WINDERMERE FOREST PARTNERSHIP

MINUTES OF THE FOREST VISIT MEETING
HELD AT THE WAIROA YACHT CLUB AND THE PROPERTY
ON MONDAY 24th APRIL 2017 AT 8.30AM

PRESENT
Roger Dickie (No 13) Ltd (in attendance by Proxy Margaret Prince), B & C McKenzie & M Wallace.

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

APPOINTMENT OF CHAIRMAN
Nominations were called for the position of Chairman for this meeting.
M Wallace / B McKenzie THAT M Prince be appointed Chairman for this meeting. CARRIED

APOLOGIES & PROXIES
Apologies were received from Balderstone Forestry Ltd, Capacino Investments Ltd, Easton Apples Ltd, G A and J Dixon Forests Ltd, H Seitz, H Williams, J L Black Investments Ltd, Jackman Windermere Forestry Investments Ltd, J Gould, J Hickling, K Mehrtens, K Higgs, Kiwi Lumberjack Ltd, L Walton Foresty Ltd, N McIntosh, Norddal Forestry Ltd, Osborn Forests Ltd, P Sutcliffe, The P and A Wakelin Family Trust, R Wakelin, Woodworx Ltd.
Proxies were held for above named, establishing a quorum for the meeting.
B McKenzie / M Wallace THAT the apologies and proxies be sustained.
CARRIED

MINUTES
The minutes of the 2016 General Meeting had been circulated.
B McKenzie/Roger Dickie (No 13) 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, PF Olsen's (as Forest Manager) 2017 Tree Crop Valuation and the 2017 Draft Financial Statements were tabled and discussed.
Roger Dickie advised that the audited financial statements will be distributed at the AGM and in the unlikely event there are any changes from the draft accounts, partners will be advised.

PUBLIC LIABILITY INSURANCE
B McKenzie / M Wallace THAT Public Liability Insurance be effected for $10 million. CARRIED

ADMINISTRATION
M Wallace / B McKenzie THAT the Managers' remuneration be at a rate of $370 (GST excl.) per month.
CARRIED

BUDGET
B McKenzie / M Wallace THAT the Budget Cashflow Statement for the year to 28th February 2018 be approved subject to any shortfall from the Investment Fund to pay the Insurance premium being covered by the sale of NZUs.
CARRIED

RESOLUTION 1
B McKenzie / M Wallace THAT the Manager have authority to sell liability free New Zealand Units as deemed appropriate.
CARRIED

RESOLUTION 2

M Wallace / B McKenzie THAT funds earned from the sale of NZUs be held in an interest bearing account and be used to meet future partnership operating expenses as required.

CARRIED

GENERAL BUSINESS

ETS

Roger spoke in regard to the ETS saying NZU's were currently trading around the $17 mark. He said no one knows what the future may bring and as per the resolutions presented he believes it prudent to sell additional NZU's. Of all the partners in the group only 3 had voted against the resolutions. Roger commented the market is quite thin and the NZU's would take time to sell. The strategy will be to drip feed into the market in parcels and pro rata between the partnerships.

Cyclone Cook

Roger advised that there had been some limited damage in a few of the forests around Napier and they will be making an insurance claim. He continued, over all, we had been very lucky that the cyclone tracked faster and further east than originally forecast and the severe winds had not lasted long.

Post Harvest

With more and more forests approaching harvest Richard advised there will be another 'Harvest and Beyond' conference held in Napier on October 28th. An often asked question is, "What happens after harvest"? and this will be covered at the conference. However he confirmed that the land will be replanted to maintain the asset value. Richard advised a scenario that is finding favour with many is to pre-fund the next rotation so there are no further inputs required. This would allow partners to leave a totally unencumbered fully funded legacy to their beneficiaries. Those wanting to exit could offer their share to those who are keen to continue or on the secondary market.

If on the other hand the majority vote to sell the newly planted forest, then with pre-funding the forest is funded until such time as a buyer can be found.

Meeting closed.

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Chairman

Windermere Forest Partnership