KINGSWOOD FOREST PARTNERSHIP

MINUTES OF THE ANNUAL GENERAL MEETING
HELD AT THE WAIROA YACHT CLUB AND THE PROPERTY
ON SUNDAY 10TH APRIL 2016 AT 8.30AM

PRESENT
Roger Dickie (No 19) Ltd (in attendance by Proxy Margaret Prince), Dallas & Alasdair Munro, Trevor & Jan Hughes, Steve & Marie Myers, Jenny & David Thompson.

ATTENDING
Nathan Wallace(Forest Management (NZ) Ltd), Margaret Prince & Jeff Whitlock (Markhams Waverley Ltd), Roger Dickie, Richard Bourne, William Dickie & Charles Dickie, (Roger Dickie (N.Z) Ltd), Edward Dickie (Harvest Logistics).

APPOINTMENT OF CHAIRMAN
Nominations were called for the position of Chairman for this meeting.
D Thompson/ T Hughes THAT Roger Dickie be appointed Chairman for this meeting. CARRIED

APOLOGIES & PROXIES
Apologies were received from Aickin Holdings Ltd, Bush Investments Ltd, C Martin, C Noor, Cotline Forestry Ltd, Davies Interests Ltd, E Doyle, G Peacock, Jambay Ltd, Kiwi Direct Ltd, Lemak Properties Ltd, M Ballal, M Joseph, R Hamilton, The Dark Green Forest Company Ltd, T Wardell, Wagin Park Forests Ltd, Wellers Wood Ltd.
Proxies were held for the above named.
A Munro/ T Hughes THAT the apologies & proxies be sustained. CARRIED

MINUTES
The minutes of the 2015 Annual General Meeting had been circulated.
T Hughes/ Roger Dickie (No 19) Ltd (in attendance by Proxy Margaret Prince) THAT the minutes be confirmed.
CARRIED

ARISING FROM MINUTES
Nil

REPORTS AND FINANCIAL ACCOUNTS
The reports from Roger Dickie, Forest Management (NZ) Ltd, PF Olsen's 2016 Tree Crop Valuation and the 2016 Draft Financial Statements were tabled and discussed.
Partners were reminded that in the past the financial statements were passed 'subject to audit' however, the Securities Regulations 2009 requires annual general meetings of partners to be held for the specific purpose of considering the "audited" annual financial statements. As audits have not been completed in time for this year's AGM draft accounts were presented for discussion.
Roger Dickie advised that the audited financial statements will be distributed and in the unlikely event there are any changes from the draft accounts, partners will be advised. A meeting to approve the audited financial statements will be called and voting can be done on line.

INSURANCE
D Thompson/ A Munro THAT Public Liability Insurance be effected for $10 million. CARRIED

ADMINISTRATION
T Hughes/ D Thompson THAT the administrators' remuneration be at a rate of $360 (GST excl.) per month.
CARRIED

BUDGET
T Hughes/ D Thompson THAT the Budget Cashflow Statement for the year to 28 February 2017 be approved.
CARRIED

AFTERNOON MEETING

Compliance: Financial Markets Conduct Act (FMCA), Managed Investment Scheme (MIS) Licensing, Anti Money Laundering & Counter Financing of Terrorism Act 2009 and additional Auditing requirements. Roger reminded partners the original Deed of Participation (DOP) needs to be updated in order to comply with the Financial Markets Conduct Act and advised that Kensington Swan Lawyers have been engaged in conjunction with the Statutory Supervisor to complete this. Their comment is that there are only minor changes required. Once completed, the amended DOP will be circulated to partners for adoption.

Roger also reminded partners that the financial statements presented this year were *draft* only. Once the financial statements are audited, they will be uploaded to the website and a meeting called. An email will be sent to partners with a resolution to approve the accounts via online voting. Roger stressed that in the unlikely event of any change from the draft accounts partners would be advised.

Client ID Requirement's: To be compliant with the AML & CFT Act 2009 RDNZ as administrators are now required to have verified ID and bank account numbers of all partners on record. This requires individual Partners, Trustees and Directors to provide a certified photo ID, for example - passport or drivers licence, complete with certified utilities bill confirming physical address and a bank statement. The document certification is to be done by a trusted referee, for example - member of police, Justice of peace, registered medical doctor, lawyer. Richard Bourne advised that this information will be gathered partnership by partnership over the next 6 months and asked that partners cooperate and respond in a timely manner.

Harvest Age: Roger advised that with the forests now commencing harvest at age 26, (as per PF Olsens comment in the annual report), he is keen to ensure that partners are fully informed about the process and planning leading up to the harvest of their forest. To this end Roger advised there will be separate meetings of those partnerships approaching the harvest planning stage, as is happening this year for 7 forests located around Napier, that were planted in 1991 /92.

Health and Safety: RDNZ and FMNZ take Health and Safety very seriously and partners can be assured that as administrators and managers we are very focused on having appropriate protocols and procedures in place, to protect all parties. The H&S policy and procedures are independently audited to ensure they are up to standard and being implemented.

Emissions Trading Scheme and Carbon Markets: Roger advised the arbitrage to secure 'Liability Free' NZUs for each partnership which has proved to be a great move resulting in no further share calls. At the time the budgets were prepared in March NZUs were trading at $9.00 each. As at the date of today's meeting the price has lifted to $11.50, with further upside anticipated now that the Minister has announced the two for one subsidy for emitters would defiantly be removed. *(Note NZUs $17.50 as at July 2016)*

RDNZ Website: The website was continuing to evolve and would always be a work in progress. William Dickie commented that the Online Voting platform was working very well and thanked partners for their cooperation. The aim is to have partners use their own email as their login and set up their own passwords. This would allow partners in multiple partnerships to access all their reports etc with just one login.

Secondary Sales: There has been increased activity over the last 6 months with strong interest in securities offered on the secondary market, both from existing partners and outside parties with interest from overseas buyers in particular.

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Roger Dickie

Kingswood Forest Partnership 2016