
3. Incorporate aspects of the template trust deed into your current structure by amending your current structure's governing documents. The current Trust Deeds for the various Kāhui who are establishing a new discretionary trust to hold units in Tātau Tātau o Te Wairoa Trust can be accessed on our website: www.ttotw.iwi.nz/library/documents.

What does the Kāhui relationship with Tātau Tātau o Te Wairoa Trust look like?

AS EXPLAINED ON PAGE 14, EACH KĀHUI WILL ELECT ONE PERSON TO BE ITS REPRESENTATIVE ON TĀTAU TĀTAU O TE WAIROA TRUST – THIS PERSON WILL BE KNOWN AS THE TĀTAU TĀTAU REPRESENTATIVE FOR THAT KĀHUI.

Upon appointment, this person will also be a director of the Corporate Trustee described on page 15.

It is a two-way relationship between Tātau Tātau o Te Wairoa Trust and each Kāhui.

The Tātau Tātau Representative will report to Tātau Tātau o Te Wairoa Trust on the Kāhui activities annually.

Equally, the Tātau Tātau Representative will report back to the Kāhui on Tātau Tātau o Te Wairoa Trust's activities annually.

How are directors appointed to the Commercial Arm?

The Tātau Tātau Representatives will appoint the directors of the Commercial Arm on the advice of a suitably qualified independent agency.

This is because the directors of the Commercial Arm must have the requisite skills to be a director of the Commercial Arm of the PSGE.

How are kaumātua appointed to the Kaumātua Council for Tātau Tātau o Te Wairoa Trust?

The Kāhui will appoint one kaumātua to the Kaumātua Council for Tātau Tātau o Te Wairoa Trust as and when required.

NĀ TŌ ROUROU, NĀ TĀKU
ROUROU, KA ORA AI TE IWI

**WITH YOUR FOOD BASKET AND MY
FOOD BASKET THE PEOPLE WILL THRIVE**

Kāhui Independence Process

In the engagement hui in 2017 we discussed whether there should be the option for a Kāhui (or a Rōpū as it was referred to then), to leave Tātau Tātau o Te Wairoa if it decided that it wanted to be independent.

Under this final representation and asset arrangement model, it is proposed that the Kāhui may become independent from Tātau Tātau o Te Wairoa Trust via a special resolution vote. 75% of Adult Registered Members in the Kāhui must validly cast a vote in favour of the Special Resolution to ratify independence.

Becoming independent will mean that the Beneficial Entity representing a Kāhui redeems its units in Tātau Tātau o Te Wairoa Trust for cash and shares in the forest companies (if applicable). However a Kāhui will remain a part of Tātau Tātau o Te Wairoa Trust in perpetuity because Tātau Tātau o Te Wairoa is the PSGE for the comprehensive settlement with all the Kāhui. The cultural redress received as part of the settlement will also stay with Tātau Tātau o Te Wairoa Trust.

The amended Trust Deed will set out the process by which a Beneficial Entity can become independent from Tātau Tātau.

The proposed Kāhui Independence Process would be:

- 1** To become independent (at all times), the request for independence must be approved by special resolution of the Kāhui, and must be run through the Beneficial Entity representing the Kāhui.
- 2** If an independence request is approved by the Kāhui, the Beneficial Entity representing the Kāhui may make an independence request to Tātau Tātau in writing. Independence requests may be made from the date the Unit Trust Model is ratified until the third anniversary of that date. If an independence request is received, the exit will occur on the fifth anniversary of the Unit Trust Model being ratified. At this point, the Beneficial Entity will redeem its units for cash/shares in the forestry companies (if applicable).
- 3** Further independence requests may be made in the year prior to each eighth anniversary of the Unit Trust Model being ratified. Independence will occur on the tenth anniversary of the Unit Trust Model being ratified following the independence request received by Tātau Tātau.
- 4** A Beneficial Entity that has become independent may re-join Tātau Tātau o Te Wairoa Trust by purchasing new units but at a minimum cost of \$5 million.
- 5** A Beneficial Entity may withdraw its independence request prior to its units being redeemed.

Key principles that are achieved through the Kāhui Independence Process:

- High voting thresholds ensure fairness and a robust process.
- All Adult Registered Members of the Kāhui can vote on the exit, which ensures transparency.
- Time limits mean that Tātau Tātau has certainty going forward – a Kāhui can only trigger an independence request within the set time periods.
- If a Kāhui becomes independent, it would:
 - no longer be part of Tātau Tātau (except for the relationship due to Tātau Tātau o Te Wairoa Trust being the PSGE, and for the purposes of cultural redress)
 - not have any Trustee representatives on Tātau Tātau
 - remain connected to Tātau Tātau through a formal agreement (rights to purchase RFR land).

Long term financial viability of the Unit Trust Model

WE HAVE UNDERTAKEN DETAILED FINANCIAL MODELLING TO ASSESS THE LONG-TERM COMMERCIAL VIABILITY OF THE UNIT TRUST MODEL, BASED ON TWO SCENARIOS:

- **Scenario 1:** where we remain as a Tātau Tātau collective for at least 25 years – where all Kāhui manage their assets collectively.
- **Scenario 2:** where one Kāhui leaves the collective at a defined point in time (e.g. after 5 years) and manages their share of pūtea individually.

We have taken a detailed look at costs, returns on investment, risks, and relevant qualitative factors.

The Unit Trust Model is intended to enable more immediate benefits and greater control of our settlement for our iwi, hapū and whānau right from the outset.

We have looked closely at all other PSGE models of a similar size to Tātau Tātau and how representation and delivery of benefits to their members is undertaken. However, none of these models are believed to be appropriate for the management of our settlement assets.

Our settlement is unique, and we need a model that is tailored specifically to the needs of our iwi, hapū and whānau.

Scenario overview

SCENARIO	SCENARIO DESCRIPTION
1 TĀTAU TĀTAU (25 YEARS)	<ul style="list-style-type: none"> ▪ All Kāhui invest collectively for 25 years. ▪ The Forest asset is included with an estimated value of \$6.035m. The Forest asset is estimated to generate 3% lease income and 1% capital gain per annum. ▪ Initial asset allocation of 40:60 between growth assets:low risk assets. ▪ Final asset allocation of 60:40 between growth assets:low risk assets over six years, as a broader range of investment opportunities are assessed, and the collective has greater certainty over the investment term, asset classes and risk appetite that Kāhui are comfortable with.
2 KĀHUI BECOMES INDEPENDENT IN YEAR 5	<ul style="list-style-type: none"> ▪ All Kāhui initially invest in the Tātau Tātau model for five years (as per Scenario 1). ▪ At the start of Year 6, one Kāhui becomes independent. ▪ Asset allocation and distributions remain the same as under the Tātau Tātau scenario. ▪ The exiting Kāhui incurs independence costs of \$250,000 (one-off) and ongoing costs of \$450,000 each year in additional governance and management costs from Year 6 onwards.

Guiding principles

Below are the guiding principles that underpin the Unit Trust Model and Kāhui representation.

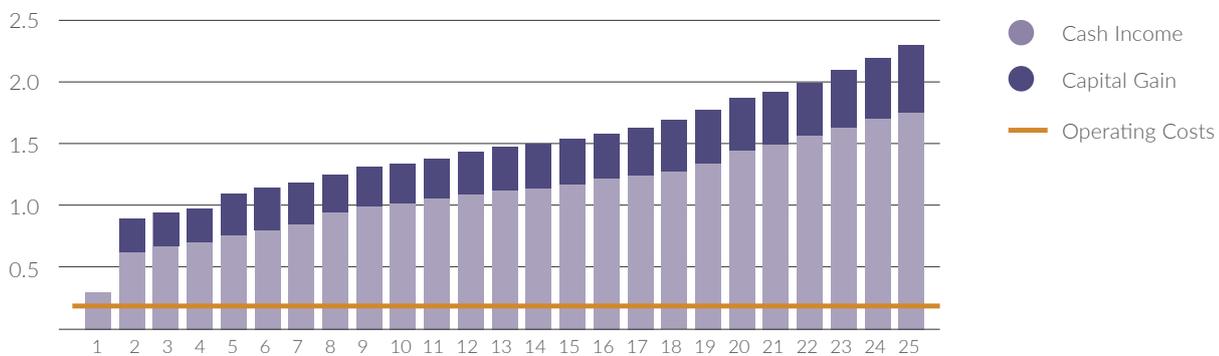
MITIGATE RISK	<ul style="list-style-type: none">▪ Considers the relative risk of each scenario.▪ Supports a staged approach to the exit scenario.
PRESERVE OPTIONS	<ul style="list-style-type: none">▪ If the options are uncertain, it may be better to proceed with a pathway that preserves rather than limits options initially and preserves future flexibility.▪ Supports collective investment initially to show what is possible, with the option to become independent later.
DECISIONS BY CONSENSUS	<ul style="list-style-type: none">▪ Decisions should be made by consensus.▪ This is consistent with the 75% special resolution requirements.
ACCOUNTABILITY	<ul style="list-style-type: none">▪ Any structures put in place (either 'Tātau Tātau' or 'Independence' Scenario) require transparency of commercial results and accountability.▪ Supports investment in management and governance capability under both scenarios.
FAIRNESS TO ALL PARTIES	<ul style="list-style-type: none">▪ The process should support parties to exercise independent choice, but should not impose costs or risks on the collective (maximum of 50%).▪ Supports the principle of accountability for decisions and actions. Costs should be borne by the party/ies whose actions create any additional costs.
ARM'S LENGTH DECISION MAKING	<ul style="list-style-type: none">▪ A separate Board with delegated authority from Tātau Tātau.▪ The Commercial Board will prepare the SIPO which includes the parameters under which the Commercial Board would operate. The SIPO must be approved by the Trustees.▪ The Commercial Board would have autonomy to make investment decisions within those parameters.

Scenario 1: Tātau Tātau (25 years)

UNDER THIS SCENARIO, CASH INCOME AND CAPITAL GAINS ARE EXPECTED TO GROW OVER TIME AS A RESULT OF COMPOUND INTEREST AND REINVESTMENT.

The share of income consumed by operating costs is shown in orange in Diagram 1. \$1.35 million pa of operating costs are modelled, adjusted for Consumers Price Index (CPI) of 2% pa.

Diagram 1. Portfolio Income and Costs (25 years) per Kāhui

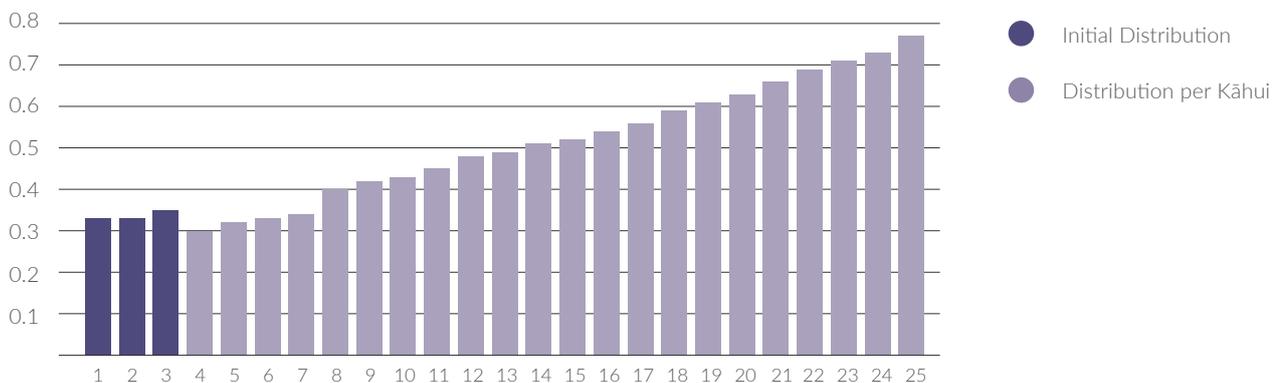


Distributions have been modelled as follows:

- Initial three years of distributions consists of the total \$7.4 million of net accrued interest distributed to each Kāhui (dark purple columns in Diagram 2 below). Each Kāhui receives approximately \$1.0 million, spread over three years if they retain all their units in Tātau Tātau o Te Wairoa Trust.
- There is no distribution of the portfolio's profits in the initial three years, which are reinvested into the portfolio.
- From Year 4, distributions policy is set at 40% of earnings.

Diagram 2 below shows the potential cash distributions for each Kāhui over 25 years based on these above modelling assumptions.

Diagram 2. Distributions per Kāhui (\$m)



THE BELOW DIAGRAMS ILLUSTRATE THE POTENTIAL GROWTH IN THE COLLECTIVE PORTFOLIO (DIAGRAM 3) AND SHARE ALLOCATED TO EACH KĀHUI (DIAGRAM 4) OVER 25 YEARS, AND HOW THE INCOME IS SPLIT BETWEEN COSTS, DISTRIBUTIONS AND REINVESTMENT.

It includes the Forest asset which has an estimated value of \$6.035 million into the Tātau Tātau portfolio. The Forest asset is estimated to generate 3% lease income and 1% capital gain per annum.

No direct reinvestment into the Forest has been modelled assuming that acquisition of additional Forest land will need larger capital outlays than those available from cash income. The cash generated from the Forest asset is reinvested through the other investment categories of low and high risk assets in the portfolio.

At the end of Year 25, under the modelled assumptions, the initial \$113.4 million portfolio capital (which includes the \$6.035 million estimated value of the Forest asset) could grow to \$244 million in aggregate, which is an increase of \$130.6 million.

Note:

- No tax has been modelled in these diagrams, or the tax effect is expected to be equivalent between the scenarios.
- The \$7.9 million capital return represents the \$7.4 million initial distribution over three years (the additional \$0.5 million representing the investment returns over 3 years).

Diagram 3. Portfolio Income and Costs (25 years) per Kāhui

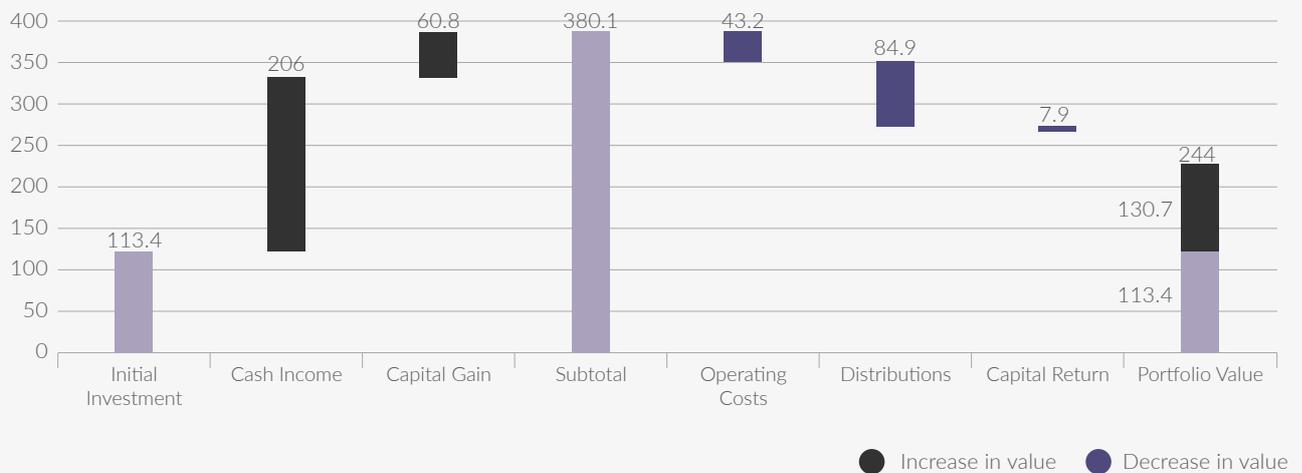
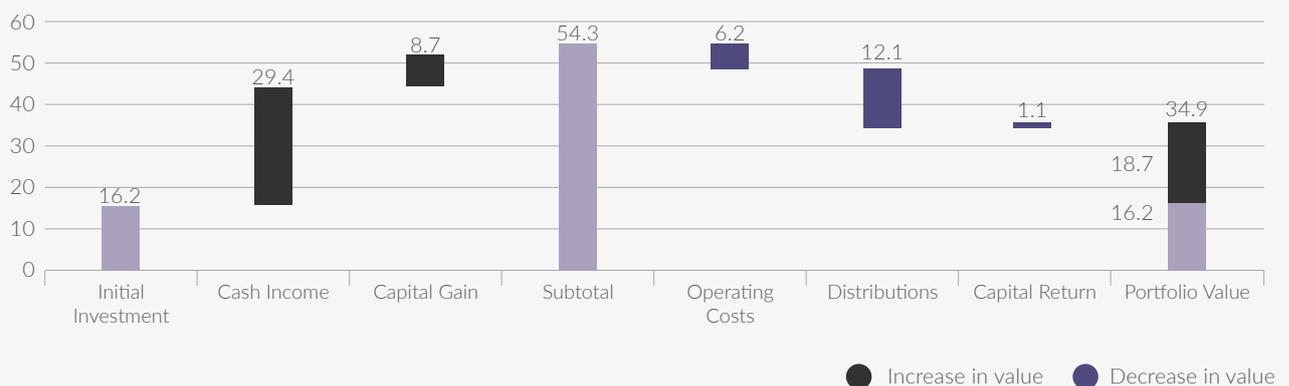


Diagram 4. Portfolio Value per Kāhui

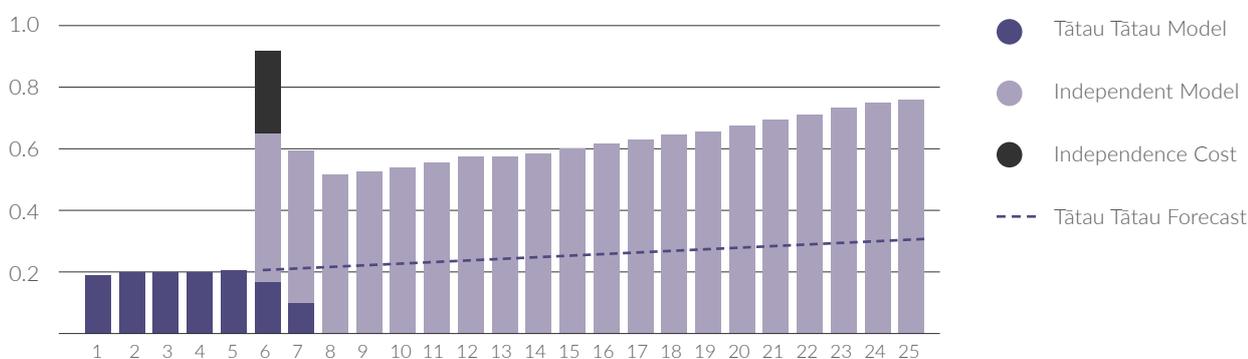


Scenario 2: Kāhui becomes independent in Year 5

TO ILLUSTRATE THE IMPACT OF AN INDEPENDENCE SCENARIO WE HAVE MODELLED THIS FOR AN INDIVIDUAL KĀHUI BASED ON THE FOLLOWING INDEPENDENCE ASSUMPTIONS:

- The individual Kāhui becomes independent at the end of Year 5.
- On becoming independent, the Kāhui incurs a cost of \$250,000 that includes a contribution to legal, valuation and structuring costs (see Diagram 5 below).
- The Kāhui is assumed to incur their own management costs to operate the fund of \$450,000 pa. This is \$300,000 p.a. greater than the Kāhui share of the operating costs of Tātau Tātau (see Diagram 5).

Diagram 5. Operating and Governance Cost (\$m)



For the purposes of comparative analysis, the Kāhui is assumed to invest in the same investment mix of 60% growth assets and 40% low risk assets with the same returns (Diagram 6).

However, the exiting Kāhui may face practical constraints in order to achieve this result:

- It may be harder to achieve the same asset mix as the collective, as the smaller investment capital (~\$15 million compared with >\$100 million) may restrict the accessibility to invest in certain asset types (Private Equity, Commercial Property, Farms, Businesses).
- Alternatively, it may be more difficult to achieve the same level of diversification which results in greater risk exposure to single assets compared to the Tātau Tātau scenario.

Assuming the same asset mix and distribution profile, the portfolio income of the Kāhui that becomes independent may be less than what could be achieved if the Kāhui remains in the Tātau Tātau model. This is due to the compounding effect of higher operating costs (Diagram 8).

Diagram 6. Kāhui Investment Allocation

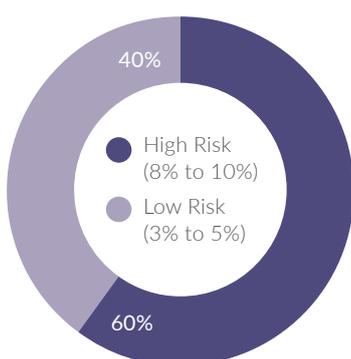
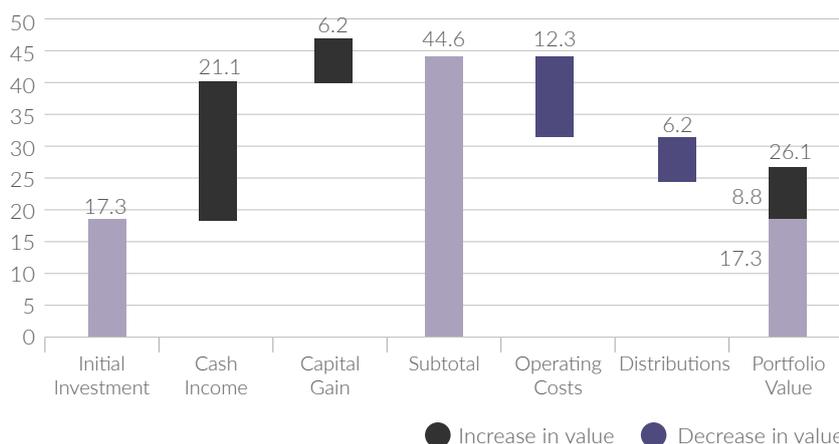


Diagram 7. Kāhui Independent Model



The Kāhui capital could grow from \$17.3 million to \$26.1 million. This is \$7.1 million lower than the modelled result of remaining in the Tātau Tātau collective of \$33.2 million (Diagram 9).

This reduction is driven by the higher operating costs of the Kāhui. To reduce the difference, the Kāhui could invest a greater portion of their capital in growth assets, reduce costs (while preserving capability) or reduce distributions.

Diagram 8. Income

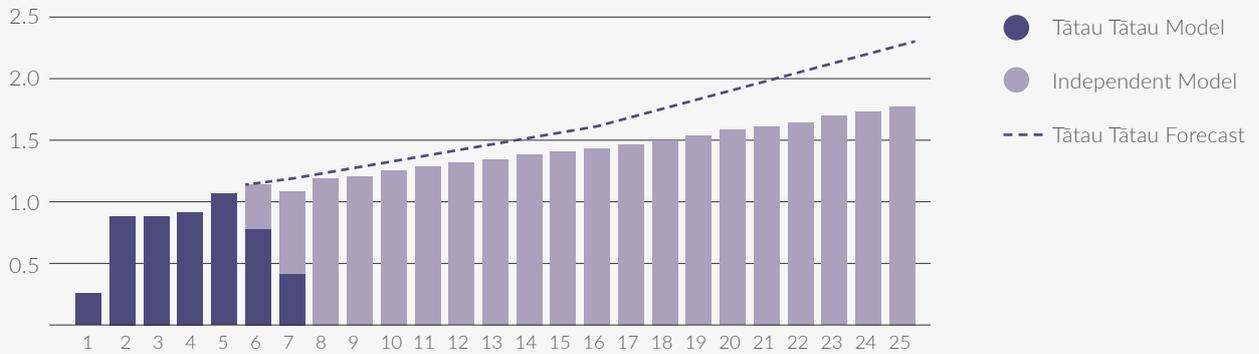


Diagram 9. Equity Value (\$m)

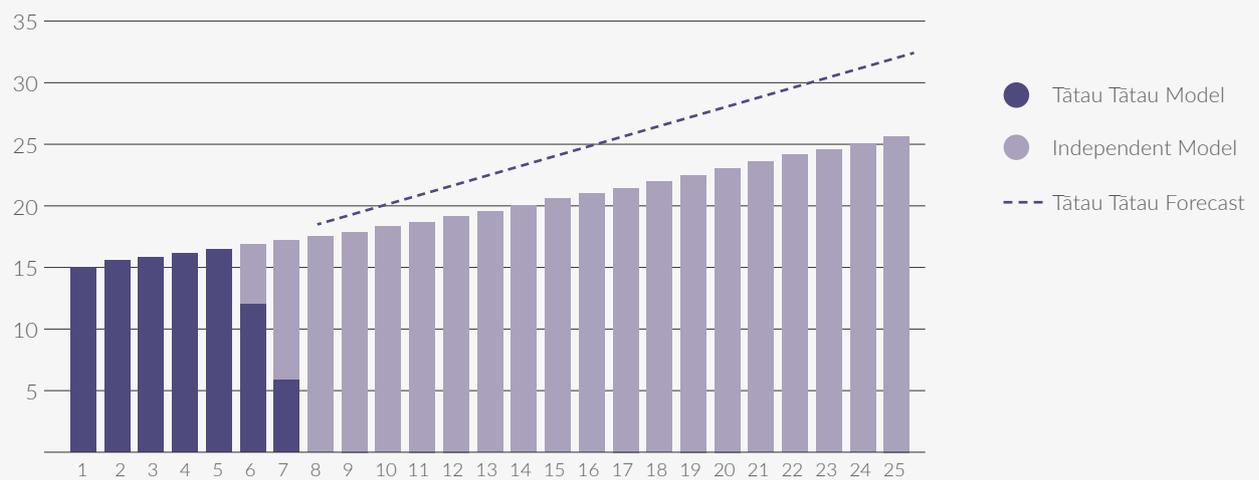
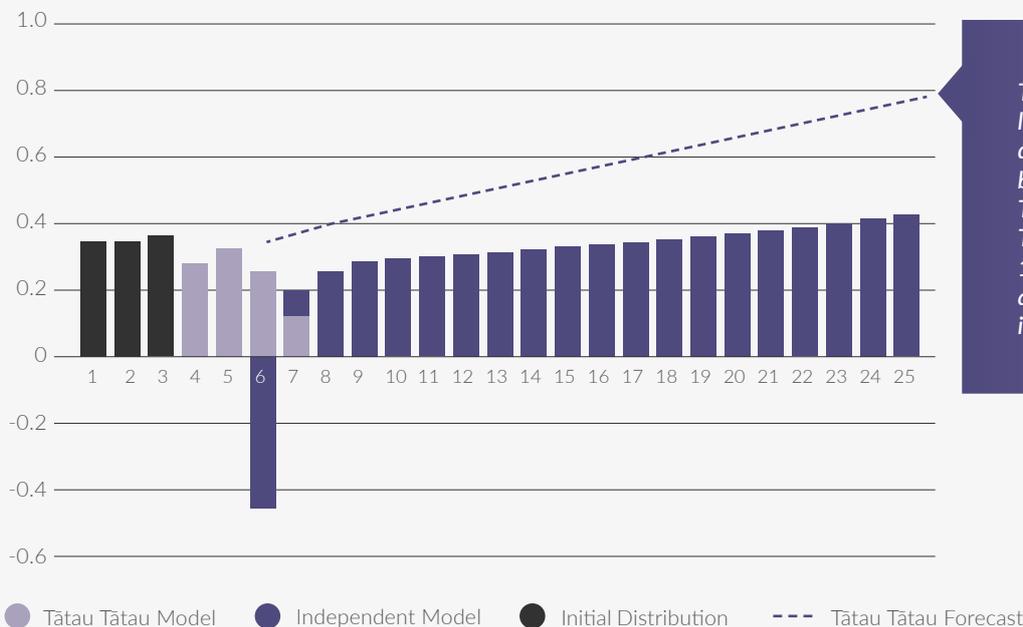


Diagram 10 below shows the overall levels of distributions for the Kāhui under the independence scenario.

Diagram 10. Distributions for 25 Years (\$m)



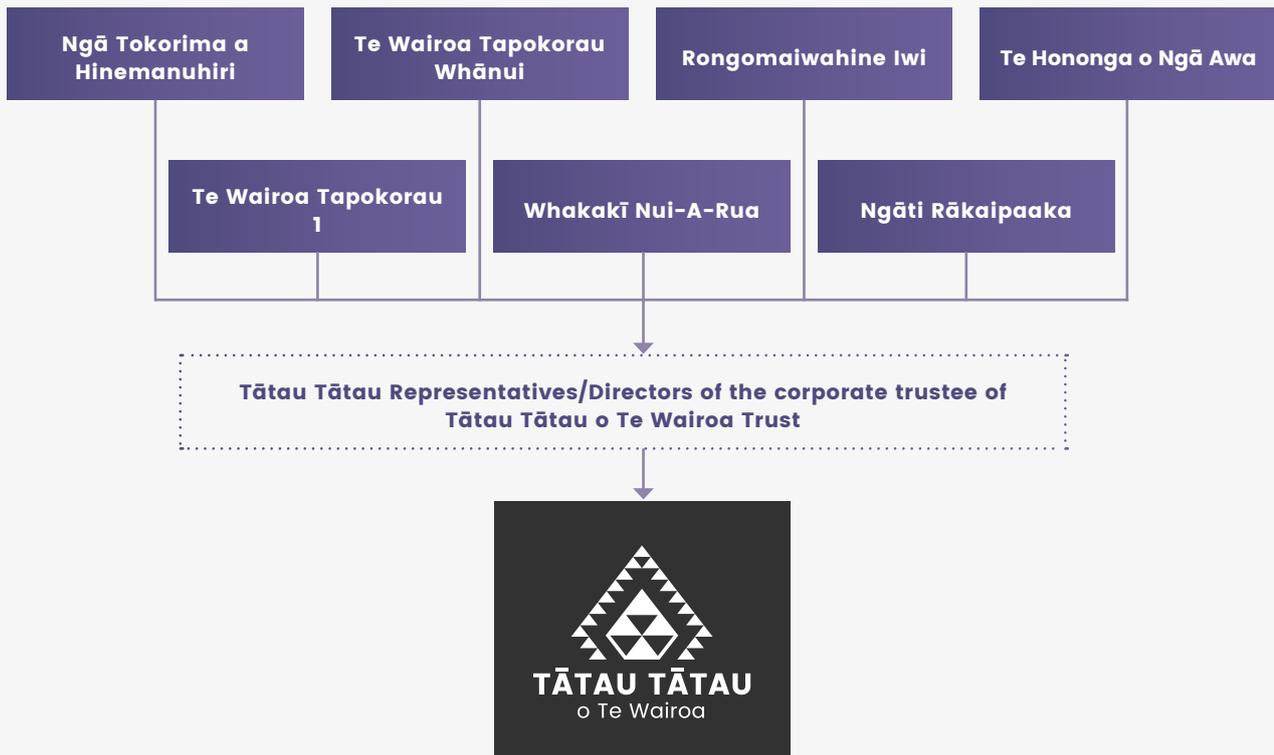
The purple dotted line shows the level of distributions modelled by staying within the Tātau Tātau model. This is approximately 100% greater than those achievable under the independence scenario.

Please note:

The commercial analysis does not explicitly consider the following qualitative factors, which are relevant to the overall decision:

- The size of the capital base may not support investment in some asset classes that require large investment sizes (eg. farms, land/property assets, direct investment in businesses or private equity) because the costs of investing need to be borne by a single party (e.g. due diligence and professional management) investing in these assets.
- While it might be possible to invest in a single illiquid growth asset, this may not allow for sufficient diversification and may increase the overall risk profile.
- Any independent Kāhui is likely to face the additional cost of governance and management structures required to maintain its own independent investment management as well as attracting these capabilities (e.g. to undertake due diligence on investments). While the modelling assumes the same asset allocation between scenarios, the independent Kāhui may in reality be limited to investment in financial assets while it develops its internal processes and governance structures.
- An independent Kāhui may be able to invest in a different set of assets (including potentially cultural assets), although such assets may not necessarily result in a financial return. The same result could be achieved under the collective model by allocating a specified proportion of capital for this purpose.
- If multiple Kāhui decided to become independent at the same time, this may impact on the ability of the collective to generate sufficient liquidity, or it may limit the ability of the collective to invest a significant proportion of its portfolio in illiquid assets (e.g. property). The collective cost structure would also need to be reviewed in this situation.
- If a Kāhui exited to become independent and then wished to re-join the collective, further transaction costs may be required. To be fair to all parties, the buy-in will occur at a cost of at least \$5 million to the re-entering Kāhui.

Proposed make-up of Kāhui/Clusters and their hapū



Rongomaiwahine Iwi

Ngāi Te Rākatō
 Ngāti Hikairo
 Ngāti Hinewhakāngi (also known as Hinewhata)
 Ngāti Meke
 Ngāi Tama (including Ngāti Ruawharo)
 Ngāi Tārewa
 Ngāi Tū (including Ngāi Takoto)

Ngāti Rākaipaaka

Ngāti Rangī
 Ngāi Te Rehu
 Ngāi Tamakahu
 Ngāi Tureia
 Ngāi Te Kauaha/ Ngāti Kauaha

Ngā Tokorima a Hinemanuhiri (also known as Ngāti Hinemanuhiri)

Ngāi Tamaterangi
 Ngāti Mākoro
 Ngāti Hingāngā
 Ngāi Pupuni
 Ngāti Pareroa
 Ngāti Poa
 Ngāi Tamatea
 Ngāti Hinetu
 Ngāti Mihi

Whakakī Nui -A-Rua

Ngā hapū o Whakakī, being:
 Ngāti Hine Te Pairu
 Ngāti Hinepua
 Ngāi Te Ipu
 Ngā hapū o Iwitea, being:
 Ngāi Tahu
 Ngāti Ruapani
 Ngāti Urewera
 Ngāti Hinepua

Ngāi Tūpaka
 Ngāi Te Kakari
 Ngāti Matawhāiti
 Ngāti Hikawhare
 Ngāi Te Koara
 Ngāi Te Rangihauene
 Ngāti Hineringa
 Ngāti Pukukaraka
 Ngāti Pokino
 Ngāti Hau
 Ngāti Rua
 Ngāti Kahina
 Ngāti Kipamara
 Ngāti Kakahi
 Ngāti Kaitua
 Ngāti Patutai
 Ngāti Mātuahanga
 Ngāi Teki
 Ngāi Te Ariari
 Ngā hapū o Ngāmotu, being:
 Kaahu
 Te Uri o Te O
 Ngā Huka o Tai
 Te Aitanga a Puata
 Ngāti Mātua
 Ngāti Koropī
 Ngāi Tarita
 Ngāi Te Rangituanui
 Ngāti Hikatu

Te Wairoa Tapokorau 1

Te Aitanga a Puata
 Ngāti Kurupakiaka
 Ngāti Tiakiwai
 Ngāti Momokore
 Ngāti Waiaha
 Ngāi Te Rangituanui
 Ngāi Taitauī
 Ngāti Mātangirau

Te Uri o Te O
 Ngāi Tauira
 Ngāti Matua
 Ngāti Tahu
 Ngāti Kahu
 Ngāti Koropi

Te Wairoa Tapokorau Whānui

Ngāti Moewhare
 Ngāi Te Apatu
 Ngāti Tānemitirangi
 Iwi Kātea
 Ngāi Tauira
 Ngāi Te Kapuamātoru
 Ngāti Kuruhiwi
 Ngāti Ngakautaweka
 Ngāti Pukupepepi
 Ngāti Rāhui
 Ngāi Tamao
 Ngāti Tawarangī
 Ngāi Te Aorangī

Te Hononga o Ngā Awa

Ngāti Hingāngā (also known as Te Aitanga a Pourangahua)
 Ngāti Hinehika (also known as Ngāti Kōhatu)
 Ngāti Hinemihi
 Ngāti Hikatu
 Ngāti Puku
 Ngāti Peehi
 Ngāti Hinepehinga
 The Whaanga whānau and the Hinemanuhiri ki Waipaoa whānau

Frequently Asked Questions

THE VOTE

Why do we have to vote on a final representation and asset arrangement model?

The Trust needs to pass this Special Resolution so that we have an agreed representation model and way of managing our settlement assets once we receive the settlement redress.

Why do I have to choose one Kāhui for voting?

This is required by our Trust Deed for the purposes of Trustee Elections. Choosing only one Kāhui for voting means everyone gets an equal say. It ensures fair process and representation on our Trust Board.

The amendments to the Trust Deed mean that in the future, every Adult Registered Member will have one vote on matters concerning Tātau Tātau o Te Wairoa Trust. Every Adult Registered Member will also have one vote on each Kāhui they are registered with in relation to matters concerning that Kāhui or the Beneficial Entity representing that Kāhui.

How can I vote?

You can vote at the SGM and Information hui, or by post or online. For voting enquiries, including requests for replacement voter packs, please contact the election helpline on 0800 666 946 (NZ residents) or 00 64 3 377 3530 (overseas residents) or email iro@electionz.com.

I've lost my voting paper, what can I do?

You can request a replacement voter pack by contacting the election helpline on 0800 666 946 (NZ residents) or 00 64 3 377 3530 (overseas residents) or email iro@electionz.com.

What happens after voting has closed?

Once voting has closed, we expect to receive the results within one week.

The Trust will notify all members of the outcome of the vote. Keep an eye on your emails, as well as the Trust's website and Facebook page for updates.

If the Trust achieves the required support for introducing this final representation and asset arrangement model, the Trust will make the required changes to the Trust Deed and new Kāhui Tātau Tātau Representatives will be elected by the end of March 2019 to be the directors of the corporate trustee of Tātau Tātau o Te Wairoa Trust.

Our new Tātau Tātau Representatives will focus on finalising Tātau Tātau o Te Wairoa's Five-Year Strategic plan which is currently in draft form. A consultation process will be run next year amongst our members so that we can get your feedback on this important document.

UNIT TRUST MODEL

What does a 'unit' mean?

1 unit is equal to \$1 of financial and commercial redress (excluding the value of interest received). Under the Unit Trust Model, Kāhui will hold units in Tātau Tātau o Te Wairoa Trust.

Can Kāhui have more units than other Kāhui initially?

No. Each Kāhui will hold the same number of units initially.

Can Kāhui trade units with other Kāhui?

Yes, Kāhui can trade units. A Kāhui can also reinvest some or part of its distribution with Tātau Tātau o Te Wairoa Trust, which would result in increased units for that Kāhui.

What distributions would each Kāhui get?

The interest accrued will be distributed to each Beneficial Entity over three years from the date the Unit Trust Model is ratified in proportion to the units held by the Beneficial Entity representing the Kāhui. From the fourth year on, distributions will be made in proportion to units in December every year at 40% of profits. If a Kāhui did not want to receive some or all of their annual distribution, then this could be held by Tātau Tātau for up to six months. A Kāhui could also reinvest some or part of its distribution with Tātau Tātau that would result in increased units for that Kāhui.

Each Kāhui would determine how they use their funds, to advance the priorities of their Hapū and Marae. This ensures the mana of each Kāhui over their own decisions, priorities and pūtea.

If all Kāhui stay within the Tātau Tātau collective, how will this impact the level of distributions?

Financial modelling of both scenarios (Tātau Tātau for 25 years, or, Kāhui becomes independent in Year 5) show that distributions will be approximately 100 per cent greater by staying united under the Unit Trust Model, than those achieved under the independence scenario.

We recommend having a corporate trustee for a number of reasons:

1. Reduced administrative burden on the Trust

- authorised person(s) can bind the Trust, instead of all Trustees having to sign contracts (this is much easier administratively).

2. Protection of Trustees and their whānau

- Legally, Trustees are personally liable, and this can put them and their whānau at risk.
- The establishment of a corporate trustee provides a layer of protection for those Directors who are tasked with this important mahi for the Trust.

Why do we recommend the Corporate Trustee?

The establishment of corporate trustees is a common approach for a trust managing a significant value of assets and PSGEs. E.g. Ngāti Whātua Ōrākei and Ngāti Porou both have corporate trustees.

Why have you not gone with the other models put forward in the November 2017 Engagement hui?

The Unit Trust Model is intended to enable more immediate benefits and greater control of our settlement for our iwi, hapū and whānau right from the outset. We have looked closely at all other PSGE models of a similar size to Tātau Tātau and how representation and delivery of benefits to their members is undertaken. However, none of these models are believed to be appropriate for the management of our settlement assets. Our settlement is unique, and we need a model that is tailored specifically to the needs of our iwi, hapū and whānau.

Can I benefit from the assets held by all the Kāhui I whakapapa to, or just the one I register with for voting?

If the Unit Trust Model is ratified, members will be able to benefit from Tātau Tātau o Te Wairoa Trust and each Kāhui they are registered with.

Why can't Tātau Tātau prepare the SIPO for the Commercial Company?

Tātau Tātau should not prepare the SIPO for the Commercial Company – the Commercial Company should prepare it itself. The Commercial Company is an entity in its own right separate from Tātau Tātau. The Commercial Board is however accountable to Tātau Tātau because Tātau Tātau o Te Wairoa Trust must approve the SIPO. This is not detailed or close oversight, but rather would include high level parameters in which it can operate. E.g. what sectors it can't invest in and what levels of investment would require Tātau Tātau board approval.

REPRESENTATION

Why do we want to keep the same structure?

The feedback we have received is that most of our people want to keep the same or similar groupings. This means that Hapū and Marae get to choose their representatives through their Kāhui/Cluster, but that we take a collaborative approach to benefit everyone. The feedback showed that whānau felt that overall, we are stronger together, and it makes sense to keep the structure that we are accustomed to and has worked for us so far.

Can Kāhui re-join Tātau Tātau once they have exited?

Yes, Kāhui can rejoin, but the Kāhui wishing to re-join would need to buy-in at a minimum cost of \$5 million.

Can the Kāhui structure be charitable?

The Kāhui structure may be charitable but if it chooses to be structured like this, it will be restricted to charitable activities.

Refer to pages 16 and 17 for more information on putting together a Kāhui structure.

INDEPENDENCE PROCESS

Why are we giving Kāhui the option to leave the Tātau Tātau collective?

There was feedback that some groupings were interested in becoming independent of Tātau Tātau. The Initial Trustees consider that if one Kāhui could choose independence, the other Kāhui must have the option to leave too. This is about enhancing the mana motuhake of the Kāhui. The proposed Kāhui Independence Process you are voting on ensures fairness and transparency, and allows for all adult members of a Kāhui to vote on whether to approve a request for independence or not, if an exit is triggered. This means that the ultimate decision remains with you, our people.

What if multiple Kāhui want to leave Tātau Tātau at the same time?

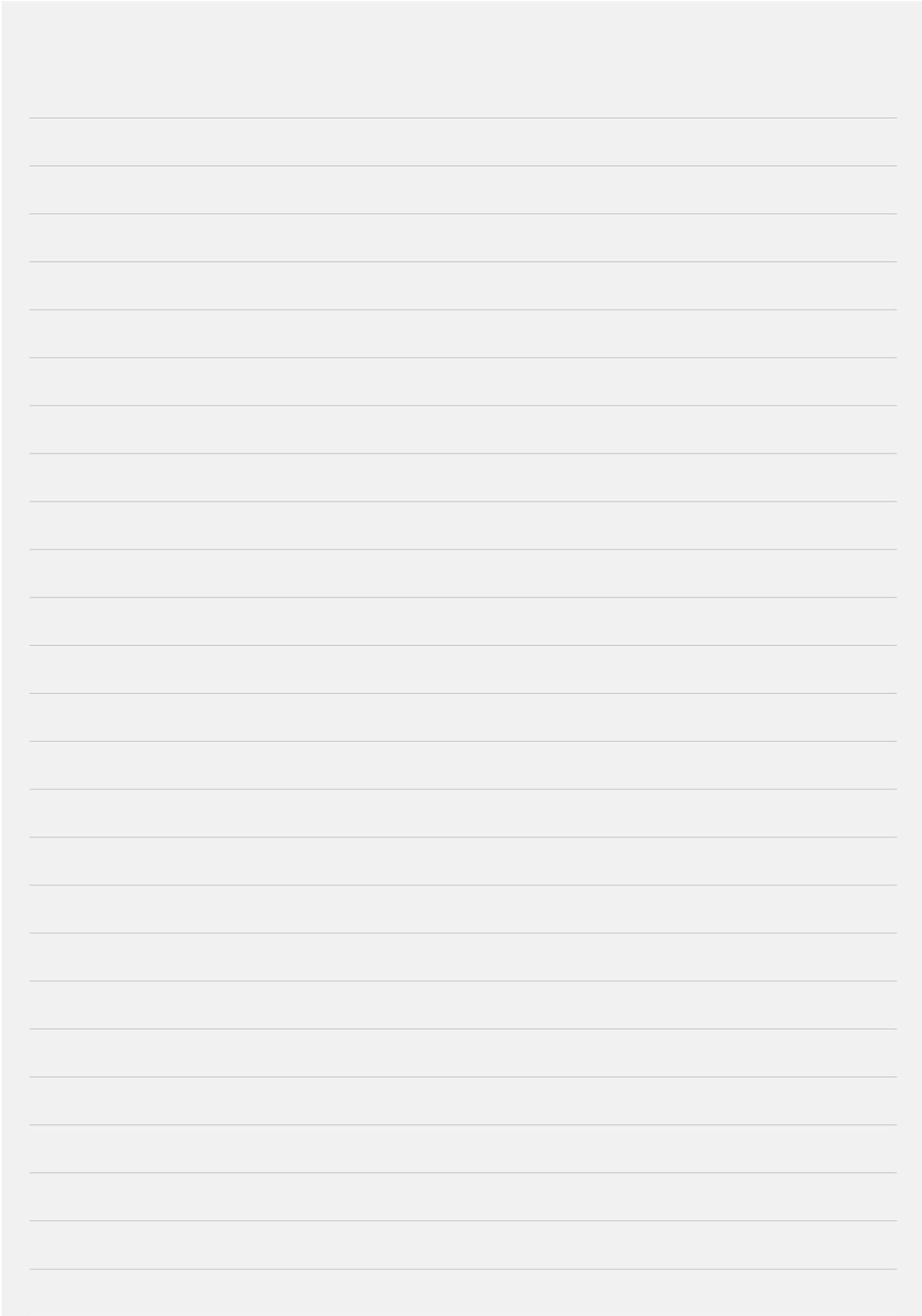
If multiple Kāhui decided to become independent at the same time, this may impact on the ability of the collective to generate sufficient liquidity or to invest a significant proportion of its portfolio in illiquid assets (e.g. property). The collective cost structure would also need to be reviewed in this situation.

What does it mean for me if my Kāhui decides to leave?

If your Kāhui wanted to leave, they would need to follow the process outlined on page 19. This means you would have the opportunity to vote on whether you want your Kāhui to become independent. If the Kāhui does become independent, your Kāhui would no longer be a part of Tātau Tātau except for the relationship due to Tātau Tātau being the PSGE and for the purpose of cultural redress. Details on the actual terms of becoming independent would be worked through by your Kāhui and Tātau Tātau.



Notes



A large gray rectangular area containing horizontal lines for writing notes. The lines are evenly spaced and extend across the width of the gray area.



IF YOU HAVE QUESTIONS ABOUT THIS DOCUMENT OR OUR SETTLEMENT, PLEASE CONTACT YOUR KĀHUI REPRESENTATIVE, OR EMAIL **REGISTER@TTOTW.IWI.NZ**

To find out which Kāhui (cluster) your iwi or hapū is represented by, see the table on page 27.

Contact details

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Email: register@ttotw.iwi.nz
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