

**THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF
ASSOCIATION OF THE NEW ZEALAND NATIVE LAND
SETTLEMENT CO., LIMITED...**

THE Memorandum of Association

AND ARTICLES OF ASSOCIATION OF THE NEW ZEALAND

Native Land Settlement Co., LIMITED

AUCKLAND: H. BRETT, GENERAL STEAM PRINTER, WYNDHAM
STREET.

***THE New Zealand Native Land Settlement
Company Limited***

***MEMORANDUM OF ASSOCIATION OF THE
EAST COAST NATIVE LAND AND
SETTLEMENT COMPANY (LIMITED).****

1. The name of the Company is "The East Coast Native Land and Settlement Company (Limited)."*
2. The Registered Office of the Company will be situated in the North Island of New Zealand at Gisborne in the Provincial District of Auckland.
3. The objects for which the Company is established are:
 - (A) The acquisition of Native Land on the East Coast of the North Island of New Zealand by the voluntary association of Owners of Native Land who shall contribute Land with Europeans who shall contribute Funds for the purpose of effecting the settlement of the land by farmer settlers and others in areas of such extent as and in other respects upon terms as nearly as may be similar to those provided by the Acts and Regulations relating to the Sale and disposal of the Crown Lands in the Colony of New Zealand or upon such other special terms and conditions as Native Owners in assigning Land to the Company may stipulate.
 - (B) To aid and promote Immigration into the Company's Estates and for the purpose aforesaid to grant and lend any sum of money.

(C) To make or to contribute towards the cost of making or constructing Public Works such as Roads Bridges Wharves and the like which may be necessary or useful in opening up and developing the Company's Property.

(D) To guarantee the performance of any contract or obligation.

(E) To borrow or raise money by the issue of or upon Bonds Debentures Bills of Exchange or other obligations or securities of the Company or by Mortgage or charge of all or any part of the property of the Company or of its uncalled Capital or in such other manner as the Company may think fit.

(F) To lend money on the security of real Property in New Zealand.

(G) To Sell Improve Manage Develop Lease Mortgage Dispose of or otherwise deal with all or any part of the property of the Company in such manner and upon such terms as the Company may find most advantageous and suitable.

(H) To do all such other things as are incidental or conducive to the attainment of the above objects.

4. The liability of the Shareholders is limited.

5. The capital of the Company is Five Hundred Thousand pounds (£500,000) divided into One Hundred Thousand (100,000) Shares of Five Pounds (£5) each with power to accept Land from Aboriginal Owners thereof at prices agreed on or to be agreed on and to issue paid-up Shares to such owners to the extent of the agreed on price of the Land which they may convey to the Company and with power to increase or to reduce Capital by special resolution.

We the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association And we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

- WILLIAM LEE REES of Gisborne Solicitor Ten Shares
- J. B. POYNTER Poverty Bay Farmer Ten Shares
- W. H. TUCKER POVERTY Bay Articled Clerk Ten Shares
- HENARE POTAE Rangatira Oteawa Twenty Shares
- WI PERE Rangatira Oturanga Twenty Shares
- J. A. JURY Rangatira o Wairarapa Ten Shares
- T. W. PORTER Gisborne Ten Shares

- MAJOR ROPATA Waiapu (by Agent T. W. Porter) Ten Shares

ARTICLES OF ASSOCIATION OF THE NEW ZEALAND NATIVE LAND SETTLEMENT COMPANY (LIMITED).

I.—EXCLUSION OF TABLE B.

1. The Articles of Table B of the "Joint Stock Companies' Act 1860" shall not apply to the Company.

II.—INTERPRETATION.

2. In the interpretation of these presents the following words and expressions shall have the following meanings unless excluded by the subject of context:—

The "Company" means "The New Zealand Native Land Settlement Company, Limited."

"Month" means a calendar month.

"Capital" means the capital for the time being of the Company.

"Shares" means the Shares in which the Capital is from time to time divided.

"Shareholders" means the holders from time to time of the shares of the Company.

"Office" means the Registered Office of the Company.

"Aboriginal Native" means an Aboriginal Native within the meaning of the Native Lands Acts.

Words importing the singular number only include the plural number words importing the plural number only include the singular number words importing the masculine gen-gender only include the feminine gender.

III.—CAPITAL AND SHARES.

3. The Capital of the Company is £500,000 in One hundred thousand Shares of £5 each.

4. The issue and allotment of Shares shall be made to such persons and on such terms and conditions as the Board of Directors may think fit Shares may be issued and allotted either as paid up in full or as partly paid up by way of payment for lands and hereditaments live and dead stock and personal property from time to time or at any time purchased or contracted for by or on behalf of the Company.

5. The Directors may require that Shares held by Aboriginal Natives shall in no case be transferable except (1) With the consent of the Native Committee with whom the Native holder is connected (2) With the consent and approval of the Directors of the Company Every Share Certificate for any such Shares shall be endorsed accordingly.

IV.—CALLS.

6. The Directors may from time to time make Calls upon Shareholders in respect of all monies unpaid on their Shares and each Shareholder shall be liable to pay the amount of calls so made to the persons and at the times and places appointed by the Directors Provided that calls shall not exceed 5s. per Share and shall not be made in any case at intervals of less than three months.

7. A Call shall be deemed to have been made at any time when the resolution authorising such Call was passed.

8. If before or on the day appointed for payment any Shareholder does not pay the amount of any Call to which he is liable then such Shareholder shall be liable to pay interest for the same at the rate of Ten pounds per cent, per annum from the day appointed for payment thereof to the time of actual payment.

9. On the trial or hearing of any action or suit which may be brought by the Company against any Shareholder to recover any debt due for any Call it shall be sufficient to prove that the name of the Defendant is on the Register of Shareholders of the Company as a holder of the number of Shares in respect of which such debt accrued and that notice of such Call was duly given to the Defendant in pursuance of these Articles and that such Call

was not paid And it shall not be necessary to prove the appointment of the Directors who made such Call nor that a quorum of Directors were present at the Board at which such Call was made nor that the meeting at which such Call was made was duly convened or constituted nor any other matter whatsoever.

10. The Company may if they think fit receive from any of the Shareholders willing to advance the same all or any part of the monies due upon the respective Shares beyond the sums actually called for and upon the monies so paid in advance or so much thereof as from time to time exceeds the amount of Calls then made upon the Shares in respect of which such advance has been made the Company may pay interest at such rate as the Shareholder paying such sum or sums in advance and the Directors may agree upon.

V.—TRANSFER OF SHARES.

11. The instrument of Transfer of any Share in the Company shall be executed by both the Transferor and the Transferee and the Transferor shall be deemed to remain the holder of such Shares until the name of the Transferee is entered in the proper Register in respect thereof.

12. Shares may be transferred in the following form or to the like effect:—

I _____ of _____ in consideration of _____ paid to me by _____ of _____ do hereby transfer to the said _____ Shares numbered _____ in "The New Zealand Native Land Settlement Company (Limited) " standing in my name in the books of the said Company to hold the same unto the said _____ his Executors Administrators and Assigns subject to the several conditions on which I hold the same at the time of the execution hereof And I the said _____ do hereby agree to take the said Shares subject to the conditions aforesaid.

As witness our hands this _____ day of _____ 188

The Directors may require that no transfer of Shares held by any Aboriginal Native owner shall be valid until the same has been consented to by the Native Committee with whom such Aboriginal

Native owner is connected and further until the Directors for the time being have consented in writing to any such transfer And every Share Certificate or Scrip for Shares issued to any such Aboriginal owner shall be indorsed as Not Transferable except with such consent.

13. The Company may decline to Register any Transfer of Shares made by a Shareholder who is indebted to them or unless the Transferee be approved by the Board.

14. The Transfer Book shall be closed during the thirty days immediately preceding the Ordinary Annual Meeting in each year.

15. Upon every Transfer of Shares the sum of Two shillings and sixpence shall be payable to the Company.

VI.—TRANSMISSION OF SHARES.

16. The executors or administrators of a deceased Shareholder shall be the only persons recognised by the Company as having any title to his Share.

17. Any person becoming entitled to a Share in consequence of the death bankruptcy or insolvency of any Shareholder or in consequence of the marriage of any female Shareholder or in any other way than by transfer may be registered as a Shareholder upon such evidence being produced as may from time to time be required by the Directors.

18. Any person who has become entitled to a Share in any way other than by Transfer may with the consent of the Directors instead of being registered himself elect to have some person to be named by him registered as a holder of such Share.

19. The person so becoming entitled shall testify such election by executing to his nominee a deed of transfer of such Share.

20. The deed of transfer shall be presented to the Directors accompanied with such evidence as they may require to prove the title of the Transferor and thereupon the Directors shall register the Transferee as a shareholder.

VII.—FORFEITURE OF SHARES.

21. If any Shareholder fails to pay any Call due on the appointed day the Directors may at any time thereafter during such time as the Call remains unpaid serve a notice upon him requiring him to pay such Call together with any interest that may have accrued by reason of such non-payment.

22. The notice shall name a further day and a place or places being a place or places at which Calls of the Company are usually made payable on and at which such Call is to be paid It shall also state that in the event of non-payment at the time and place appointed the Shares in respect of which such Call was made shall be liable to be forfeited.

23. If the requisitions of such notice as aforesaid are not complied with any share in respect of which such notice has been given may be forfeited by a resolution of the Directors to that effect Provided that no Share shall be forfeited unless a Call due in respect thereof shall be at least three months in arrear.

24. Any Share so forfeited shall be deemed to be the property of the Company and may be disposed of in such manner as the Directors think fit. A Certificate in writing under the hands of two of the Directors and countersigned by the Chairman that a Share has been duly forfeited in pursuance of these presents and stating the time when it was forfeited shall be conclusive evidence of the fact therein stated as against all persons who would have been entitled to the Share but for such forfeiture and such Certificate and the receipt of the Company of the price of such Share shall constitute a good title to such Share.

25. A Shareholder whose Shares have been forfeited shall notwithstanding be liable to pay to the Company all Calls and Interest thereon owing upon the said Shares at the time of the forfeiture but the Directors may if they think proper pay back to any such Shareholder such portion of the proceeds realised upon the sale of such Shares as they see proper.

VIII.—CONVERSION OF SHARES INTO STOCK.

26. The Company may convert any Paid-up Shares into Stock.

27. When any Shares have been converted into Stock the several holders of such Stock may thenceforth transfer their respective interests therein or any part of such interests.

28. The several holders of Stock shall be entitled to participate in the Dividends and Profits of the Company according to the amount of their respective interests in such Stock And such interests shall in proportion to the amount thereof confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company and other purposes as would have been conferred by Shares of equal amount in the capital of the Company but so that none of such privileges or advantages except the participation in the Dividends and Profits of the Company shall be conferred by such aliquot part of Consolidated Stock as would not if vested in Shares have conferred such privileges or advantages.

IX.—INCREASE OF CAPITAL.

29. The Company in an Extraordinary Meeting convened for that purpose may from time to time by special resolution increase its Capital by the creation of new Shares of such description and amount as may be deemed expedient.

30. Such Extraordinary Meeting may determine the conditions on which such increase shall be made the number and amount of the shares into which such increased Capital shall be divided and the time mode and terms at and according to which such last mentioned Shares shall be issued and how the Premium if any on such Shares shall be applied And in particular such Shares may be issued with a preferential or qualified right to Dividends and in the distribution of Assets of the Company and with a special or without any right of voting.

31. Any Capital raised by the creation of new Shares shall be considered as part of the original Capital and shall be subject to the same provisions in all respects whether with reference to the payment of Calls or the forfeiture of Shares on non-payment of Calls or otherwise as if it had been part of the original Capital.

X.—BORROWING POWERS.

32. The Directors may from time to time at their discretion borrow from any of the Directors Share-holders or other persons any sum or sums of money for the purposes of the Company but so that the monies at any one time owing shall not exceed the nominal amount of the Capital.

33. The Directors may raise or secure the repayment of such money in such manner and upon such terms and conditions in all respects as they think fit and in particular by making drawing accepting or endorsing on behalf of the Company any Promissory Notes or Bills of Exchange or by Mortgage or charge of all or any part of the property of the Company and of its uncalled Capital for the time being.

34. The Board of Directors may also from time to time issue debentures for such amounts and payable at such times and in such manner and at such rates of interest and generally upon such terms and with such security as the Board of Directors may from time to time think fit And in like manner the Board of Directors may from time to time issue Debenture Stock either redeemable or irredeemable upon such terms and with such security as the Board of Directors may from time to time think fit Such Debentures and Debenture Stock respectively may be made payable to bearer or otherwise as the Board of Directors may direct.

35. The Debentures and Debenture Stock may be designated "Mortgage Debentures" or "Mortgage Debenture Stock" and may be secured by a conveyance and assignment of the lands tenements and hereditaments and other the real and personal property for the time being of the Company or of any part or parts thereof including the unpaid capital for the time being of the Company to the New Zealand Loan and Mercantile Agency Company Limited or to any other body corporate or persons as Trustees for the holders of such Debentures or Debenture Stock or otherwise as the Board of Directors may deem expedient and with such remuneration (if any) to the said New Zealand Loan and Mercantile Agency Company Limited or other the Trustees for

the time being as the Board of Directors may from time to time think fit.

36. Such Mortgage Debentures or Mortgage Debenture Stock may be issued in New Zealand or in the United Kingdom of Great Britain and Ireland by the Directors or by such Agents as the Board of Directors may appoint.

37. Any Debentures Bonds or other Securities may be issued at a discount premium or otherwise.

38. The Directors shall cause a proper Register to be kept of all Mortgages and Charges especially affecting the property of the Company or any part thereof

XI.—GENERAL MEETINGS.

39. The first Ordinary Meeting of the Share-holders shall be held at such time not being more than twelve months after the incorporation of the Company and in such place in Gisborne as the directors may determine.

40. Subsequent Ordinary Meetings shall be held at such time and place as may be prescribed by the Company in General Meetings and if no other time and place is prescribed an Ordinary Meeting shall be held on the first Monday in September in every year at such place in the City of Auckland as may be determined by the Directors.

41. The Directors may whenever they think fit and they shall upon requisition made in writing by any number of Shareholders holding in the aggregate not less than one-tenth of the Shares of the Company issued convene an Extraordinary Meeting.

42. Upon receipt of such requisition the Directors shall forthwith proceed to convene a meeting If they do not proceed to convene the same within twenty one days from the date of the requisition the re-quisionists or any other Shareholders holding the required number of Shares may themselves convene a meeting.

43. A notice specifying the place time of meeting and the purpose for which any Extraordinary Meeting is to be held shall be

transmitted by post to each Shareholder twenty-eight clear days at least before the day of meeting And no other business than that specified in the notice shall be transacted at such meeting.

44. Twenty-eight clear days' notice shall be given of all Ordinary Meetings and that by advertisement or in such other manner as may be prescribed by the Company.

45. No business shall be transacted at any Ordinary Meeting except the declaration of a Dividend unless a quorum of Shareholders is present at the commencement of such business and such quorum shall consist of not less than ten Shareholders personally present.

46. If within one hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of Shareholders shall be dissolved In any other case it shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting a quorum is not present it shall be adjourned *sine die*.

47. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company.

48. If there is no such Chairman or if at any General Meeting he is not present within fifteen minutes after the time appointed for holding the meeting the Shareholders present shall choose some one of their number to be the Chairman of the meeting.

49. The Chairman may with the consent of any General Meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

50. At any General Meeting unless a poll is demanded by at least Five Shareholders a declaration by the Chairman that a resolution has been carried and an entry to that effect in the book of the proceedings of the Company shall be sufficient evidence of the facts without proof of the number or proportion of the votes recorded in favour of or against the resolution.

51. If a poll is demanded by Five or more Share-holders it shall be taken in such manner as the Chairman directs and the result of such poll shall be deemed to be the resolution of the Company In the case of an equality of votes at any General Meeting the Chairman shall be entitled to a second or casting vote.

XII.—VOTES OF SHAREHOLDERS.

52. Every Shareholder shall have one vote for every Share up to five he shall have an additional vote for every complete five Shares beyond the first five up to one hundred and an additional vote for every complete ten Shares beyond the first one hundred Shares.

53. If any Shareholder is a lunatic or an idiot he may vote by his Committee or other legal Curator

and if any Shareholder is a minor he may vote by his Guardian or any one of his Guardians if more than one.

54. If two or more persons are jointly entitled to a Share or Shares the Shareholder whose name stands first in the Register of Shareholders as one of the holders of such Share or Shares and no other shall if he be present be entitled to vote in respect of the same and if such person shall not be present then the person jointly entitled with him to the said Share or Shares and whose name shall stand next in the said Register as one of the holders of such Share or Shares and no other shall if he be present be entitled to vote in respect of the same and if there be more than two persons jointly entitled to the said Share or Shares so on in like order.

55. No Shareholder shall be entitled to vote at any General Meeting unless all Calls due from him have been paid.

56. Votes in respect of Shares may be given either personally or by proxy.

57. The instrument appointing a Proxy shall be in writing or in print and under the hand of the Appointor or if such Appointor is a Corporation under the Common Seal and duly attested by a

witness No person shall be appointed a Proxy who is not a Shareholder of the Company.

58. The instrument appointing a Proxy shall be deposited at the registered office of the Company not less than 24 hours before the time for holding the meeting at which the person named in such instrument proposed to vote but no instrument appointing a Proxy shall be valid after the expiration of three months from the date of its execution unless in relation to an adjourned meeting.

59. Any instrument appointing a Proxy may be in the following form which may be altered as found convenient

I _____ of _____ being a Shareholder of " The New Zealand Native Land Settlement Company, Limited," and entitled to _____ Votes [or Vote] hereby appoint _____ as my proxy to vote for me on my behalf at the [Ordinary or Extraordinary as the case may be] Meeting of the Company to be held on the _____ day of _____ [or at any General Meeting of the Company that may be held within three months from the date hereof]

As witness my hand this _____ day of _____ 188

Signed by the said in the presence of

Provided always that if any Shareholder shall have given or shall hereafter give to any other Shareholder a general Power of Attorney conferring upon such Shareholder a general power to appear for him and vote in his name at all meetings of this Company or of Companies in which he may be a Shareholder or shall in any other shape or way give to such Shareholder authority to act for him which but for the foregoing provision as to Proxies would be legally sufficient authority for such purpose then and in such case such Shareholder on whom such authority shall have been conferred shall on producing for inspection such Power of Attorney or a duly certified copy thereof at the office of the Company at least one day before the meeting at which he desires to act under the same and if such be required on production of the original of such power or on proof that the same is deposited at any Deeds or Land Registry office within the

Colony and so long as such power or authority is not in writing expressly revoked be entitled to attend such General Meetings of this Company and act and vote in the name and on behalf of the Shareholder conferring such authority upon him.

XIII.—BOARD OF DIRECTORS.

60. The number of Directors shall be not less than ten nor more than twenty of whom at least one- fifth shall be Aboriginal Natives within the meaning of the Native Lands Acts Whenever the number of Directors is less than twenty the Board of Directors may at any time add to their number by electing qualified Shareholders but so that the total number of Directors shall not exceed twenty.

61. From and after the confirmation of this Rule by an Extraordinary Meeting of Shareholders the present Directors shall cease to be Directors (except such as may be re-appointed) and the following shall be Directors of the Company viz. John Logan Campbell Hon. James Williamson M.L.C. Josiah Clifton Firth Hon. Daniel Pollen M.L.C. James McCosh Clark Thomas Russell C.M.G. Seymour Thorne George M.H.R. John Blair Whyte M.H.R. Allan McDonald M.H.R. Thomas Morrin C. A. deLautour M.H.R. J. W. Matthews Patrick Comiskey Wi Pere J. Buchanan M.H.R. Robert H. Rhodes J. Barraclough.

62. The Directors shall receive such remuneration as may be sanctioned at a General Meeting and it shall be divided in such manner as the Directors may think fit.

63. The Company from time to time may by the resolution of a General Meeting increase and having increased diminish the remuneration of Directors provided that such remuneration shall never without the unanimous consent of the Board of Directors be less than the remuneration to be sanctioned as hereinbefore provided.

64. There shall be no meeting of Directors unless at least Three European Directors are present.

65. The continuing Directors or Director may act notwithstanding any vacancy in the Directory.

66. The Share qualification of an European Director shall consist in his being the registered holder of One Hundred Shares at the least and of a Native Director of Fifty Shares at the least.

67. No Director shall be disqualified to act as such by reason of his being a Managing Director or Agent of the Company or being otherwise interested in the operations or business thereof.

68. Every Director shall vacate his office on ceasing to be the registered holder of his qualifying number of Shares or becoming bankrupt or suspending payment or compounding with his creditors or being found lunatic or being of unsound mind or by resignation of his office but until an entry of such vacating of office shall be made upon the book of proceedings or minutes of the Board his acts as a Director shall be valid and effectual.

69. At the first Ordinary Meeting of the Company all the Directors shall retire from office and the Shareholders shall thereupon elect permanent Directors.

70. At each Annual General Meeting after the first one-fifth of the Directors for the time being or if their number is not a multiple of five then the next greater number shall retire from office but shall be eligible for re-election the retiring Directors being fixed by ballot unless the Directors agree among themselves until the whole have so retired and there-after by seniority of service.

71. The Company at the General Meeting at which any Directors retire in manner aforesaid shall at the meeting fill up the vacant offices by electing a like number of persons.

72. If at any meeting at which any Election of Directors ought to take place no such Election is made the meeting shall stand adjourned till the next day (unless the next day be a Sunday or a public or general holiday in which case such meeting shall stand adjourned until the next day ensuing such Sunday or public or general holiday) at the same time and place And if at such adjourned meeting no election takes place the former Directors

shall continue to act and shall be entitled themselves to fill up such vacancies by electing a sufficient number of qualified Shareholders as Directors.

73. The Company in General Meeting may remove any Director before the expiration of his period of office and may appoint another person in his stead .The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed Any occasional vacancy, in the Board shall be filled up by the remaining members of the Board by the appointment of any duly qualified Shareholder who shall in all respects stand in the place of his predecessor till the next Ordinary Meeting of the Company.

74. The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit Questions arising at any meeting shall be decided by a majority of votes The Chairman shall have a deliberative vote only but in case at any meeting there be only three Directors present including the Chairman and the Chairman disagrees with the other two Directors upon any question that question may if the Chairman see fit be postponed to the next Ordinary Meeting but no longer A Director may at any time summons a meeting of the Directors.

75. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office but if no such Chairman is elected or if at any meeting the Chairman is not present at the time appointed for holding the same the Directors present shall choose one of their number to be Chairman of such meeting.

76. All acts done by any meeting of the Directors or of a Committee of Directors or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there is some defect in the appointment of any such Directors or persons acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.

77. The Directors may delegate any of their powers to Committees consisting of not less than Three Directors as they shall think fit Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.

78. A Committee may elect a Chairman of their meetings. If no such Chairman is elected or if he is not present at the time appointed for holding any meeting the members present shall choose one of their number to be Chairman of such meeting.

79. A Committee may meet and adjourn as they think proper Questions at any meeting shall be determined by a majority of votes of the members present and in case of an equal division of votes the Chairman shall have a casting vote.

80. The Directors shall cause minutes to be made in books provided for the purpose:

(1) Of all appointments to office made by the Directors

(2) Of the names of the Directors present at each meeting of Directors and Committees of Directors.

(3) Of all orders made by the Directors and Committees of Directors and

(4) Of all resolutions and proceedings of meetings of the Company and of the Directors and Committees of Directors.

And such minutes as aforesaid signed by any person purporting to be Chairman of any ensuing meeting of Directors or Committee of Directors at which such minutes shall have been read and confirmed shall be receivable in evidence without further proof.

XIV.—POWERS OF DIRECTORS.

81. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by the "Joint Stock Companies' Act 1860 " or any other Act amending the same or by these articles declared to be exercisable by the Company in General Meeting subject nevertheless to any regulations of these Articles to the provisions of the said Act and to such regulations being not inconsistent with

the said regulations or provisions as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior Act of the Directors which would have been valid if such regulation had not been made.

82. Subject to but without restraining the generality of the last preceding regulation the Directors shall have power to do all acts and things which they may consider proper or advantageous for accomplishing the objects and carrying on the business of the Company And in particular they shall have power to do the following things:—

(a) They may commence the business of the Company as soon as they shall see fit.

(b) They may appoint and at pleasure remove any Manager Agents Officers Clerks or Servants as they shall from time to time deem expedient and may determine the powers and duties of such Manager Agents Officers Clerks or Servants and fix their salaries and emoluments.

(c) They may at their discretion pay for any Property or Rights acquired by or services rendered to the Company either wholly or partially in Cash or in Shares Bonds Debentures or other Securities of the Company and any such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any such Bonds Debentures or other Securities may be either specifically charged upon all or any part of the Property of the Company and its uncalled Capital or not so charged.

(d) They may secure the fulfilment of any contracts or engagements entered into by the Company or the payment of any Mortgage Debentures or other securities by Mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they may think fit.#

(e) They may attach to any Shares to be issued as the consideration or part of the consideration for any Contract with or property acquired by the Company or in payment of services rendered to the Company such conditions as to the transfer thereof as they think fit.

(f) The Directors shall have power to accept the surrender of all Scrip for Original Shares issued prior to the 20th March 1883 and may issue new Scrip of equal value for the same provided that new Scrip issued for Original Scrip so surrendered shall be and be made subject to the same restrictions and limitations and conditions as the Original Shares were subject to.

(g) They may appoint any person or persons to accept and hold in trust for the Company any property belonging to the Company or in which it is interested and may execute and do all such deeds and things as may be requisite to vest the same in such person or persons.

(h) They may institute conduct defend compound or abandon any legal proceedings by and against the Company or its Officers or otherwise concerning the affairs of the Company and also may compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.

(i) They may refer any claims or demands by or against the Company to arbitration and observe and perform the awards.

(j) They may make and give receipts releases and other discharges for money payable to the Company and for claims and demands of the Company

(k) They may invest any of the monies of the Company not immediately required for the purposes thereof upon such securities and in such manner as they may think fit and they may from time to time vary or realise such investments.

(l) They may before recommending any dividend set aside out of the profits of the Company such sum as they think proper as a Reserve Fund to meet contingencies or for repairing improving and maintaining any of the property of the Company and for such other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company and they may invest the several sums so set aside upon such investments as they may think fit and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and they may divide the Reserve Fund into such special funds as they think fit.

(m) They may from time to time make vary and repeal Bye-laws for the regulation of the business of the Company its Officers and Servants or the Members of the Company.

(n) They may enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

(o) They may in the name and on behalf of the Company appoint any person or persons to be the Attorney or Attornies of the Company for and in the name and on behalf of the Company to execute all or any Deeds or Instruments whatsoever to carry out any instructions or resolutions of the Company or the Directors and to do any acts whatsoever And they may empower such Attorney or Attornies to execute any such Deeds or Instruments under the Private Seal or Seals of such Attorney or Attornies instead of the Common Seal of the Company And every power purporting to be granted by the Company as aforesaid shall as

between the Company their Successors and Assigns on the one hand and the person or persons dealing with the Attorney or Attornies of the Company on the other hand continue in force (notwithstanding the same power may have been revoked or the Company wound up or dissolved) until all and every the Attornies to whom the same power is given shall have received notice of such revocation winding up or dissolution.

(p)They may by their Attorney or otherwise appoint a Directorate of not more than five persons to act for the Company within Great Britain and Ireland and such apppointment shall *ipso facto* entitle and authorise the Directors so appointed to exercise all the powers and authorities which the Ordinary Directors themselves may or might exercise under these Articles in so far and to such extent as necessary or required in the carrying out of any of the objects of the Company which the Directors in New Zealand have resolved shall be undertaken and in the promotion and management of such business within Great Britain and Ireland.

XV.—INDEMNITY.

83. Directors Managers and other Officers of the Company shall be indemnified by the Company against all losses and expenses incurred by them in or about the discharge of their duties except such as shall happen from their own wilful act neglect or default No Director shall be responsible for any other Director or for any Officer Clerk or Servant of the Company or for any loss or expense happening to the Company by the insufficiency or deficiency of value of or title to any property or security acquired or taken on behalf of the Company or by the bankruptcy or tortious act of any customer or debtor of the Company or by anything done in the execution of the duties of his office or in relation thereto or otherwise than for his own wilful act or default.

XVI.—DIVIDENDS.

84. The Directors may declare a dividend to be paid to the Shareholders in proportion to the number of Shares held by each and to the amount paid up upon such Shares.

85. No Dividend shall be payable except out of the profits arising from the business of the Company.

86. The Directors may deduct from the Dividends payable to any Shareholder all such sums of money as may be due from him to the Company on account of Calls or otherwise.

87. Notice of any Dividends that may have been declared shall be given to each Shareholder.

88. No Dividend shall bear interest as against the Company.

89. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

90. Every Dividend shall be paid by cheques on the bankers which shall be delivered or sent by the Secretary to the Shareholders.

91. In case two or more persons are registered as the joint holders of any Share or Stock any one of such persons may give effectual receipts for all Dividends and payments on account of Dividends in respect of such Share or Stock Provided that in case of payments to Maori Committees of any Dividends the receipt of the Chairman of such Committees shall be sufficient.

XVII.—ACCOUNTS.

92. The Directors shall cause true accounts to be kept of the sums of money received and expended by the Company and the matters in respect of which such Receipts and Expenditure take place and of the Assets Credits and Liabilities of the Company.

93. The Books of Account shall be kept at the Registered Office of the Company or at such other place or places as the Directors think fit.

94. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the Accounts and Books of the Company or any of them shall be open to the inspection of the Shareholders and no Shareholders shall have any right of inspecting any Account or Book or Document of the Company except as conferred by statute or authorised by the Directors or by a resolution of the Company in General Meeting.

95. At the Ordinary Meeting in every year the Directors shall lay before the Company a statement of the income and expenditure and a duly audited Balance-sheet containing a summary of the property and liabilities of the Company made up to a date not more than three months before the meeting from the time when the last preceding statement and balance-sheet were made or in the case of first statement and balance-sheet from the incorporation of the Company.

96. Every such statement shall be accompanied by a report of the Directors as to the state and condition of the Company and as to the amount which they recommend to be paid out of the profits by way of dividend or bonus to the Shareholders and the amount if any which they propose to carry to the Reserve Fund according to the provisions in that behalf hereinbefore contained.

course of the post and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post-office.

NAMES OF SUBSCRIBERS.

- WILLIAM LEE REES of Gisborne Solicitor
- W. H. TUCKER Articled Clerk Gisborne
- H. POTAE Rangatira o Uawa
- WI PERE Rangatira o Turanga
- J. A. JURY Rangatira o Wairarapa
- T. W. PORTER Gisborne
- Major ROPATA Waiapu (By Agent T. W. Porter)