



Te Tōtarahoe o Paerangi Trust
Restated Trust Deed Explanation Memorandum

1. The Trustees have over the past 15 months been engaged with iwi members on the review ('Review') of the trust deed of the Te Tōtarahoe o Paerangi Trust ('Trust Deed'), as required by clauses 32.1 to 32.4 of the Trust Deed. Clause 32.1 provides that:¹

The Trustees shall, within five (5) years of the Settlement Date, initiate a review of the terms and operation of this Deed and, in particular, shall review the arrangements relating to the election of Trustees and all other aspects of the representation of Ngāti Rangi by the Trust.

2. In undertaking the Review, the Trust Deed also requires Trustees to:
 - a. seek the views of Ngāti Rangi on the terms and operation of the Trust Deed, in particular the election process and representation;²
 - b. engage and consult with Te Kāhui o Paerangi and Ngāti Rangi generally;³
 - c. have regard to the kawa and tikanga of Ngāti Rangi;⁴
 - d. engage an independent facilitator to manage the Review;⁵
 - e. consider whether any amendments to the Trust Deed are required, and if so, seek approval of iwi members by Special Resolution (as defined in the Trust Deed).⁶
3. In 2024, the Trustees engaged an independent review team to manage consultation and engagement with iwi members,⁷ and commissioned a report by Dr Meri Haami. The report made several recommendations for Trust Deed amendments for both Te Tōtarahoe o Paerangi Trust ('Te Tōtarahoe') and its charitable subsidiary, Ngā Waihua o Paerangi Trust ('Ngā Waihua').
4. The Trustees subsequently engaged Whāia Legal to review the Trust Deeds in light of the independent report. Whāia Legal have recommended amendments to the

¹ We note that the Trust Deed review needed to be completed by 29 September 2024. 'Settlement Date' is defined in the Trust Deed as the date that is recorded in the Ngāti Rangi Claims Settlement Act 2019. The Act defines 'settlement date' as the date that is 40 days after the Act comes into force (which is the day after it receives the Royal Assent). Royal assent was given on 31 July 2019. The Settlement Date is therefore 29 September 2019.

² See clause 32.2 of the Trust Deed.

³ Clause 32.2(a).

⁴ Clause 32.2(b).

⁵ Clause 32.3.

⁶ Clause 32.4.

⁷ The independent review team consisted of Sam Bishara (Lead Facilitator), Korty Wilson (Facilitation Support), Dr Meri Haami (Researcher) and Ayla Fryer (Administrator).



Trust Deeds. The full legal report is available on our website at www.ngatirangi.com

5. The Trustees have decided to propose amendments to the Trust Deed of Te Tōtarahoe and seek approval of the Restated Trust Deed. The Trust Deed amendments for Ngā Waihua require approval of Trustees of Te Tōtarahoe and will be progressed separately.
6. Below is a table that sets out a summary of the substantive amendments made with an explanation of the changes. A full marked-up version of the Trust Deed is also available on the website at www.ngatirangi.com



Overview of proposed alterations and additions

1. This table is a summary of substantive changes only, and does not contain nor list every change or variation being made to the Trust Deed. To review all amendments, please review the marked-up version of the Restated Trust Deed on our website at www.ngatirangi.com.

Clause reference	Current Trust Deed	Restated Trust Deed	Explanation
2.1	[new defined term]	Provides for a new definition of 'Code of Conduct' as one adopted or amended by the Trustees from time to time	'Code of Conduct' definition added to provide formally for a code of conduct in the Trust Deed and increase accountability.
2.1	[new defined term]	Provides for a new definition of 'Corporate Trustee'.	'Corporate Trustee' added to provide formally for the ability to appoint a body corporate to act as trustee, for efficiency and to reduce liability risk.
5.3	[new clause]	Provides for trustees' investment powers to be modified notwithstanding duty of prudent investment.	Clause added to manage liability and risk, particularly for investment decisions that are cultural rather than for the purpose of generating an economic return
7.6	[new subclauses]	Added criteria that require Trustees to act in accordance with the law, the Trust Deed,	Subclauses added to promote accountability of Trustees.



		the Code of Conduct and other policies or guidelines.	
7.8	[New subclauses added related to Trustee remuneration].	Amended approach to Trustees' remuneration, so that it is set by Trustees but only if independent external remuneration advice is obtained and no remuneration is set that exceeds that advice, and that the advice and remuneration set is disclosed at the AGM with the Trustees being bound by a resolution at the AGM to amend the remuneration if iwi members do not agree with the remuneration going forward.	New approach suggested to enable flexibility regarding remuneration (rather than approval at an AGM) provided that any remuneration is disclosed, and iwi members have the ability to amend remuneration if they want to.
7.12	[new subclause added related to gross negligence].	Added in a subclause so that the limitation of liability of trustees extends to gross negligence.	Amended added for consistency with the Trusts Act 2019.
8.2	[new clause added relating to voting rights of Advisory Trustees].	Added in a new clause to clarify that Advisory Trustees shall not have voting rights.	Amended added to clarify that Advisory Trustees do not vote (and are therefore at less risk of liability).
11.3	[new drafting relating to advice from Te Pae Tuarā].	Added in additional drafting that if advice from Te Pae Tuarā is not followed, the Trustees need to provide them with a written explanation.	Drafting to provide greater transparency and accountability to Te Pae Tuarā.



11.3	[new drafting related to advice from professional directors].	Added in additional drafting that the Trustees can rely on the expertise of professional directors of a Trust Entity.	Drafting to reduce liability of Trustees in the event that professional directors are appointed to Trust Entities.
21.1	[new drafting relating to conflicts of interest].	Added in new drafting that Trustees are not conflicted necessarily if solely by affiliation to a hapū or marae of Ngāti Rangi.	Drafting to add flexibility relating to conflicts of interest, given all Trustees will affiliate to many hapū or marae of Ngāti Rangi.
31.3	[new clause to provide for dispute resolution].	Added in new clause to provide for discretion on how to manage disputes, including referral to a disputes committee.	Drafting to add flexibility and discretion on how to manage and settle disputes.
Second Schedule clause 6.6 and 6.8	[sub-clause deleted].	Clause requiring Adult Registered Members to engage and provide views on nominations to Te Kāhui o Paerangi deleted, and requirement to consider those views.	Clause deleted to provide for efficiency and reduce expense in appointments process for Te Kāhui o Paerangi.
Second Schedule clause 16	[new clause to provide for Corporate Trustee].	New clause included to provide for ability to appoint Corporate Trustee (and for elections to relate to director positions on the Corporate Trustee].	Drafting to allow for efficiency (no need to change records of titles upon election of new trustees, signing etc) and lessen risk of personal liability of Trustees.