

<b>PROPOSED CHANGES TO DEED OF TRUST            LINETRUST SOUTH CANTERBURY            Annual General Meeting 2024</b>			
	<b>Present Clause</b>	<b>Proposed Clause</b>	<b>Reason for Change</b>
1.2	<p><b>Construction:</b> In this Deed, unless the context other requires:</p> <p>(a) references to one gender include each other gender;</p> <p>(g) a "person" includes an individual person, a corporation sole, a corporation aggregate and any association or combination of individual persons or corporate or unincorporated bodies.</p>	<p><b>1.2 Construction:</b> In this Deed, unless the context other<del>wise</del> requires:</p> <p>(a) references to one gender include the other gender <b>or the gender generally adopted by any person as being their gender;</b></p> <p>(g) a "person" includes an individual person, a corporation sole, a corporation aggregate and any association or combination of individual persons or corporate or unincorporated bodies.</p> <p><b>(h) Any reference to any provision or section in any "Act" will also include a reference to any corresponding provision or section of any legislation passed in substitution thereof.</b></p>	<p>Better grammatically.</p> <p>It is inclusive of all genders.</p> <p>Makes it clear what is included.</p>
5	<p><b>TRUSTS OF INCOME UNTIL DISTRIBUTION DATE</b>            The Trustees will stand possessed of <b>the income arising from</b> the Trust Fund upon the following trusts and with and subject to the following powers:</p>	<p><b>5 TRUSTS OF INCOME UNTIL DISTRIBUTION DATE</b>            The Trustees will stand possessed of the Trust Fund upon the following trusts and with and subject to the following powers:</p>	<p>The Trustees stand possessed of the Trust Fund as a whole not just <b>the income arising</b> from the Fund. The use of the word income restricts the Trust to only dealing with income. It should relate to the income and capital.</p>

5.1	The Trustees shall from the net annual income derived by the Trust Funds first pay the cost of administering the Trust including remuneration and allowances payable to Trustees as hereinafter provided and costs incurred in pursuance of their duties.	No Change	
5.2	The Trustees will, within one year of the end of each Financial year but subject to Clauses 5.3 and 5.4, pay apply or appropriate the whole or substantially all (being not less than 90 percent thereof) of the current net annual income in such manner and in such proportions as the trustees in their absolute and unfettered discretion will think proper for the benefit of the Consumers or such one or more of them to the exclusion of others or other of them in such manner and in such shares and proportions as the Trustees in their absolute and unfettered discretion will think proper.	The Trustees will, within one year of the end of each Financial year but subject to Clauses 5.3, 5.4, <b>and 5.5</b> pay apply or appropriate the whole or substantially all (being not less than 90 percent thereof) of the current net annual income in such manner and in such proportions as the trustees in their absolute and unfettered discretion will think proper for the benefit of the Consumers or such one or more of them to the exclusion of others or other of them in such manner and in such shares and proportions as the Trustees in their absolute and unfettered discretion will think proper. <b>For the sake of clarification, the application or appropriation of income includes any investment acquired pursuant to clause 10 herein.</b>	See 5.5 below.
5.3	The Trustees shall in respect of any Dividend received be entitled to pay, apply or appropriate that income to Consumers in accordance with Clause 5.2 at any time during the Financial Year to which that dividend relates or the following Financial Year provided however that the Trustees may defer payment, application or appropriation of any sum or benefit to any Consumer until the Trustees are satisfied that all liability for taxation in respect thereof has been discharged.	No change	
5.4	The Trustees shall request the Directors to produce a report in respect of each dividend received by the	No change	

	Trustees which report recommends an appropriate allocation of the Dividend amongst the classes of Consumer based on the contribution made by each class of Consumer to the earning of that Dividend and in exercising their discretion in accordance with Clause 5.2 the Trustees shall have regard to those recommendations.		
5.5		<p><b>New Clause:</b>  <b>In any year, the Trustees shall have the discretion to not distribute any dividend to any consumers if the amount to be distributed to under 14 kVA (Standard Domestic Load) group of households is less than or equal to \$25.00 per household.</b></p>	In the past 2 years the dividend distributed to these households has been <\$20 and this year will be the same or less. This group of customers is by far the largest group, approximately 30,000 customers. The Trustees would like to retain the dividend in these years and invest these funds with the Trust Capital in the event the Trust has the opportunity to buy shares in AEL. The cost of distribution to the Trust each year is ~ \$20,000.
5.5 5.6	Any of the Consumers to whom or in respect of which income is paid, <b>applied or appropriated</b> by the Trustees pursuant to Clause 5.2 or Clause 5.3, will as from the date of such payment, <b>application or appropriation</b> take an absolute and indefeasibly vested interest in such income and as from such date the Trustees will have no	Any of the Consumers to whom or in respect of which income is paid by the Trustees pursuant to Clause 5.2 or Clause 5.3, will as from the date of such payment, take an absolute and indefeasibly vested interest in such income and as from such date the Trustees will have no further obligations with respect to the application of such income.	

	further obligations with respect to the application of such income.		
5.6	The foregoing provisions as to vesting of income shall not operate to vest any part of the corpus capital of the Trust Fund in any of the consumers.	Delete clause	Clause is deleted as it is in conflict with remainder of Clause 5.
5.7	Subject to the foregoing, so far as to any part or parts of the income derived by or credited to the Trust Fund in any Financial Year is not paid, applied or appropriated in accordance with Clause 5.2 or Clause 5.3, the same will be accumulated by investing the same so that all such accumulations will be held by the Trustees upon the same trusts and with the powers herein declared in respect of the income from the Trust Fund and so that the Trustees may at any time or times resort thereto and pay, apply or appropriate the whole or any part thereof as if it were income of the Trust Fund in accordance with Clause 5.2.	No change	
5.8	Each Trustee in its capacity as a Consumer will notwithstanding the provisions of this Deed or any applicable rule of law or equity, be entitled to receive any benefits as a Consumer which may be distributed to Consumers in accordance with this Deed.	No change	
5.9	Any payments made to Consumers unclaimed for one year after having been sent to any Consumer may be invested or otherwise made use of by the Trustees for the benefit of the Trust Fund and the Trustees will be entitled to mingle the amounts of any unclaimed payments with other moneys forming part of the Trust Fund and distribute the same in accordance with this Clause 5.	No change.	

<p>10 10.1</p>	<p><b>POWERS OF INVESTMENT</b> The power to invest conferred by trustees by section 13A(1) of the Trustee Act is hereby excluded.</p>	<p><b>10 POWERS OF INVESTMENT</b> <b>10.1 The power to invest under section 58 of the Trusts Act 2019 is conferred on the Trustees.</b></p>	<p>This aligns with the new Trust Act 2019 and allows investment of funds as per the new Act with limitations as specified below.</p>
<p>10.2</p>	<p>The Trustees may invest all or any of the Trust Fund held by them under this Deed, either alone or in common with any other person or persons, in all or any of the following investments:</p> <ul style="list-style-type: none"> <li>(a) shares or other equity securities or debt securities of the Company;</li> <li>(b) the stock, funds or other securities of the New Zealand Government;</li> <li>(c) interest bearing deposit accounts with any Bank</li> </ul> <p>provided however that the Trustees will not acquire further shares of the Company unless a postal vote of Consumers is held and a majority of Consumers who vote agree to such acquisition. The postal vote will be held in accordance with Clause 4 of Schedule 3.</p>	<p><b>10.2 In undertaking any decisions regarding the investment or re-investment of the Trust Fund, the Trustees will have regard to the matters contained in s.59 of the Trusts Act 2019 provided however that the Trustees will not consider any such investment without first undertaking a robust due diligence process supported by independent financial and/or accounting advice as to the effects and implications of proceeding with such an investment and having regard to the Trust’s Statement of Investment Policy and Objectives.</b></p> <p><b>The Trustees will make public and publish on the Trust website, the Statement of Investment Policy and Objectives.</b></p>	<p>This widens the opportunities to invest the Trust Fund but the Trustees must consult and take advice from independent advisors and ensuring the decision is in line with the published investment policy.</p> <p>The need to conduct a postal vote of consumers is removed. Postal votes are complex, expensive and because the Trust cannot hold the names and addresses of consumers the Trust is reliant on electricity retailers having accurate database for a postal vote which is notoriously impossible. The decision to purchase more shares in</p>

			the company can only be taken after independent financial advice and this should be a sufficient condition.
10.3	<p>The Trustees may hold all or any part of the Trust Fund uninvested in accordance with Clause 10.2 for any period or periods for the purpose of:</p> <p>(a) accumulating sufficient funds for the purposes of investment; or</p> <p>(b) holding sufficient funds to meet payments as they fall due.</p>	<p>10.3 The Trustees may hold all or any part of the Trust Fund uninvested for any period or periods for the purpose of:</p> <p>(a) accumulating sufficient funds for the purposes of investment; or</p> <p>(b) holding sufficient funds to meet payments as they fall due.</p>	
10.4	<p>Notwithstanding the provisions of section 13C of the Trustee Act and the likelihood that the Trustees will from time to time include persons whose profession, employment, or business is or includes acting as a trustee or investing money on behalf of others, it is hereby declared that the care, diligence and skill to be exercised by the Trustees in exercising any power of investment shall not be that required of such persons by the said section 13C but shall at all times be the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.</p>	<p>10.4 If the Trustees have satisfied the terms of clause 10.2 herein, in terms of compliance with s.59 of the Trust Act and the undertaking of the stipulated due diligence process also contained therein, the Trustees shall not be personally liable, and shall be fully indemnified by and out of the Trust Fund, for any losses, expenses, damages or liabilities which may have been sustained or incurred by reason of the exercise of the Trustees' powers of investment. For clarity, the Trustees acknowledge this indemnity shall not extend to any actions or inactions by the Trustees, individually or collectively, which have resulted from any breach of, or departure from, the Trustees' mandatory duties imposed by s.22 of the Trust Act.</p>	<p>If the Trustees have exercised the appropriate standard of care as required by the Trust Deed and the Trust Act 2019 (especially s59 of the Trust Act 2019) then the individual trustee or trustees are to be indemnified out of money held by the trust against any claim made against them in a personal capacity. If the trustees comprise of professional persons such as a lawyer or accountant they are not</p>

			required to exercise any extra duty or expertise because of their profession but just the normal due diligence care and skill of a prudent business person.
10.5	Notwithstanding anything in this Deed, no Trustee shall be liable for any breach of trust in respect of any duty to exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others or that a prudent person engaged in a profession, employment or business that is or includes acting as a trustee or investing money on behalf of others would exercise in managing the affairs of others merely (in either case) because the investments of the Trust Fund are not diversified.	Delete clause	Not needed with the change to 10.4
<b>SCHEDULE 1</b>			
<b>PART III – AMENDMENT TO THE RULES</b>			
24	<b>AMENDMENTS</b>		
24.1	The Rules set forth in Part I of the Schedule being representative and machinery provisions may be altered, amended or <b>added to</b> by the unanimous resolution of the Trustees <b>and the Directors of the Company</b> .	24.1 The Rules set forth in Part I <b>and Part II</b> of the Schedule being representative, <b>administrative</b> and machinery provisions may be altered, amended <b>or removed</b> by the unanimous resolution of the Trustees.	Clauses 24.1 and 24.2 have been combined.  The need to have the Directors of the Company involved has been removed. The

			Trust and Alpine are separate entities.
24.2	The Rules set forth in Part II of the Schedule being administrative provisions may be rescinded, amended or added to by the unanimous resolution of the Trustees.	Delete	Combined with 24.1
24.3	No such resolution shall be effective unless notice thereof shall have been given in the notice convening the meeting and no such rescission, amendment or addition shall conflict with any of the provisions of the Deed or the Act.	No change	