

NZX Regulation Decision

Stride Property Limited and Stride Investment Management Limited (“SPG”)

Application for Redocumentation of Waivers and Rulings from NZX Listing Rules 2.2 to 2.5, 2.7 to 2.8, 2.10.1, 2.11, 2.14.1, 2.14.2, 3.5, 3.6.1(a), 3.7, 3.8, 3.13.1, 3.14.2, 3.15, 4.6.1, 5.2.1, 7.8, 7.9, 8.3, and definitions of Disqualifying Relationship, Average Market Capitalisation, Average Market Price and Material Information.

28 May 2020



Background

1. NZX has updated the NZX Listing Rules, effective from 1 January 2020 (**Rules**). This is the redocumentation of waivers and rulings issued by NZX Regulation (**NZXR**) on 10 June 2016.
2. The information on which these decisions are based is set out in Appendix One to this decision. These waivers and rulings will not apply if that information is not, or ceases to be, full and accurate in all material respects.
3. The Rules to which these decisions relate are set out in Appendix Two.
4. Capitalised terms that are not defined in these decisions have the meanings given to them in the Rules.

General Conditions

5. The following waivers and rulings are subject to the following conditions (**General Conditions**), unless stated otherwise:
 - a. Stride and SIML shall remain a Stapled Group;
 - b. SPG retains its Non-Standard Designation (**NS Designation**);
 - c. the NS Designation is disclosed in any Offering Documents for Stride and / or SIML, as well as the Stapled Group's annual reports; and
 - d. the Offer Documents for Stride and / or SIML, and the Stapled Group's full-year reports will include the implications of investing in the Stapled Securities as well as a link to where these waiver and ruling decisions can be read.

Ruling on definition of “Disqualifying Relationship”

Decision

6. Subject to the General Conditions set out in paragraph 5 above, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR rules that for the purposes of the definition of “Disqualifying Relationship” in the Rules, any reference to “Issuer”, shall be a reference to “Stapled Group”

Reasons

7. In coming to the decision to provide the ruling set out in paragraph 6 above, NZXR has considered that:
 - a. the policy behind the requirement for Issuers to have Independent Directors under Rule 2.1.1(c) is to ensure that Issuers have adequate independence in how their corporate governance is structured. The granting of this ruling will not offend the policy behind this rule;
 - b. the commonality of the Stride and SIML Boards through the Mirror Board Structure is an important feature of the Stapling, as well as Stride and SIML's ability to function as a Stapled Group. By virtue of the Mirror Board Structure, the Directors would likely have a Disqualifying Relationship for the purposes of each individual Issuer. The requirement to

have Independent Directors on each Board would frustrate the Mirror Board Structure; Furthermore, while the Issuers will have a Mirror Board Structure, the Stapled Group will still be required to have Independent Directors;

- c. the Mirror Board Structure has been approved by both Stride and SIML shareholders; and
- d. the NS Designation will provide an indication to potential investors that Stride and SIML have a unique structure. Furthermore, this ruling and the implications of investing in the Stapled Securities are made available to investors.

Waiver from Rules 2.2 to 2.5 and 2.7 to 2.8 – Directors

Decision

- 8. Subject to the conditions in paragraph 9, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR grants SPG a waiver from Rules 2.2 to 2.5 and 2.7 to 2.8.
- 9. In addition to the General Conditions set out in paragraph 5 above, this waiver is provided on the conditions that:
 - a. the Stapled Group retains the Mirror Board Structure in all respects; and
 - b. Stride will only be able to rely on these waivers while SIML is in compliance with its obligations under Rules 2.2 to 2.5 and 2.7 to 2.8.

Reasons

- 10. In coming to the decision to provide the waiver set out in paragraph 8 above, NZXR has considered that:
 - a. the commonality of the Stride and SIML Boards though the Mirror Board Structure is an important feature for Stride and SIML's ability to function as a Stapled Group. SIML will comply with Rules 2.2 to 2.5 and 2.7 to 2.8 as a conventional Issuer would. The waivers granted to SPG are intended to allow Stride to replicate SIML's compliance with these Rules in order to give effect to the Mirror Board Structure;
 - b. the Restructuring and the Mirror Board Structure have been approved by shareholders of Stride and SIML;
 - c. the condition in paragraphs 9(a) and 9(b) will help to ensure that Stride will only be able to rely on this waiver while SIML is in compliance with Rules 2.2 to 2.5 and 2.7 to 2.8. The effect of this will be that so long as the Mirror Board Structure is in effect, the Stapled Group as a totality will be in compliance with these Rules; and
 - d. the NS Designation will provide an indication to potential investors that Stride and SIML have a unique structure. Furthermore, this ruling and the implications of investing in the Stapled Securities are made available to investors.



Waiver from Rule 2.10.1 – Interested Directors

Decision

11. Subject to the conditions set out in paragraph 12, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR grants SPG a waiver from Rule 2.10.1, to the extent that a Director of Stride would otherwise be unable to vote because they were “interested” as defined in Rule 2.10.1, solely due to being a Director of both SIML and Stride due to the Mirror Board Structure, but for no other reason.
12. In addition to the General Conditions set out in paragraph 5 above, this waiver is provided on the condition that the Stapled Group retains the Mirror Board Structure in all respects.

Reasons

13. In coming to the decision to provide the waiver set out in paragraph 11 above, NZXR has considered that:
 - a. the policy behind Rule 2.10.1 is to prevent situations arising whereby Directors who have a vested interest in a transaction may authorise the entry into, or implementation of, matters that are detrimental to the interests of security holders as a result of that interest. The granting of this waiver does not offend the policy behind this rule;
 - b. given the Mirror Board Structure, the Directors of Stride will likely be “interested” in any matter involving SIML, and vice versa. As such, without a waiver from Rule 2.10.1, the Stride Board will not be able to form a quorum or pass resolutions in relation to a matter involving SIML, and vice versa. The waiver is necessary to facilitate the functioning of the Stapled Group, which will include making decisions for the benefit of Stapled Security holders;
 - c. the Mirror Board Structure has been approved by both Stride and SIML shareholders; and
 - d. the NS Designation will provide an indication to potential investors that Stride and SIML have a unique structure. Furthermore, this conditions at paragraph 12 will help to make information available to investors of the implications of investing in the Stapled Securities, this waiver and the Mirror Board Structure.

Ruling on Rule 2.11- Director Remuneration

Decision

14. Subject to the conditions in paragraph 15, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR rules that, for the purposes Rule 2.11, any reference to “Issuer” shall be a reference to Stride or SIML, with the intent that remuneration payable to the Directors of the Stapled Group will only need to be approved by the shareholders of either Stride or SIML.
15. In addition to the General Conditions set out in paragraph 5 above, this ruling is provided on the condition that:
 - a. the Stapled Group retains the Mirror Board Structure in all respects;



- b. any Director fees paid to the Directors of Stride or SIML can only be paid out of the pool authorised by Stapled Security Holders in accordance with Rule 2.11.1, out of any amounts approved prior to the Listing of Stride and SIML or, where Stride and SIML obtain separate approval from their respective shareholders, out of amounts or a pool that is separately approved; and
- c. that any ordinary resolution and explanatory notes put to SIML or Stride's shareholders for the purposes of approving a resolution under Rule 2.11.1, clearly sets out how the pooling of the remuneration of Stride and SIML's Directors operates, as well as the obligations of Stride and SIML under this Rule.

Reasons

16. In coming to the decision to provide the ruling set out in paragraph 14 above, NZXR has considered that:
- a. the policy behind Rule 2.11 is to ensure that an Issuer's shareholders are able to determine the type and the amount of remuneration which the Issuer's Directors receive. The granting of this ruling will not offend the policy behind this Rule;
 - b. given the Mirror Board Structure, Stride wants to ensure that its Directors, who will also be Directors of SIML, are not seen to be paid twice. Granting the ruling on Rule 2.11 will enable the remuneration of the Directors of Stride to be approved by the shareholders of SIML (who will also be the shareholders of Stride), when they approve the remuneration of the Directors of SIML, or vice versa. Stride has submitted, and NZXR has no reason not to accept, that requiring Stride to obtain a separate approval from its shareholders could be confusing for Stapled Security holders;
 - c. the Mirror Board Structure has been approved by shareholders of SIML and Stride;
 - d. the condition in paragraph 15(b) above will help ensure that any remuneration paid to Directors of Stride and SIML will have been approved by Stapled Security holders; and
 - e. the condition in paragraph 15(c) above will help to ensure that Stapled Security holders are aware of how the pooling of the remuneration of Stride and SIML's Directors operates, as well as the obligations of Stride and SIML under this Rule. These disclosures will help make sure that Stapled Security holders are adequately informed when they are asked to vote on any resolution pertaining to Rule 2.11.1.

Waiver from Rules 2.14.1, 2.14.2, 7.8 and 7.9 – Shareholder Meetings

Decision

17. Subject to the conditions in paragraph 18, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR grants SPG waivers from Rules 2.14.1, 2.14.2, 7.8 and 7.9 to co-ordinate and distribute consolidated notices, reports and communications in accordance with Rules 7.8 and 7.9, to the extent that the Rules require Stride and SIML to issue their own notices, reports and communications.
18. In addition to the General Conditions set out in paragraph 5 above, this waiver is provided on the conditions that:



- a. each of Stride and SIML shall provide joint notices, reports and communications to holders of Stapled Securities as a Stapled Group; and
- b. each of Stride and SIML shall ensure that any notice, report or communication which is relevant only to Stride or SIML will clearly explain which Issuer was the source of the notice, report or communication.

Reasons

19. In coming to the decision to provide the waiver set out in paragraph 17 above, NZXR has considered that:
 - a. the policy behind Rules 2.14, 7.8 and 7.9 is to ensure that the shareholders of an Issuer are notified of, and given sufficient information in order to make an informed decision regarding any resolution put forward by an Issuer for shareholder approval. The granting of these waivers will not offend the policy behind these rules;
 - b. given the nature of the Stapled Group, the information and resolutions put forward by Stride would likely be the same as the information and resolutions put forward by SIML, and vice versa. SPG submits, and NZXR has no reason to object, that separate notices sent out by Stride and SIML would impose costs in excess of any benefits granted, and could cause confusion for Stapled Security holders, who would expect that administrative matters from the Stapled Group to be combined; and
 - c. the condition in paragraph 18(b) above will help ensure that, in instances where the information provided is only relevant to Stride or SIML, Stapled Security holders will be able to identify whether the information pertains to Stride or SIML.

Ruling on Rule 4.6.1 - Issues to Employees and Executive Directors

Decision

20. Subject to the General Conditions set out in paragraph 5 above, and on the basis that the information provided by SPG is complete and accurate in all material aspects, NZXR rules that for the purposes of Rule 4.6.1, any reference to “Employees”, “Directors” and “Associated Persons of Directors” of SIML, will also be a reference to “Employees of Stride”, “Directors of Stride” and “Associated Persons of Directors of Stride”.

Reasons

21. In coming to the decision to provide the ruling set out in paragraph 20 above, NZXR has considered that:
 - a. the policy behind Rule 4.6.1 is to ensure that an Issuer’s employee share scheme is conducted by reference to objective criteria and it is operated in a way which does not unduly dilute existing shareholders. The granting of this ruling will not offend the policy behind Rule 4.6.1;
 - b. participants in SIML’s employee share scheme hold or will be entitled to hold, Stapled Securities. The ruling will allow SIML to facilitate this, as it will enable Stride to issue its



ordinary shares to SIML's employee share scheme participants, in accordance with the terms of those schemes; and

- c. both Stride and SIML will comply with all of the other aspects of Rule 4.6.1.

Waivers from Rules 3.13.1, 3.14.2 and 3.15 – Capital Change and Distribution Notices

Decision

22. Subject to the conditions in paragraph 23 below, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR grants SPG waivers from Rules 3.13.1, 3.14.2 and 3.15 to the extent that these Rules require Stride and SIML to release separate announcements.
23. In addition to the General Conditions set out in paragraph 5 above, this waiver is provided on the conditions that:
 - a. Stride and SIML shall at all times release joint announcements under the relevant Rules as a Stapled Group;
 - b. each of Stride and SIML shall ensure that any notice, report or communication which relates to only one of Stride or SIML will clearly explain which Issuer was the source of the notice, report or communication; and
 - c. in any joint notice released pursuant to Rule 3.13.1, the joint notices shall clearly identify, where appropriate, the information in 3.13.1(c) to (o) for Stride and SIML separately, as well as any combined information which Stride and SIML propose to include.

Reasons

24. In coming to the decision to provide the waiver set out in paragraph 22 above, NZXR has considered that:
 - a. the policy behind Rule 3.13.1 is to ensure that the Security holders of an Issuer are notified of any changes to the total equity on issue for that Issuer. The granting of these waivers will not offend the policy behind Rule 3.13.1;
 - b. given the nature of the Stapled Group and the Stapled Securities, information announced by Stride will likely be the same as the information announced by SIML, and vice versa. SPG submits, and NZXR has no reason not to accept, that it could be confusing to Stride and SIML's shareholders if they received two identical sets of information under these Rules. Granting the waiver will enable Stride and SIML to coordinate all notices provided under these Rules in order to present them to their Shareholders as a Stapled Group; and
 - c. the conditions in paragraph 23(b) and (c) above will help ensure that in instances where the information provided is only relevant to Stride or SIML, Stapled Security holders will be able to identify whether the information pertains to only Stride or SIML.



Waiver from Rule 5.2.1 – Related Party Transactions

Decision

25. Subject to the conditions in paragraph 26 below, and on the basis that the information provided by SPG is complete and accurate in all material respects NZXR grants SPG a waiver from Rule 5.2.1, to the extent that Stride and SIML would be required to obtain shareholder approval before entering into New Investment Vehicle Transactions or New Property Management Transactions.
26. In addition to the General Conditions set out in paragraph 5 above, this waiver is provided on the conditions that:
- a. each of Stride and SIML may enter into one or more Material Transactions in reliance on the waiver only for the purposes of enabling Stride and/or SIML to enter into New Investment Vehicle Transactions; and
 - b. each of Stride and SIML may enter into one or more Material Transactions in reliance on the waiver only for the purposes of enabling SIML to enter into New Property Management Transactions.

Reasons

27. In coming to the decision to provide the waiver set out in paragraph 25 above, NZXR has considered that:
- a. the policy behind Rule 5.2.1 is to regulate transactions where a Related Party to a Material Transaction may gain favourable consideration due to its relationship with the Issuer. NZXR may waive the requirement to obtain the approval of shareholders for the purposes of Rule 5.2.1 if it is satisfied that the involvement of a Related Party to the transaction was unlikely to have influenced the promotion of, or the decision to enter into, the transaction. The granting of this waiver will not offend the policy behind Rule 5.2.1;
 - b. given the nature of the Stapled Group, there will be opportunities that would not be able to be pursued without Stride and SIML entering into various intragroup transactions that would, but for a waiver, require shareholder approval under Rule 5.2.1. The waiver will help to ensure that the Stapled Group will be able to pursue these opportunities more efficiently;
 - c. the intragroup transactions will likely be such that they will ultimately be beneficial to Stapled Security holders; and
 - d. the conditions in paragraphs 26(a) and (b) above, will ensure that Stride and SIML will only enter into intragroup transactions which would otherwise require shareholder approval under Rule 5.2.1, where these intragroup transactions are only for the purposes of pursuing New Investment Vehicle Transactions and New Property Management Transactions.



Ruling on definition of “Average Market Capitalisation” and “Average Market Price”

Decision

28. Subject to the General Conditions in paragraph 5 above, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR rules that the term “Issuer” in the definition of “Average Market Price” refers to the Stapled Group, and the term “Quoted Equity Securities” in the definition of “Average Market Capitalisation” refers to the Stapled Securities.

Reasons

29. In coming to the decision to provide the ruling set out in paragraph 28 above, NZXR has considered that:

- a. the policy behind the thresholds set out in Rules 4.15.2(a), 5.1.1(b) and 3.4.1(a) – (d) or the definition of Material Transaction, is to ensure that Issuers’ shareholders are able to decide whether certain transactions proceed or not. The granting of this ruling will not offend the policy behind these Rules;
- b. it is likely the market will view the Stapled Group as a single economic entity and one investment proposition. It is appropriate that the threshold for determining Average Market Price and Average Market Capitalisation, for the purposes of the Rules, to be assessed against the market price and market capitalisation of the Stapled Group; and
- c. the nature of the Stapled Group and the Stapled Securities are such that neither Stride not SIML will have individual market capitalisations, or have ordinary shares which will have market prices that are readily assessable. The Stapled Group’s market capitalisation will at all times be drawn from the single market price of the Stapled Securities, which will be calculated based on the number of Stapled Securities on issue. The granting of this ruling will enable Stride and SIML to comply with relevant Rules as a Stapled Group.

Ruling on the Definition of “Material Information”

Decision

30. Subject to the conditions in paragraph 31 below, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR rules that the reference to “price of quoted financial products of the listed issuer” in the definition of “Material Information” (which refers to the FMCA) should be read as applying to the price of the Stapled Securities.

31. In addition to the General Conditions set out in paragraph 5 above, this waiver is provided on the condition that any announcement released pursuant to Rule 3.1 will explain whether the information is material to Stride or SIML.



Reasons

32. In coming to the decision to provide the ruling set out in paragraph 30 above, NZXR has considered that:
- a. Stride and SIML have submitted, and NZX has no reason not to accept, that it is unlikely an investor will invest in the Stapled Securities for the sole purpose of being exposed to one of the two Issuers (being either Stride or SIML). It is likely the market will view the Stapled Group as a single economic entity, and one investment proposition. It is therefore appropriate that the threshold for assessing material information is against the effect on the price of the Quoted securities of the Stapled Group;
 - b. there will only be a single quoted price for the Stapled Securities under the ticker code “SPG”, the determination of what is “Material Information” can only occur by reference to that price. It would be difficult to determine the price for each security which makes up the Stapled Security, in order to assess whether information will have a material effect on the individual prices of these Quoted securities;
 - c. each of Stride and SIML will remain responsible for, and be required to, undertake their own assessment of whether they hold Material Information for the purposes of the Rules. Each Issuer will need to ensure they meet their own obligations under Rule 3.1.1 of the Rules; and
 - d. the conditions require this Ruling to be regularly disclosed, which will assist in bringing this information to the attention of potential investors.

Waiver from Rule 3.5, 3.6.1(a), 3.7 and 3.8 – Financial Reporting

Decision

33. Subject to the conditions set out in paragraph 34 below, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR grants SPG a waiver from Rules 3.5, 3.6.1(a), 3.7 and 3.8 to the extent that these Rules will prevent SPG from including the information required in Appendix 2 of the Rules, as a Stapled Group.
34. In addition to the General Conditions set out in paragraph 5 above, this ruling is provided on the condition that:
- a. Stride and SIML will release a joint report pursuant to Rule 3.5.1 as a Stapled Group;
 - b. Stride and SIML will release a joint report pursuant to Rule 3.6.1 as a Stapled Group;
 - c. each of Stride and SIML will include their individual financial statements with any report released by the Stapled Group pursuant to Rule 3.6.1 to the extent required by applicable Financial Reporting Legislation; and
 - d. Stride and SIML will release information required in Appendix 2 as a Stapled Group except for the following requirements:
 - (i) paragraphs 2(d), 2(g)(iii), 2(g)(iv) and 2(g)(vii) of the Full Year Results Announcement section; and

- (ii) paragraphs 2(d), 2(g)(iii), 2(g)(iv) and 2(g)(vi) of the Half Year Results Announcement section.

Reasons

35. In coming to the decision to provide the waivers set out in paragraph 33 above, NZXR has considered that:
- a. Stride and SIML have submitted, and NZX has no reason not to accept, that it is unlikely an investor will invest in the Stapled Securities for the sole purpose of being exposed to one of the two Issuers (being either Stride or SIML). It is likely the market will view the Stapled Group as a single economic entity, and one investment proposition. Given the nature of the Stapled Group, Stapled Security holders and investors are interested in the financial performance of Stride and SIML as a Stapled Group. Granting the waivers, will enable Stride and SIML to prepare and release consolidated financial information pertaining to the Stapled Group; and
 - b. the conditions in paragraph 34(c) and (d) above, will ensure that information will be available to the market for instances where it would be helpful for Stapled Security holders and investors to be aware of certain financial information which is specific to Stride or SIML.

Waiver from Rule 8.3 – Shareholder Statements

Decision

36. Subject to the conditions in in paragraph 37 below, and on the basis that the information provided by SPG is complete and accurate in all material respects, NZXR grants SPG a waiver from Rule 8.3 to the extent that this Rule would otherwise prevent Stride and SIML from issuing statements pursuant to this Rule as a Stapled Group.
37. In addition to the General Conditions set out in paragraph 5 above, this ruling is provided on the condition that Stride and SIML release joint statements pursuant to this Rule, as a Stapled Group

Reasons

38. In coming to the decision to provide the waiver set out in paragraph 36 above, NZXR has considered that:
- a. the policy behind Rule 8.3 is to ensure that the Security holders of an Issuer are able to request information from the Issuer which will enable them to determine the class, nature and number of Securities of that Issuer, that that person holds. The granting of this waiver will not offend the policy behind Rule 8.3; and
 - b. given the nature of the Stapled Group and Stapled Securities it is likely that the holder statements issued by Stride would be substantially the same as statements issued by SIML, and vice versa. It could therefore be confusing to Stride and SIML's shareholders, as well as unnecessary, if they received two identical sets of information under these Rules. Granting the waiver, will enable Stride and SIML to coordinate all statements provided under this Rule, in order to present them to their shareholders as a Stapled Group.

Appendix One

1. Stride Property Group (**SPG**) consists of two stapled entities, Stride Property Limited (**Stride**) and Stride Investment Management Limited (**SIML**) (together, the **Stapled Group**), the shares of which are traded as a stapled security (**Stapled Securities**) under the combined ticker code “SPG”.
2. On 12 July 2016, Stride and SIML completed a restructure after the approval of shareholders, which involved the following:
 - a. The entry into a management agreement between Stride and SIML where SIML would manage Stride and its property portfolio (**Stride Management Agreement**);
 - b. The demerging of Stride from SIML (**SIML Demerger**) where Stride distributed its entire holding of SIML’s ordinary shares to Stride shareholders on a pro-rata basis without consideration. Stride shareholders would also become SIML shareholders, where they would hold one SIML share for every one Stride share that they held (**SIML Distribution**);
 - c. The entry into a stapling deed between Stride and SIML (**Stapling Deed**) where each Stride share was stapled to a corresponding SIML share (**Stapling**). The effect of the Stapling is that investors cannot buy or sell Stride shares without buying or selling the same number of SIML shares, and vice versa;
 - d. The amendment of Stride’s constitution on 30 June 2016 with shareholders’ approval in order to provide for the stapling of shares;
 - e. The delisting of Stride from the NZX Main Board on 11 July 2016. The Stapled Group was listed on the NZX Main Board, and the Stapled Securities quoted for trading under the combined ticker code “SPG”; and
 - f. The Boards of Stride and SIML being comprised of the same Directors with identical charters and policies. SIML’s Directors are appointed by shareholders or, where there is a casual vacancy, by the SIML Board. Those Directors are automatically deemed to have been appointed as Directors of Stride at the same time under Stride’s constitution. A Director that resigns from the Stride Board is deemed to have resigned from the SIML Board at the same time, and vice versa (**Mirror Board Structure**).

Ruling on definition of “Disqualifying Relationship” – Further Background

3. Listing Rule 2.1.1 provides that there must at least be two independent Directors in the Board of an Issuer of Quoted Equity Securities. Independent Director is defined under the Listing Rules as a Director who is not an Employee of the Issuer and who has no Disqualifying Relationship.
4. SPG submits that, under the Mirror Board Structure, it is possible that all the Directors of Stride and SIML will have a Disqualifying Relationship because of their roles as Directors of both Issuers, and because Stride and SIML are parties to the Stapling Deed. As a result, Stride and SIML Directors could reasonably be influenced in a material way when making decisions in relation to Stride or SIML.



Waiver from Rules 2.2 to 2.5 and 2.7 to 2.8 – Further Background

5. Under the Mirror Board Structure, the Boards of Stride and SIML are identical. Each Director of each company must retire and stand for re-election, where applicable, at the same time.
6. In order for the Mirror Board structure to take effect, SIML will have the obligation to meet the requirements under Listing Rules 2.2 to 2.5 and 2.7 to 2.8, and in meeting those requirements, Stride will not be required to meet those requirements.
7. The Mirror Board Structure is essential in order the Stapled Group to operate and give effect to the Stride Management Agreement.

Waiver from Rules 2.10.1 – Further Background

8. Under the Mirror Board Structure, Stride and SIML will have identical board of Directors. A Stride Director may be “interested”, according to section 139 of the Companies Act 1993, in any matter involving SIML, as they are “...a director... of another party to, or person who will or may derive a material financial benefit from, the transaction...” and vice versa.

Waiver from Rules 3.5 – Further Background

9. The Stapled Group has a single remuneration pool for its common Directors, rather than a remuneration being approved separately by shareholders of, and being paid by, Stride and SIML.
10. But for the waiver, remuneration could only be paid if an ordinary resolution was approved by the shareholders of Stride and the shareholders of SIML (who are the same shareholders). Stride and SIML are concerned in this context that their Directors are not seen to be paid twice.
11. The Stapled Group instead proposes to have the remuneration payable to the common Directors of the Stapled Group approved by a single resolution of Stride or SIML’s shareholders, and it would be paid by Stride and/or SIML (as applicable) out of a single pool.

Waiver from Rules 2.14, 7.8 and 7.9 – Further Background

12. This waiver will allow the Stapled Group to co-ordinate and distribute consolidated notices, reports and communications to holders of Stapled Securities, in accordance with the Rules and the Companies Act 1993 to the extent that the Rules require Stride and SIML to issue their own notices, reports and communications.
13. These consolidated notices, reports and communications will also be released through NZX under the Stapled Group’s ticker code “SPG”.

Ruling on Rule 4.6.1 – Further Background

14. Due to nature of the Stapled Securities the number of Stride shares on issue must at all times be equal to the number of SIML shares on issue. Any SIML shares issued to a SIML employee



under Rule 4.6.1 must also be matched with the issue of the same number of Stride shares to the same person.

15. Both Stride and SIML will otherwise comply with all of the requirements of Rule 4.6.1.

Waiver from Rules 3.13.1, 3.14.2 and 3.15 – Further Background

16. This waiver will allow for Stride and SIML to release consolidated notices related to the issue, redemption and acquisition of the Stapled Securities under the Stapled Group's ticker code "SPG".

17. Stride and SIML operate a combined dividend policy. Each of Stride and SIML will provide its own disclosure in relation to their compliance with this dividend policy for the purpose of 3.14.1 and 3.14.4.

18. Both Issuers will comply with the requirements of Rule 4.17.6 individually.

Waiver from Rule 5.2.1 – Further Background

19. SPG submits that SIML and Stride are "Related Parties" under the Rules as SIML and Stride are Related Bodies Corporate, and therefore caught under limb (c) of the definition of "Associated Person". Stride and SIML are Related Bodies Corporate for the purposes of s12(2)(c) of the Financial Markets Conduct Act 2013 (**FMCA**) as more than half of the shares in Stride are held by the members of SIML (and vice versa) since the shareholding is identical due to the Stapled Group structure.

20. This waiver will allow for:

- a. each of Stride and SIML to enter into one or more Material Transactions for the purposes of enabling Stride and/or SIML to establish or acquire new property investment vehicles (**New Investment Vehicle Transactions**); and
- b. each of Stride and SIML to enter into one or more Material Transactions for the purposes of enabling SIML to establish or acquire new property management opportunities (**New Property Management Transactions**).

21. New Investment Vehicle Transactions and New Property Management Transactions will be intended to be beneficial to the Stapled Group and to holders of Stapled Securities. But for a waiver, these transactions may require shareholder approval under Rule 5.2.1.

Ruling on Definition of "Average Market Capitalisation" and "Average Market Price" – Further Background

22. The Stapled will at all times have a market capitalisation that will be the continuous aggregation of the market value of Stride and SIML's individual net tangible assets. From this, the Stapled Securities will have the single ticker code "SPG".

23. With the Stapled Group's consolidated market capitalisation, market price and its single ticker code, neither Stride nor SIML will be able to comply with the definition of Material Transaction and Rules 3.4.1(a) – (d), 4.15.2(a) and 5.1.1(b) individually.

Ruling on Definition of “Material Information” – Further Background

24. Under section 231(1) of the FMCA, “Material Information” is information that a reasonable person would expect to have a material effect on the price of Quoted Financial Products of the listed issuer. The nature of the Stapled Securities, the consolidated market capitalisation of the Stapled Group, and the single market price for the Stapled Securities, will be such that the determination of whether information is material to either Stride or SIML for the purposes of Rule 3.1, will need to be determined on the basis of the Stapled Securities.

Ruling on Rule 3.5, 3.6(1)(a), 3.7 and 3.8– Further Background

25. The nature of the Stapled Securities is such that investors and in particular, holders of the Stapled Securities, will need to be able to assess the consolidated financial performance of Stride and SIML as a Stapled Group.

26. Stride and SIML are each individually required to comply with Financial Reporting Legislation (to the extent applicable).

Ruling on Rule 8.3 – Further Background

27. Shareholders in Stride and SIML will only be holding the Stapled Securities



Appendix Two

NZX Listing Rules

Average Market Capitalisation	means, in relation to an Issuer, the Average Market Price multiplied by the number of Quoted Equity Securities carrying Votes on Day A.
Average Market Price	means, on Day A, the lesser of the volume weighted average price of an Issuer's Quoted Equity Securities (or, when calculating a Minimum Holding, the relevant Financial Product) calculated from trades through the Main Board over the following two periods: (a) 20 Business Days before Day A, or (b) 5 Business Days before Day A.
Disqualifying Relationship	means any direct or indirect interest, position, association or relationship that could reasonably influence, or could reasonably be perceived to influence, in a material way, the Director's capacity to: a) bring an independent view to decisions in relation to the Issuer, b) act in the best interests of the Issuer, and c) represent the interests of the Issuer's Financial Product holders generally, having regard to the factors described in the NZX Corporate Governance Code that may impact director independence, if applicable.
Independent Director	means a Director who is not an Employee of the Issuer and who has no Disqualifying Relationship.
Material Information	has the meaning given in section 231(1) of the FMC Act (read together with additional terms defined in section 232 of that Act).

2.2 Appointment of Directors

2.2.1 A person may be appointed as a Director of the Issuer by:

- (a) appointment by the Board, if permitted by the Governing Document of the Issuer,
- (b) nomination and appointment at an Issuer's annual or special meeting of Equity Security holders in accordance with Rule 2.3,



- (c) appointment by an Equity Security holder, as contemplated in Rule 2.4, or
- (d) appointment as an alternate Director under Rule 2.5.

2.3 Director Nominations and Appointment

2.3.1 No person (other than a Director retiring at the meeting) may be elected as a Director at a meeting of an Issuer's Equity Security holders unless that person has been nominated by an Equity Security holder who will be entitled to attend and Vote at the meeting if he, she or it continues to hold Equity Securities on the date on which the entitlement to attend and Vote at the meeting is determined.

2.3.2 An Issuer must comply with the following Director nomination process:

- (a) the closing date for nominations must be no more than two months before the date of the relevant meeting at which the election is to take place,
- (b) the closing date for nominations must be announced to the market at least 10 Business Days prior to such closing date,
- (c) there must be no restriction on who may be nominated as a Director, unless:
 - (i) the Governing Document requires Directors to hold certain Financial Products to qualify as a Director, or
 - (ii) applicable legislation restricts who may be a Director of the Issuer,
- (d) subject to (c) above, there must be no precondition to the nomination of a Director other than compliance with the time limits in this Rule, and
- (e) details of all nominations received prior to the closing date (and not later withdrawn) must be included in the notice of the relevant meeting.

2.3.3 Each resolution of the holders of Equity Securities to appoint, elect or re-elect a Director must be for the appointment, election or re-election of one Director only.

2.4 Equity Holder appointment rights

2.4.1 The Governing Document may give an Equity Security holder the right to appoint one or more Directors (and to remove any Director so appointed), provided:

- (a) the appointment does not result in the proportion of such Directors to the total number of Directors (excluding alternate Directors) exceeding the proportion of total Votes attaching to the Equity Securities in the Issuer held by the appointer, and
- (b) if the appointer exercises its right to appoint one or more Directors with such Director remaining in office at the time of the election of other Directors, the appointer must not also Vote upon the election of other Directors.



2.5 Alternate Directors

- 2.5.1 No Director may appoint an alternate Director to act for him or her except with the consent of a majority of his or her co-Directors. The alternate appointment may be revoked by the appointing Director or by a majority of the Board. A Director may not act as alternate for another Director. No Director may appoint a deputy or agent otherwise than as an alternate Director.

2.7 Rotation of Directors

- 2.7.1 A Director of an Issuer must not hold office (without re-election) past the third annual meeting following the Director's appointment or 3 years, whichever is longer. However, a Director appointed by the Board must not hold office (without re-election) past the next annual meeting following the Director's appointment.
- 2.7.2 Rule 2.7.1 does not apply to Directors appointed by an Equity Security holder under Rule 2.4.

2.8 Removal of Directors

- 2.8.1 All Directors (other than a Director appointed by an Equity Security holder under Rule 2.4) must be subject to removal from office by Ordinary Resolution.

[...]

2.10 Interested Directors

- 2.10.1 A Director must not vote on a Board resolution for, or be counted in a quorum for the consideration of, any matter in which that Director is interested. For this purpose, the term "interested" bears the meaning assigned in section 139 of the Companies Act 1993. If the Issuer is not a company registered under that Act, the reference to the "company" in that section will be read as a reference to the Issuer.

[...]

2.11 Directors' Remuneration

- 2.11.1 No remuneration may be paid by an Issuer, or its Subsidiaries (unless such Subsidiary is Listed), to a Director in his or her capacity as a Director without prior authorisation by an Ordinary Resolution. Such resolution must express Directors' remuneration as either a monetary sum per annum payable to:
- (a) all Directors of the Issuer in aggregate, or
 - (b) any person who from time to time holds office as a Director of the Issuer.



2.11.2 A resolution for the purposes of Rule 2.11.1:

- (a) must only be approved if notice of the amount of any increase in remuneration has been given in the notice of meeting, and
- (b) may provide that the remuneration may, in whole or in part, be through an issue of Equity Securities, provided the issue is in compliance with Rule **Error!**
Reference source not found..

2.11.3 If remuneration is expressed in accordance with Rule 2.11.1(a) and there is an increase in the number of Directors from the number when the remuneration was approved by an Ordinary Resolution, the Board may, without an Ordinary Resolution, increase the remuneration payable to all Directors of the Issuer in aggregate. The amount of the increase per additional Director may not exceed the amount necessary to enable the additional Director or Directors to be paid the average amount then being paid to each non-Executive Director (other than the chairperson) of the Issuer.

2.11.4 A lump sum payment or pension may be made to a Director or former Director, or to his or her dependents, on retirement or cessation of office provided that the amount of the payment, or the method of calculation, has been authorised by an Ordinary Resolution.

2.11.5 The resolutions referred to in this Rule 2.11 are subject to the voting restrictions in Rule **Error! Reference source not found..**

[...]

2.14 Equity Security holder notices and meetings

2.14.1 Equity Security holders of all Classes (whether or not they have a right to Vote) are entitled to attend annual and special meetings and to receive copies, or have access to electronic copies, of all notices, reports and financial statements issued generally to holders of Financial Products carrying Votes.

2.14.2 Where a Quoted Equity Security holder has only supplied an overseas address or an electronic address, notices must be sent to that physical address or sent electronically to such electronic address.

[...]

3.5 Results Announcement

3.5.1 Subject to Rule 3.5.3, each Issuer of Quoted Equity Securities or Quoted Debt Securities must release a Results Announcement through MAP no later than 60 days after the end of each financial year or half year.

3.5.2 A Results Announcement for a full financial year may be made before, or together with, the release of an annual report.



3.5.3 If an Issuer is required to consolidate the financial results of another Listed Issuer, it may make its Results Announcement up to 5 Business Days after the earlier of the release of the other Listed Issuer's Results Announcement and the timeframe required by Rule 3.5.1.

3.6 Preparation and delivery of Annual Reports

3.6.1 Each Issuer of Quoted Equity Securities or Quoted Debt Securities must within three months after the end of each financial year:

- (a) prepare an annual report, which must contain all information required by all applicable laws and these Rules, and
- (b) deliver, subject to Rule **Error! Reference source not found.**, the annual report to:
 - (i) NZX by release through MAP (including by URL link to the annual report on an Issuer's website) before or at the same time as it is made available to Quoted Financial Product holders, and
 - (ii) each Quoted Financial Product holder in accordance with Rule **Error! Reference source not found.**

[...]

3.7 Contents of Annual Report

3.7.1 The annual report of an Issuer of Quoted Equity Securities or Quoted Debt Securities must contain:

- (a) the information required to be published by subpart 5 of Part 5 of the FMC Act and, in the case of a company registered under the Companies Act 1993, the information required by section 211 of that Act,
- (b) audited financial statements and the associated audit report in accordance with the requirements of Part 7 of the FMC Act (unless the Issuer is exempt from Part 7 of that Act) or other applicable law,
- (c) the names and holdings of the registered holders having the 20 largest holdings of Quoted Financial Products at a date not earlier than two months before publication of the annual report, provided that, where known to the Issuer, Quoted Financial Products held through New Zealand Central Securities Depository Limited must be treated as being held by the persons on whose behalf New Zealand Central Securities Depository Limited is holding those Quoted Financial Products (and, for the avoidance of doubt, New Zealand Central Securities Depository Limited will not be treated as a registered holder) for the purposes of determining the 20 largest holdings,



- (d) details of the Quoted Financial Products, and Financial Products that may Convert to Quoted Financial Products, in which each Director has a Relevant Interest at the balance date of the financial year in respect of which the annual report is prepared,
- (e) details of the spread of Quoted Financial Product holders as at a date not earlier than two months before the publication of the annual report,
- (f) the current credit rating status (if any) of the Issuer,
- (g) a summary of all waivers:
 - (i) granted and published by NZX following an application by the Issuer, or
 - (ii) relied upon by the Issuer (regardless of when such waiver was granted or published),

in the 12 month period preceding the Issuer's balance date (or a reference to where this information can be found on the Issuer's website, where it must remain available until publication of the next annual report),
- (h) details of any public exercise of NZX's powers set out in Rule **Error! Reference source not found.**, and
- (i) for an Issuer of Quoted Equity Securities, the additional information set out in Rule 3.8.1.

3.7.2 Any Issuer which extends its annual balance date must:

- (a) prepare a report containing such information, to be released through MAP at such time as NZX requires, and
- (b) comply with Rule **Error! Reference source not found.**

3.8 Further Annual Report content for Issuers of Equity Securities

3.8.1 Further to the requirements of Rule 3.7.1, the annual report of an Issuer of Quoted Equity Securities must also contain:

- (a) a statement on, or URL link to a statement on, the extent to which the Issuer has followed the recommendations in the NZX Corporate Governance Code during the relevant financial year, and the date at which the corporate governance statement is current (which must be the Issuer's balance date or a later date specified by the entity),
- (b) if the Issuer has not followed a recommendation in the NZX Corporate Governance Code for any part of the relevant financial year, the Issuer must separately state:
 - (i) which recommendation, or recommendations, were not followed,



- (ii) the period over which this occurred,
- (iii) the Issuer's reasons for not following the recommendation,
- (iv) what, if any, alternative governance practice was adopted in lieu of the recommendation during that period, and
- (v) that the alternative governance practice has been approved by the Board,

however, an Issuer need not separately state those matters for any part of a period prior to first Quotation of a Class of its Equity Securities,

- (c) a quantitative breakdown as to the gender composition of the Issuer's Directors and Officers as at the Issuer's balance date, including comparative figures for the prior year which, at a minimum, must include:
 - (i) the number of male and female Directors, and
 - (ii) the number of male and female Officers,

at the relevant balance date and with comparative figures for the prior balance date (if any).

For the purposes of this Rule 3.8.1(c), "Officer" means a person, however designated, who is concerned or takes part in the management of the Issuer's business and reports directly to:

- (iii) the Board, or
 - (iv) a person who reports to the Board,
- (d) an evaluation from the Board on the Issuer's performance with respect to its diversity policy (if applicable),
 - (e) a statement as to which of its Directors are Independent Directors as at the balance date of the financial year in respect of which the annual report is prepared, and the factors relevant to that determination, and
 - (f) details of any Director who has been appointed under the provisions of the Governing Document complying with Rule 2.4, and the Financial Product holder which appointed that Director.

3.13 **Issues, acquisitions and redemption of capital**

3.13.1 If an Issuer issues, acquires or redeems:

- (a) Quoted Financial Products, or



- (b) Financial Products Convertible into Quoted Equity Securities or Options to acquire Quoted Equity Securities,

the Issuer must, subject to Rule **Error! Reference source not found.**, provide for release through MAP in prescribed form (as applicable) details of:

- (c) the Class of Financial Product and ISIN,
- (d) the number of Financial Products issued, acquired or redeemed,
- (e) the nominal value (if any) and the issue, acquisition, or redemption price,
- (f) whether payment was in cash,
- (g) any amount paid up (if not in full),
- (h) for an issue of Convertible Financial Products or Options, the principal terms of Conversion (for example, the conversion price and conversion date and the ranking of the Financial Product in relation to other Classes of Financial Product) or the Option (for example, the exercise price and exercise date),
- (i) the percentage of the total Class of Financial Product issued, acquired or redeemed (calculated on the number of Financial Products of the Class, excluding any Treasury Stock, in existence immediately prior to the issue, acquisition or redemption),
- (j) the reason for the issue, acquisition or redemption,
- (k) the specific authority for the issue, acquisition or redemption (if any),
- (l) any terms or details of the issue, acquisition or redemption (such as an escrow provision),
- (m) the total number of Financial Products of the Class in existence after the issue, acquisition or redemption (excluding Treasury Stock) and the total number of Financial Products of the Class held as Treasury Stock after the issue, acquisition or redemption,
- (n) in the case of an acquisition of Equity Securities by an Issuer which is a company registered under the Companies Act 1993, whether those Equity Securities are to be held as Treasury Stock, and
- (o) the dates of issue, acquisition or redemption.

Subject to Rule **Error! Reference source not found.**, notices required by this Rule must be released through MAP within one Business Day after the issue, acquisition or redemption. For the purposes of this Rule, the sale or transfer of Treasury Stock by an Issuer is deemed to be an issue of Financial Products.

[...}



3.14 Distributions, conversion and calls

[...]

3.14.2 Where the timing of a call on Quoted Financial Products is not stated in the Offer Document or Profile, the Issuer must promptly and without delay notify NZX through MAP after determining that date.

3.15 Further notice for Convertible Financial Products

3.15.1 Where Financial Products are Convertible at the option of the holder before final maturity into Quoted Financial Products, the Issuer must give notice of this option by release through MAP and to all holders of those Financial Products. That notice:

- (a) must be given:
 - (i) if the Financial Products are Convertible on a fixed date or dates, at least six weeks before each such date, or
 - (ii) if the Financial Products are Convertible on the trigger of an event, as soon as practicable after that event has occurred or promptly and without delay after it becomes apparent that the event will occur,
- (b) need not be given if the Financial Products are Convertible at the option of the holder at any time,
- (c) must disclose any option for Conversion which may be exercised at a later date, and
- (d) must contain a statement to the effect that any Financial Products holders in doubt as to whether Conversion is desirable should seek advice from a financial adviser.

3.15.2 Following each Conversion of Financial Products into Quoted Financial Products, the Issuer must promptly and without delay release through MAP notice of:

- (a) the number of Financial Products Converted and the number and Class of Quoted Financial Products into which they have been Converted,
- (b) details of any interest or dividend conditions attaching to the Financial Products into which they have been Converted, and
- (c) how many Financial Products of the same Class remain to be Converted.

4.6 3% Issues to Employees and Executive Directors

4.6.1 An Issuer may issue Equity Securities if:

- (a) the issue is made to, or to a trustee to hold for the benefit of, Employees and may include Employees that are Directors or Associated Persons of Directors



only if their participation satisfies the allocation criteria applying to Employees generally,

- (b) the issue is of a Class of Equity Securities already on issue, and
- (c) the number to be issued, together with all other Equity Securities of the same Class issued under this Rule 4.6.1 over the shorter of the previous 12 months or the period since the Issuer was Listed, will not exceed 3% of the aggregate of:
 - (i) the total number of Equity Securities of that Class on issue at the commencement of that period, and
 - (ii) the total number of Equity Securities of that Class issued during that period under Rules **Error! Reference source not found.**, **Error! Reference source not found.**, **Error! Reference source not found.**, **Error! Reference source not found.** and **Error! Reference source not found.**

provided that for the purposes of this Rule 4.6.1:

- (d) Financial Products which may Convert to Quoted Equity Securities are deemed to correspond in number to, and be deemed to be of the same Class as, the Quoted Equity Securities into which they may Convert, and
- (e) if the conversion ratio is fixed by reference to the market price of the underlying Equity Securities, unless otherwise specified in the issue terms, this is the Average Market Price.

5.2 Transactions with Related Parties

5.2.1 An Issuer must not enter into a Material Transaction if a Related Party is, or is likely to become:

- (a) a direct party to the Material Transaction, or
- (b) a beneficiary of a guarantee or other transaction which is a Material Transaction,

unless that Material Transaction is approved by an Ordinary Resolution (such resolution being subject to the voting restrictions in Rule **Error! Reference source not found.**) or conditional on such approval.

7.8 Notices of Meeting

7.8.1 The text of any resolution to be put to a meeting of an Issuer required by the Rules must be set out in the notice of the relevant meeting.

7.8.2 Each notice of meeting must contain or be accompanied by sufficient explanation, reports, valuations, and other information, as to enable a reasonable person entitled to Vote to understand the effect of each resolution proposed, including:



- (a) the consequences if the resolution in question is not passed (unless such resolution concerns a matter listed in Rule **Error! Reference source not found.** to **Error! Reference source not found.**), and
- (b) a statement outlining who is subject to voting restrictions in relation to such resolution.

7.8.3 Each notice of meeting to consider a resolution to appoint, elect or re-elect a Director must include the following information on each candidate:

- (a) the Board's view on whether or not the candidate would qualify as an Independent Director (or, if the Board is unable to make such an assessment due to a lack of information regarding a candidate nominated by an Equity Security holder, a statement to that effect).
- (b) an outline of the candidate's experience (including specific details of relevant roles and organisations) and, if relevant, the qualifications of the candidate, to the extent such information is available to the Issuer after making due inquiries, and
- (c) any other information that the Board considers may be useful to provide to a Financial Product holder.

7.8.4 As a minimum, the notice of meeting for a resolution to approve an issue, acquisition or redemption of Financial Products, or provision of financial assistance, must state or contain so much of the following information as is applicable and known to the Issuer:

- (a) the number of any Financial Products to be issued, acquired, or redeemed or, if the number is not known, the formula to be applied to determine the number, and the maximum number which may be issued, acquired or redeemed,
- (b) the purpose of the transaction,
- (c) any issue, acquisition or redemption price or, if the price is not known, the formula to be applied to determine the price, and the time or times for payment with sufficient detail to enable Financial Product holders to ascertain the terms to or from any party,
- (d) the party or parties to whom any Financial Products are to be issued, or from whom they are to be acquired or redeemed, where that is known, and identifying by name any such parties who are Directors or Associated Persons of the Issuer or any Director,
- (e) in the case of an issue, the consideration for the issue and, where that is cash, the specific purpose for raising the cash,
- (f) the period of time within which any issue, acquisition or redemption will be made,



- (g) in the case of an issue, the ranking of the Financial Products to be issued for any future benefit, and
 - (h) in the case of a resolution under Rule **Error! Reference source not found.**, the amount and full terms of the financial assistance to be given and the party or parties who will receive it, identifying by name any such parties who are Directors or Associated Persons of the Issuer or any Director.
- 7.8.5 A notice of meeting to consider a resolution of the nature referred to in Rule 7.8.4 (other than a resolution to permit an issue under Rule **Error! Reference source not found.**) must be accompanied by an Appraisal Report if:
- (a) the resolution is required by Rule **Error! Reference source not found.**,
 - (b) more than 50% of the Financial Products to be issued are intended or likely to be acquired by Directors or Associated Persons of Directors, or
 - (c) more than 50% of the Financial Products to be acquired or redeemed or the financial assistance to be given is intended or likely to go to Directors or Associated Persons of Directors.
- 7.8.6 Without limiting Rule 7.8.2, notices in respect of proposed changes to a Governing Document must explain the effect of such changes so that they can be understood without reference to the existing or proposed Governing Document.
- 7.8.7 Where the Issuer is incorporated under the Companies Act 1993 and the effect of the resolution, if passed, is that shareholders will have the right to require the Issuer to buy their shares under section 110 or 118 of that Act, the resolution must contain a prominent statement referring to that right.
- 7.8.8 A notice of meeting for the purposes of Rule 5.2.1 must:
- (a) be reviewed by NZX in accordance with Rule **Error! Reference source not found.**,
 - (b) be accompanied by an Appraisal Report, and
 - (c) contain such other material as is necessary to enable the holders of Financial Products entitled to Vote to decide whether the transaction price and terms are fair.



7.9 Proxy approval

7.9.1 So far as is reasonably practicable, resolutions must be framed in a manner which facilitates binary voting instructions for proxy holders.

7.9.2 A proxy form must be sent with each notice of meeting of Quoted Financial Product holders and:

- (a) as a minimum, so far as the subject matter and form of the resolutions reasonably permits, provide for a binary voting choice (for or against) to enable a Quoted Financial Product holder to instruct the proxy as to the casting of the vote,
- (b) not be sent with any name or office (e.g. chairperson of directors) filled in as proxy holder, and
- (c) contain a statement outlining who is subject to voting restrictions in relation to each resolution.

7.9.3 Notwithstanding Rule 7.9.2, an Issuer may provide in the proxy form that:

- (a) if, in appointing a proxy, a Quoted Financial Product holder does not name a person as their proxy but otherwise completes the proxy form in full, or
- (b) a Quoted Financial Product holder's named proxy does not attend the meeting,

a named person or office will act as that Quoted Financial Product holder's proxy and vote in accordance with their express direction. If such statement is included in the proxy form, the proxy form and notice of meeting must:

- (c) clearly and prominently disclose the intention to appoint a named person or office in the circumstances set out in Rule 7.9.3(a) and (b), and
- (d) provide that the named person or office acting as proxy must:
 - (i) only vote in accordance with the express directions of the relevant Quoted Financial Product holder, and
 - (ii) not vote on a resolution if expressly granted a discretion on how to vote on a resolution and such resolution is subject to a voting restriction that applies to the proxy under Rule **Error! Reference source not found.**

8.3 Statements

8.3.1 Every Issuer must issue to each holder of Quoted Financial Products on request a Statement that sets out:

- (a) the Class and number of Financial Products held by that holder and the total number of Financial Products of that Class issued by the Issuer,



- (b) the register on which the holder's Financial Products are held, if other than the principal register, and
- (c) the holder's number, CSN and address.

8.3.2 An Issuer is not obliged to provide a holder with the Statement required by Rule 8.3 if:

- (a) such a Statement has been provided within the previous six months, and
- (b) the holder has not acquired or disposed of Financial Products of the relevant Class since a previous Statement required by Rule 8.3 or Rule 8.3.3 was provided.

8.3.3 Every Issuer must issue a Statement to each holder who obtains or disposes of Quoted Financial Products upon an issue or a transfer within 5 Business Days after the date of allotment or the date of registration of that transfer.

8.3.4 Where the Statement required by Rule 8.3.3 is issued following a transfer, the Statement must include:

- (a) all the information specified in Rule 8.3, except that the total number of Financial Products of that Class issued by the Issuer need not be shown, and
- (b) the number of Financial Products transferred (to or from the holder) in each transfer since the last Statement.

