CANDIDATE HANDBOOK

2012 Board of Directors Election
8 March 2012
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For assistance phone the Election Helpline **0508 666 336**
INTRODUCTION

This booklet outlines information which may be of interest to you as a candidate in the 2012 Beef + Lamb New Zealand Ltd election of Directors.

It has been prepared as a guide to assist possible candidates and others interested in election issues with general information on the election. It should be used as a guide only, and should not be relied upon as absolute fact. It has been completed on a best endeavours basis.

Candidates or other persons requiring more detailed information should contact the Returning Officer, or refer to the Constitution of Beef + Lamb New Zealand Ltd, which is available from the Returning Officer.

**electionz.com APPOINTED AS RETURNING OFFICER BY BEEF + LAMB NEW ZEALAND LTD**

Beef + Lamb New Zealand Ltd has again appointed electionz.com Ltd as the elections contractor for the 2012 Directors Election. Warwick Lampp has been appointed Returning Officer on behalf of electionz.com. Warwick has been the Returning Officer for Beef + Lamb New Zealand Ltd since 2000.

This means that electionz.com will be handling all matters pertaining to the election. electionz.com is based in Christchurch from where most of the election administration will be carried out.

The role of the Returning Officer (RO) is to conduct the election in accordance with the presiding regulations, namely those contained in the Beef + Lamb New Zealand Ltd Constitution, as well as in accordance with accepted standard election management practices.

Subject to those regulations the RO has complete and final control over how the election is carried out. The RO is engaged by Beef + Lamb New Zealand Ltd and, through his employer, is responsible to the Chief Operating Officer (COO), but does not take direction from the COO or the existing Board.

The RO is responsible for all staff, systems, resources, policies, procedures and actions to ensure that the democratic process is carried out with utmost integrity, security and fairness for all parties.

The RO’s decisions in respect to all matters pertaining to the election are final.

Queries regarding the actions or performance of the RO for Beef + Lamb New Zealand Ltd should be directed to Cros Spooner, Chief Operating Officer, phone 04 474 0690 or 027 478 5576, or email cros.spooner@beeflambnz.com.

For further information about Beef + Lamb New Zealand Ltd please see www.beeflambnz.com.
VOTING METHOD AND ELECTORAL DETAILS

The elections are being conducted by postal and internet voting with election day being 8 March 2012.

For further information or additional copies of this booklet, please phone the Returning Officer - Warwick Lampp, or the Deputy Returning Officer – Anthony Morton at electionz.com, toll free on: 0508 666 336

VOTING METHOD

The weighted voting system being used for this election is outlined in the Constitution of Beef + Lamb New Zealand Ltd.

Voting entitlement for each registered farmer is equal to:

1. one (1) vote for every 250 sheep owned, on 30 June 2011, with no account to be taken of any sheep owned by that farmer in excess of an exact multiple of 250;

2. one (1) vote for every 50 beef cattle owned, on 30 June 2011, with no account to be taken of beef cattle owned by that farmer in excess of an exact multiple of 50;

3. one (1) vote for every 100 dairy cattle owned, on 30 June 2011, with no account to be taken of dairy cattle owned by that farmer in excess of an exact multiple of 100.

NOMINATION DETAILS

Elections are being held for two (2) Electoral District Directors in 2012:

• one (1) to represent the Northern North Island Electoral District (3 year term of office)
• one (1) to represent the Northern South Island Electoral District (3 year term of office)

There are six (6) Farmer-elected Directors on the Beef + Lamb New Zealand Ltd Board.

The person nominated to stand as a candidate does not have to be a farmer, nor live in the Electoral District where the election is being held. However, both the nominator and seconder must be registered on the Beef + Lamb New Zealand Ltd electoral roll and reside in that Electoral District.

Nominations in respect of the two Electoral Districts above must be sent to and received by the Returning Officer, Beef + Lamb New Zealand Ltd, PO Box 3138, Christchurch 8140, no later than 5.00pm on Wednesday 18 January 2012, or by faxing to 05282 3366 8372 by that time.

They can also be scanned and emailed to nominations@electionz.com.

Completed nomination forms can be sent to the Returning Officer by:

• Mailing to PO Box 3138 Christchurch 8140
• Faxing to 05282 3366 8372
• Emailing to nominations@electionz.com

Please note that the completed nomination forms must be received by the RO by 5.00pm Wednesday 18 January 2012.
ELECTORAL DISTRICTS

1. Northern North Island Electoral District consists of the following districts:

Far North District, Whangarei District, Kaipara District, Rodney District, North Shore City, Waitakere City, Auckland City, Manukau City, Papakura District, Franklin District, Waikato District, Hamilton City, Waipa District, Otorohanga District, Waitomo District, Thames-Coromandel District, Hauraki District, Matamata-Piako District, South Waikato District, Western Bay of Plenty District, Tauranga District, Rotorua District, Whakatane District, Kawerau District, Opotiki District.

2. Northern South Island Electoral District consists of the following districts:

Tasman District, Nelson City, Marlborough District, Kaikoura District, Buller District, Grey District, Westland District, Hurunui District, Waimakariri District, Christchurch City, Chatham Islands Territory, Selwyn District, Ashburton District.
BEEF + LAMB NEW ZEALAND LTD REGION MAP

Northern North Island

Western North Island

Northern South Island

Southern South Island

Central South Island

Eastern North Island
### KEY DATES

2012 Board of Directors Election Timetable

#### ELECTION DATE: THURSDAY 8 MARCH 2012

| Vacancies                        | One position in the **Northern North Island** Electoral District  
|                                | One position in the **Northern South Island** Electoral District  |
| 17 November 2011                | Public notices and a press release issued calling for nominations |
|                                | Nominations open                                                   |
| 18 January 2012                 | Nominations close 5.00pm, candidates advised to Beef + Lamb       |
|                                | New Zealand Ltd                                                    |
| 8 February 2012                 | Electoral Roll becomes final                                       |
| 15 February 2012                | Voting papers sent out                                             |
| 8 March 2012                    | Election Day, voting closes at 2.00pm                              |
|                                | Beef + Lamb New Zealand Ltd and Candidates advised of result       |
| 22 March 2012                   | Beef + Lamb New Zealand Ltd Annual Meeting                        |
CANDIDATE QUALIFICATIONS

A candidate for the Beef + Lamb New Zealand Ltd Board elections:

(a) Must be nominated and seconded by persons registered on the Beef + Lamb New Zealand Ltd Electoral Roll who are resident in the relevant Electoral District.

(b) Must not be disqualified under the Companies Act 1993 from being a Director of a company established under that Act.

(c) Should be qualified, in the opinion of the persons nominating him or her, by virtue of his or her knowledge of or experience in the meat industry, science or research skills, or commercial experience or qualifications.

COMPETENCIES

The Board is expected to demonstrate the following competencies:

• Integrity and ethics
• Best practice governance and accountability skills
• Strategic leadership
• Good business understanding
• Sound judgment and decision making
• Teamwork and leadership
• Clear communication with Directors, Chief Executive Officer and stakeholders
• Awareness of community interests and meat industry issues

Ideally individual Board Directors will be have a number of the following skills and attributes:

• Strategic leadership abilities
• A clear understanding of the role and functions of industry-good activities
• An ability to clearly communicate orally and in writing
• The capability for a wide perspective on issues – looking objectively at the needs of the meat industry as a whole
• Integrity and a strong sense of ethics
• Financial literacy
• Common sense
• Organisational and strategic awareness of the complex issues facing the industry
• An ability to distinguish corporate governance from management
• The ability to be information-oriented
• Knowledge of the responsibilities and obligations of a Board Director
CERTAIN PERSONS DISQUALIFIED

None of the following persons may be elected or appointed as a Director of the Board:

(a) A person who becomes bankrupt or makes an arrangement or compromise with his or her creditors generally.

(b) A person who is disqualified from being a Director of a company pursuant to section 151 of the Companies Act 1993.
NOMINATIONS

KEY DATES:

- Nominations open from 17 November 2011.
- Nominations close at 5.00pm on 18 January 2012.
- A public notice calling for nominations will appear in the regional dailies on or about 21 November 2011 and again on or about 9 January 2012 – a press release will also be issued around these dates.

NOMINATION PAPERS

Each nomination must be made on the appropriate official Nomination Form. Nomination Forms are available from the Returning Officer, Warwick Lampp, or the Deputy Returning Officer, Anthony Morton, electionz.com Ltd:

Phone: 0508 666 336
Email: nominations@electionz.com
Post: PO Box 3138, Christchurch 8140
LODGEMENT OF NOMINATION PAPERS

Nominations close at 5.00pm, Wednesday 18 January 2012.

- Nomination papers must be received in the hands of the Returning Officer, Warwick Lampp, at the offices of electionz.com, Level 1, 506 Wairakei Rd, Christchurch no later than the above time and date.
- Nominations can be scanned as pdfs and emailed to the Returning Officer at nominations@electionz.com.
- Once lodged, nomination papers are checked to ensure the nominator and seconder are on the Electoral Roll and resident in the appropriate Electoral District.
- The candidate profile statement and/or candidate photo must be submitted at the same time as the nomination paper.
- The lodgement of nomination papers should not be left to the last minute. Should a nomination paper be lodged late on the afternoon nominations close, and be incorrectly completed or refer to an ineligible nominator or seconder, there may be insufficient time to correct the situation and the nomination paper could be invalidated.

Please do not leave lodging your nomination to the last minute.

- Nomination papers can be mailed to the Returning Officer, Beef + Lamb New Zealand Ltd, PO Box 3138 Christchurch 8140, but should they be received by the Returning Officer after the close of nominations, the nomination is invalid.
- Email confirmation of an accepted nomination will be given to each candidate as soon as the nomination paper is verified.

PROCESSES AFTER THE CLOSE OF NOMINATIONS

Once nominations have closed, a list of all candidates will be publicly notified in the appropriate regional newspapers and industry magazines.

If an election is required, candidate names will appear alphabetically on the voting paper, with surname first, followed by their christian names, i.e.:

SMITH Michael
CANDIDATE PROFILES

Beef + Lamb New Zealand Ltd allows for candidate profiles to be provided by each candidate with the nomination paper. In the event an election is required, these are collated by the Returning Officer and forwarded to registered farmers in a candidate profile document with the voting papers.

Candidate Profile Statements

- **Must not exceed 300 words** (excluding the candidate's name). The 300 word limit will be strictly enforced; and
- **Must** be confined to information concerning the candidate, and the candidate's policies and intentions if elected to the Board; and
- **Should** be accompanied by an electronic copy (i.e. as a Word document attachment to an email) and emailed to nominations@electionz.com; and
- **May** include a recent (i.e. less than one year old) photograph of the candidate only.

The profile must be plain black and white text, but special formatting (bold, italics, underlining, quote marks) is permitted.

Photos should preferably be in an electronic format (scanned as an attachment by email), but hard copy photos will be accepted and scanned at 300 dpi by the Returning Officer. Photos will be printed in black and white only and may not necessarily be passport size. *(N.B. photos will not be returned to candidates).*
CAMPAIGNING

ELECTION CAMPAIGNING CAN COMMENCE ANYTIME.

NO ELECTION MATERIAL CAN CONTAIN ANY UNTRUE STATEMENT DEFAMATORY OF ANY CANDIDATE AND CALCULATED TO INFLUENCE THE VOTE OF ANY ELECTOR.

NO ELECTION MATERIAL MAY CONTAIN AN ImitATION VOTING PAPER WHICH HAS THE NAMES OF THE CANDIDATES WITH ANY DIRECTION OR INDICATION AS TO THE CANDIDATE A PERSON SHOULD VOTE FOR, OR IN ANY WAY CONTAIN SUCH DIRECTION OR INDICATION LIKELY TO INFLUENCE THE VOTER.

VOTING PAPERS ARE NOT PERMITTED TO BE COLLECTED FROM ELECTORS BY CANDIDATES OR PERSONS ON THEIR BEHALF. EACH ELECTOR IS REQUIRED TO POST OR DELIVER HIS OR HER OWN VOTING PAPER TO THE RETURNING OFFICER.

CANDIDATES:

- MUST ACT IN GOOD FAITH AND IN THE BEST INTERESTS OF BEEF + LAMB NEW ZEALAND LTD
- MUST BE RESPECTFUL OF OTHER CANDIDATES AND NOT MAKE ANY STATEMENT RELATING TO OTHER CANDIDATES THAT ARE DEFAMATORY OR THAT UNDERMINE THE INTEGRITY OF THE ELECTION PROCESS
- MUST FOCUS ON ISSUES AFFECTING BEEF + LAMB NEW ZEALAND LTD AND THE EXPERTISE AND ATTRIBUTES THAT THEY WILL BRING TO A POSITION ON THE BOARD
- MUST NOT USE ANY PROPERTY OR RESOURCES OF BEEF + LAMB NEW ZEALAND LTD FOR CAMPAIGNING PURPOSES, INCLUDING LOGOS, BRANDS, PHOTOS, IMAGES OR OTHER INTELLECTUAL PROPERTY OF BEEF + LAMB NEW ZEALAND LTD
- MAY USE LETTERS, FLIERS, EMAILS, RADIO, TELEVISION, INTERNET AND PRINTED MEDIA (DAIRY AND FARMING MAGAZINES AND NEWSPAPERS) FOR CAMPAIGNING PURPOSES.

Candidates should also be aware that the election is being conducted generally in accordance with the provisions of the Local Electoral Act 2001 that is used for local government elections. Prohibited acts are set out on page 21. Any acts committed by candidates that constitute criminal offences will be referred to the police for their action.

ELECTORAL ROLLS

The Electoral Roll for each electoral district is available for each candidate for electioneering purposes. The roll includes the name of the voter, the name of the farming entity and the farm or postal address. The roll is available in two types of media;

- HARD COPY
- BY EMAIL (EXCEL SPREADSHEET, ZIPPED)

The roll is only to be used for electioneering purposes. There is no cost for this.

If you would like a copy please contact the Returning Officer who will provide you with an acknowledgement form to complete, sign and fax back to the Returning Officer, electionz.com on 05282 3366 8372, as per the instructions on the form.
SCRUTINEERS

The processing of the voting papers is being carried out by electionz.com at its premises at Level 1, 506 Wairakei Rd, Harewood, Christchurch. Voting papers will be returned in the reply paid return envelope to the electionz.com postal address in Christchurch.

Voting papers will then be opened, batched, checked, scanned and processed by electionz.com during the voting period. During this progressive processing period, a Justice of the Peace will be present to ensure the accuracy and secrecy of the voting process is maintained at all times. The Returning Officer or the Deputy Returning Officer will also be present at all times.

With the use of progressive processing, it is expected that by the close of voting on Thursday 8 March 2012, most of the papers would have already been processed.

electionz.com’s progressive processing system has dual passwords and time locks on the counting software so that no access to the results can be obtained prior to the close of voting. The Justice of the Peace is there to oversee this process on behalf of candidates and members, and unlock the results database after the close of voting.

Any candidate that wishes to appoint a scrutineer to review the election process should contact the Returning Officer for further details.

ELECTION RESULTS

The election result will then be calculated and checked and then advised to Beef + Lamb New Zealand Ltd as soon as possible after the close of voting on Thursday 8 March 2012.

All candidates will be personally advised in writing or by phone/fax/email on the same day.

A press release will be made by Beef + Lamb New Zealand Ltd on Monday 12 March 2012.
OUTLINE OF ISSUES RELEVANT TO THE RESPONSIBILITIES OF BOARD DIRECTORS

This short summary has been prepared with the intention of assisting potential candidates to understand a number of the responsibilities and expectations of Board Directors.

IN SUMMARY

Beef + Lamb New Zealand Ltd has been established to collect and invest meat levies under the Commodity Levies Act 1990. 

Beef + Lamb New Zealand Ltd invests levies on behalf of farmers in industry-good activities such as research and development, information transfer, market development, trade policy, economic analysis, skills and education and issues management:

Industry-Good Activities mean activities directly or indirectly related to the business of farming livestock that are expected to provide net benefits (either directly or indirectly) to farmers or a significant group of farmers (as determined at the discretion of the Board), in that total benefits are reasonably expected to exceed total costs to farmers or that group of farmers, but which would not be provided by voluntary means because:

(a) the benefits of the activity flowing to those prepared to pay for it voluntarily would not be sufficient to cover the costs of the activities; or
(b) it would not be practical to prevent others who did not contribute towards paying for the costs of the activity from benefiting from the activity.

Details about responsibilities of Board Directors are set out in the extracts from the Constitution of Beef + Lamb New Zealand Ltd on pages 16 to 20. All prospective candidates should make themselves familiar with these provisions prior to submitting their nomination.

If you require further information please contact Cros Spooner, Chief Operating Officer, phone 04 474 0690 or 027 478 5576, email cros.spooner@beeflambnz.com.

BECOMING A BOARD DIRECTOR

The Board of Beef + Lamb New Zealand Ltd comprises of six (6) Farmer-elected Directors, two (2) Board-appointed Directors, representing the processing and exporting sector, and one (1) additional independent Director may be appointed by the Board.

CHAIRPERSON

The Board, at its first meeting after an election, will decide on the Chairperson.
NEW ZEALAND MEAT BOARD

Pursuant to the Meat Board Act 2004, all Beef + Lamb New Zealand Ltd Directors are also automatically appointed to the New Zealand Meat Board. The Meat Board’s responsibilities include management of New Zealand’s meat export quotas to the United States and the European Union, as well as administration of reserve funds. Activities of both Boards are coordinated to the greatest extent possible to minimise the time commitment of Directors serving on both.

ROTATION OF DIRECTORS

This is the second election for the Directors of Beef + Lamb New Zealand Ltd - Elections are being held for two (2) Electoral District Directors in 2012:

- one (1) to represent the Northern North Island Electoral District
- one (1) to represent the Northern South Island Electoral District

Section 42 of the Constitution of Beef + Lamb New Zealand Ltd sets out the requirements for the rotation of Directors as follows.

42.0 Rotation of Electoral District Directors

42.1 At the third Annual Meeting and at each Annual Meeting thereafter, two (2) Electoral District Directors shall retire from office and be replaced by an Electoral District Director for the Electoral District represented by each retiring Electoral District Director, appointed following an Electoral District Ballot conducted for that purpose.

42.2 Subject to clause 42.1, the Electoral District Directors to retire at an Annual Meeting will be those Electoral District Directors who have been longest in office since their last election, and in the event that more than two Electoral District Directors have been in office for the equal longest period of time, the two Electoral District Directors who shall retire shall be determined by the Board.

42.3 Each Electoral District Director who retires under this clause 42:

(a) is to cease to hold office from the date of the Annual Meeting; and
(b) may stand for re-appointment.

43.0 Re-election of retiring Electoral District Director

If no other person is nominated, the retiring Electoral District Director is, if standing for re-election, deemed to have been re-elected.
VACATION OF OFFICE
(Section 47 of the Constitution)

47.0 Vacation of office
A Director is to cease to hold office as a Director if:

47.1 the Director becomes bankrupt or makes an arrangement or compromise with his or her creditors generally;

47.2 the Director becomes disqualified from being a Director of a company pursuant to section 151 of the Companies Act 1993;

47.3 the Director resigns from office by notice in writing to the Company; or

47.4 the Director is removed from office by Farmers’ Ordinary Resolution passed in accordance with clause 44;

47.5 a declaration from the High Court is made in relation to the Director that he or she is acting in breach of his or her duties under Part VIII of the Companies Act 1993.

DIRECTORS’ DUTIES
(Section 52 – 69 of the Constitution)

Management of the Company

52.0 Duty of Directors to act in best interests of Company
Each Director, when exercising powers or performing duties, must act in good faith and in what the Director believes to be the best interests of the Company.

53.0 Board to manage Company
The Company’s business and affairs must be managed by, and under the direction or supervision of the Board, except to the extent that the Companies Act 1993 or this Constitution provides otherwise.

54.0 Board has powers necessary to manage Company
The Board has all the powers necessary for managing, and for directing and supervising the management of, the Company’s business and affairs, except to the extent that the Companies Act 1993 or this Constitution provides otherwise.

55.0 Transactions requiring approval

55.1 The Company must not enter into a Major Transaction unless the transaction is approved, or contingent on approval, by a special resolution of shareholders.

55.2 The Company must not enter into a Significant Transaction unless the transaction is approved, or contingent on approval, by a Farmers’ Ordinary Resolution and, if, and to the extent that, the transaction is also a Major Transaction, a special resolution of shareholders pursuant to clause 55.1.
55.3 For the purpose of this clause 55.0, a special resolution of shareholders shall mean a majority of 75 percent of the votes of those shareholders entitled to vote and voting on the resolution.

Proceedings of the Board

56.0 Meetings of the Board
The First Schedule governs the proceedings at meetings of the Board, except where otherwise agreed by all Directors in relation to a particular meeting or meetings. The Third Schedule to the Companies Act 1993 does not apply to proceedings of the Board.

57.0 Written resolutions of Board permitted
A written resolution signed or assented to by all of the Directors then entitled to receive notice of a meeting of the Board is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.

58.0 Written resolutions may be in counterparts
Any written resolution may consist of several copies of the resolution, each signed or assented to by one or more of the Directors. A copy of a written resolution, which has been signed and is sent by facsimile or any similar means of communication, will satisfy the requirements of this clause.

Delegation of powers

59.0 Restriction on Board's right to delegate its powers
Subject to the restrictions on delegation in the Companies Act 1993, the Board may delegate any one or more of its powers to a committee of Directors, a Director, an employee of the Company or any other person.

60.0 Board delegates to comply with regulations
In exercising the Board's delegated powers, any committee of Directors, Director, employee or employees of the Company or any other person must comply with any regulations that the Board may impose.

61.0 Committee proceedings
The provisions of this Constitution relating to proceedings of the Board also apply to proceedings of any committee of Directors, except to the extent the Board determines otherwise.
Remuneration

62.0 **Board’s power to authorise remuneration and other benefits is limited**

62.1 The Board may authorise:

   a) the payment of remuneration or the provision of other benefits by the Company to a Director for services as a Director or in any other capacity;

   b) the entering into of a contract to do any of the things set out in this clause, only if the relevant action has been approved by a Farmers’ Ordinary Resolution in accordance with clause 10.5. Each such resolution must express the Director’s remuneration as either:

   c) an annual monetary sum payable among all Directors (other than an executive Director); or

   d) an annual monetary sum payable to any person holding office as a Director.

62.2 This clause does not apply to the payment of remuneration or the provision of other benefits to an executive Director in his or her capacity as an executive or to any other Director in respect of any professional services provided by that Director to the Company.

63.0 **Expenses**

A Director may be reimbursed for reasonable travelling, accommodation and other expenses incurred in the course of performing duties or exercising powers as a Director of the Company, without requiring the prior authorisation of shareholders or farmers.

Indemnity and insurance for Directors and employees

64.0 **Company may indemnify Directors and employees for certain liabilities**

The Company may indemnify a Director or employee of the Company or a related company for any liability or costs for which a Director or employee may be indemnified under the Companies Act 1993. The Board may determine the terms and conditions of any such indemnity.

65.0 **Company may effect insurance for Directors and employees**

The Company may, with the prior approval of the Board, effect insurance for a Director or employee of the Company or a related company for any liability or costs for which a company may effect insurance for a Director or employee under the Companies Act 1993. The Board may determine the amounts and the terms and conditions of any such insurance.
INTERESTED DIRECTORS

66.0 Directors must disclose their interests
As soon as a Director becomes aware of the fact that he or she is interested in a transaction or proposed transaction with the Company, then unless the Companies Act 1993 provides otherwise, that Director must disclose that interest in accordance with the Companies Act 1993.

67.0 Failure to disclose does not affect validity of transaction
Any failure by a Director to comply with clause 66.0 does not affect the validity of a transaction entered into by the Company or the Director, however the transaction may be avoided under clause 68.0

68.0 Company may avoid transaction if Director interested
Where the Company enters into a transaction in which a Director is interested, the Company, if it is permitted to do so by the Companies Act 1993, may avoid that transaction in accordance with the Companies Act 1993.

69.0 Interested Director may vote
A Director who is interested in a transaction entered into, or to be entered into, by the Company may:

69.1 vote on a matter relating to the transaction;
69.2 attend a meeting of Directors at which a matter relating to the transaction arises and be included among the Directors present at the meeting for the purpose of a quorum;
69.3 sign a document relating to the transaction on behalf of the Company; and
69.4 do anything else as a Director in relation to the transaction, as if he or she were not interested in the transaction.

For a full copy of the Constitution refer to the website:
or contact Cros Spooner, Chief Operating Officer, phone 04 474 0690
cros.spooner@beeflambnz.com.
The Board of Directors legally represents the interests of Beef + Lamb New Zealand Ltd farmer levy payers and the communities and organisations with whom farmers interact.

As farmer representatives, the Board members have the responsibility of establishing, guiding and assessing the overall direction of Beef + Lamb New Zealand Ltd through a range of areas including but not necessarily limited to:

**Strategy and Planning**
- Define objectives, agree on strategy, define measures and reporting structure. Review regularly
- Assess annually the operating environment and approve Beef + Lamb New Zealand Ltd's strategy in relation to it
- Review annually and approve Beef + Lamb New Zealand Ltd's budget and plans for funding its strategic and operational outcomes
- Approve major policies

**Organisational**
- Appoint, monitor, appraise, advise, support, reward, and, when necessary, change the Chief Executive Officer
- Ensure that management succession is planned and orderly
- Ensure that the availability of personnel is sufficient to enable the achievement of the long term strategic objective and mission
- Approve appropriate compensation and benefit policies and practices
- Approve annually the performance review of the CEO and establish his/her compensation based on recommendations of the Remuneration and Honorarium Committee and Chairman of the Board
- Agree the Board Committees, subsidiary, associate representation and industry representation
- Review annually review the performance of the Board and take steps to improve its performance

**Operations**
- Review the results achieved by Management as compared with Beef + Lamb New Zealand Ltd's strategic, annual and long range objectives, and the performance of similar institutions
- Ensure that the financial structure of Beef + Lamb New Zealand Ltd is adequate for its current needs and its long term strategy
- Provide candid and constructive criticism, advice, and comments, to the CEO
- Approve major actions for Beef + Lamb New Zealand Ltd, such as capital expenditures and major programme and service changes in accordance with approved delegated authorities
Audit

• Ensure that the Board and its Committees are adequately and currently informed of financial positions and risks for Beef + Lamb New Zealand Ltd and its operations.
• Ensure that published reports accurately reflect the operating results and financial condition of Beef + Lamb New Zealand Ltd.
• Ensure that appropriate policies are in place and being used, to define and identify conflicts of interest throughout Beef + Lamb New Zealand Ltd, and is diligently administering and enforcing those policies.

Expectations

• Board members should plan to attend meetings on a regular basis, participate on a standing and/or ad-hoc subcommittees, subsidiary and associate representation, be familiar with the products and/or services of Beef + Lamb New Zealand Ltd, help promote Beef + Lamb New Zealand Ltd through activities, and understand other policies and procedures.
• Board members will be expected to support Beef + Lamb New Zealand Ltd’s region activities with attendance at local Beef + Lamb New Zealand Ltd Farmer Council meetings, events and activities. Where appropriate interacting with local Extension Managers and promote Beef + Lamb New Zealand Ltd’s activities with its farmers and other stakeholders.
• Board members will be expected to participate in personal development activities.
DIRECTORS’ REMUNERATION

The Board recommends the level of Director’s fees to be paid to Directors at Annual Meetings for farmer approval.

### CURRENT LEVEL OF DIRECTORS FEES

<table>
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<tr>
<th>Position</th>
<th>Amount</th>
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<tr>
<td>Chairman</td>
<td>$62,000</td>
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<tr>
<td>Deputy Chairman</td>
<td>$34,000</td>
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<tr>
<td>Directors</td>
<td>$25,750</td>
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Directors receive an additional fee for serving on the New Zealand Meat Board as follows:

<table>
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<tr>
<th>Position</th>
<th>Amount</th>
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<tr>
<td>Chairman</td>
<td>$25,000</td>
</tr>
<tr>
<td>Directors appointed by B+LNZ</td>
<td>$14,900</td>
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DIRECTORS’ EXPENSES

Each Director is entitled to be paid for all actual and reasonable travelling, accommodation and other expenses incurred by the Director in connection with the Director’s attendance at meetings or otherwise in connection with Beef + Lamb New Zealand Ltd business.

BOARD MEETINGS

Beef + Lamb New Zealand Ltd Board meetings are generally held on the first Wednesday of each month in Wellington. At least three meetings a year are held outside Wellington. Generally they commence at 8.30 am and usually finish by 4.00pm.

The New Zealand Meat Board meetings are generally held on the Tuesday afternoon prior to the Beef + Lamb New Zealand Ltd Board Meetings from 4.00pm to 6.00pm.

One week before each meeting agenda papers and other materials are circulated to the Directors.

Directors are also often requested to make presentations or represent Beef + Lamb New Zealand Ltd at field days, farmer events, conferences etc.

Refer to the First Schedule of the Constitution regarding: Proceedings of the Board (Extract on Page 21.)
WHEN DO NEW ELECTED DIRECTORS COME INTO OFFICE

Successful candidates who are elected as Directors take office from the date of the Annual Meeting, 22 March 2012, in accordance with the Constitution of Beef + Lamb New Zealand Ltd.

FIRST SCHEDULE: PROCEEDINGS OF THE BOARD

Notice of meeting

1 Director’s power to convene meetings

A Director, or any other person at the request of a Director, may convene a meeting of the Board by giving notice in accordance with this Schedule.

2 Notice to be sent to Director’s address

The notice of meeting must be a written notice delivered by hand to the Director, or sent to the address or facsimile number, or an electronic mail message sent to the electronic mail address, which the Director provides to the Company for that purpose, or if an address or facsimile number, or electronic mail address, is not provided, then a written notice to his or her last place of employment or residence or facsimile number known to the Company.

3 Notice to contain certain details

The notice of meeting must include the date, time and place of the meeting and the matters to be discussed and an indication of the matters to be discussed in sufficient detail to enable a reasonable Director to appreciate the general import of the matters.

4 Period of notice required to be given to Directors

At least five (5) business days’ notice of a meeting of the Board must be given unless the Chairman (or, in the Chairman’s absence from New Zealand, any other Director) believes it is necessary to convene a meeting of the Board as a matter of urgency, in which case shorter notice of the meeting of the Board may be given, so long as at least three (3) hours’ notice is given.

5 Absent Directors

If a Director who is for the time being absent from New Zealand supplies the company with a facsimile number or address or electronic mail address to which notices are to be sent during his or her absence, then notice must be given to that Director. Otherwise notice need not be given to any Director for the time being absent from New Zealand.

6 Directors may waive irregularities in notice

Any irregularity in the notice of a meeting, or failure to comply with clauses 1 to 5 of this Schedule, is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or failure, or if all Directors entitled to receive notice of the meeting agree to the waiver.
Meeting and quorum

7 Methods of holding meetings

A meeting of the Board may be held either:

7.1 by a number of Directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or

7.2 by means of audio, or audio and visual, communication by which a quorum of Directors participating can simultaneously hear each other throughout the meeting.

8 Quorum for Board meeting

The quorum necessary for the transaction of business at a meeting of the Board is a majority of the Directors. No business may be transacted at a meeting of the Board unless a quorum is present.

9 Meeting adjourned if no quorum

If a quorum is not present within 30 minutes after the time appointed for a meeting of the Board, the meeting will be adjourned automatically until the following business day at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, the Directors present will constitute a quorum.

Chairman

10 Chairman to chair meetings

The Chairman of the Board will chair all meetings of the Board at which he or she is present. If the office of Chairman of the Board is vacant, or if at a meeting of the Board the Chairman of the Board is not present within 15 minutes from the time appointed for the meeting, then the Directors present may elect one of their number to chair the meeting.

Voting

11 Voting on resolutions

Each Director has one (1) vote. A resolution of the Board is passed if it is agreed to by all Directors present and entitled to vote without dissent or if a majority of the votes cast on it are in favour of it. A Director present at a meeting of the Board may abstain from voting on a resolution, and any Director who abstats from voting on a resolution will not be treated as having voted in favour of it for the purposes of the Companies Act 1993.

12 Chairman has casting vote

In the case of an equality of votes, the chairman of the Board has a casting vote.
Minutes

13 **Board must keep minutes of proceedings**

The Board must ensure that minutes are kept of proceedings at meetings of the Board. Minutes which have been signed correct by the Chairman of the meeting are evidence of the proceedings at the meeting unless they are shown to be inaccurate.

Other proceedings

14 **Board may regulate other proceedings**

Except as set out in this Schedule, the Board may regulate its own procedure.
ELECTION OFFENCES

PROHIBITED ACTS

The election is being conducted in accordance with the Local Electoral Act 2001. Acts which would constitute an offence under the Local Electoral Act are prohibited acts in terms of this election, and may result in any candidacy being declared invalid by the Returning Officer. Such acts include:

• Illegal Nomination
• Interfering with or influencing voters
• Offences in respect of official documents
• Voting offences
• Bribery
• Treating
• Undue Influence
• Personation

Any acts committed by candidates that constitute criminal offences will be referred to the Police for their action.

Local Electoral Act 2001

121. Illegal nomination, etc - Every person commits an offence, and is liable on summary conviction to a fine not exceeding $2,000 who -

(a) consents to being nominated as a candidate for any elective office knowing that he or she is incapable under any Act of holding that office; or

(b) signs any nomination paper purporting to nominate as a candidate a person who is, to the knowledge of the person so signing, incapable under any Act of holding that office; or

(c) signs a nomination paper purporting to nominate another person as a candidate knowing that he or she is not qualified to vote at the election of the person named in the nomination paper as the candidate.

122. Interfering with or influencing voters - (1) Every person commits an offence, and is liable upon summary conviction to a fine not exceeding $5,000, who -

(a) interferes in any way with any person who is about to vote with the intention of influencing or advising that person as to how he or she should vote:

(b) prints, publishes, distributes, or delivers to any person (using any medium or means of communication) a document, paper, notice, or message, being or purporting to be in imitation of any voting document to be used at the election or poll that:-

(i) in the case of an election, includes the name of a candidate or candidates, together with any direction or indication as to the candidate or candidates for whom any person should vote;
(ii) in the case of a poll, includes a statement or indication as to how any person should vote:

(iii) in any way contains or suggests any such direction or indication or other matter likely to influence how any person votes.

(c) prints, publishes, or distributes any instruction on the method of marking the voting document that differs in any material way from the instructions required by this Act or any regulations made under this Act to accompany the voting document.

(2) Despite subsection (1)(b), it is not an offence under that subsection to print, publish, distribute, or deliver a card or leaflet (not being an imitation voting document) on which is printed-

(a) the names of all or any of the candidates and the elective offices for which they are candidates (with or without the name of the organisations or groups to which those candidates are affiliated, and including those who are independent); and

(b) nothing else.

(3) Nothing in this section applies to-

(a) any official statement or announcement made or exhibited under the authority of this Act or regulations made under this Act; or

(b) any candidate profile statement, published, displayed, or distributed under the authority of this Act or regulations made under this Act.

123. Offences in respect of official documents - (1) Every person commits an offence who-

(a) intentionally removes, obliterates, or alters any official mark or official writing on any voting document, or other official document used at an election or poll:

(b) intentionally places any mark or writing that might be mistaken for an official mark or official writing on any voting document, or other official document used at an election or poll:

(c) forges, counterfeits, fraudulently marks, defaces, or fraudulently destroys any voting document, or other official document used at an election or poll, or the official mark on that document:

(d) supplies, without authority, a voting document to any person:

(e) obtains or has possession of any voting document, other than one issued to that person under this Act or any regulations made under this Act for the purpose of recording his or her vote, without authority:

(f) intentionally destroys, opens, or otherwise interferes with any ballot box or box or parcel of voting documents without authority.

(2) Every person who commits an offence against subsection (1) is liable on conviction on indictment,-

(a) in the case of an electoral officer or other electoral official, to imprisonment for a term not exceeding two years:
in the case of any other person, to imprisonment for a term not exceeding six months.

124. Voting offences - Every person commits an offence, and is liable on conviction on indictment to imprisonment for a term not exceeding two years, who-

(a) votes or applies to vote more than once at the same election or poll; or

(b) without authority, removes, deletes, or otherwise interferes with any voting document, or other record of a vote that has been cast.

125. Bribery defined - (1) Every person commits the offence of bribery who, directly or indirectly, on that person's own or by another person,-

(a) gives, lends, agrees to give or lend, offers, promises, or promises to obtain any money or valuable consideration to or for any elector, or to or for any person on behalf of any elector, or to or for any other person, in order to induce any elector to vote or refrain from voting; or

(b) gives or obtains, agrees to give or obtain, offers, promises, or promises to obtain or to try to obtain any office or place of employment to or for any elector, or to or for any person on behalf of any elector, or to or for any other person, in order to induce the elector to vote or refrain from voting; or

(c) corruptly does any act referred to in paragraph (a) or paragraph (b) on account of an elector having voted or refrained from voting; or

(d) makes any gift, loan, offer, promise, or agreement referred to in paragraph (a) or paragraph (b) for, or with, any person in order to induce that person to obtain or try to obtain the election of any person or the vote of any elector; or

(e) upon or as a consequence of any gift, loan, offer, promise, or agreement referred to in paragraph (a) or paragraph (b), obtains, or tries to obtain, the election of any person or the vote of any elector; or

(f) advances or pays, or causes to be paid, any money to or for the use of any other person, intending that that money or any part of it will be used for bribery at any election or poll; or

(g) knowingly pays or causes to be paid any money to any person in discharge or repayment of any money wholly or partly used for bribery at any election or poll.

(2) An elector commits the offence of bribery if,-

(a) before or during the voting period at the election or poll, he or she, directly or indirectly, on his or her own or by another person, receives, or agrees or contracts for, any money, gift, loan, or valuable consideration, office, place, or employment for himself or herself or for any other person for voting or agreeing to refrain from voting:

(b) after the voting period at the election or poll, he or she directly or indirectly, on his or her own or by another person, receives any money or valuable consideration on account of any person having voted or refrained from voting or having induced any other person to vote or refrain from voting.

(3) Every person who commits bribery is liable on conviction on indictment to imprisonment for a term not exceeding two years.
126. **Treating defined** - (1) Every person commits the offence of treating who corruptly, before, during, or after an election or poll, and directly or indirectly, on that person’s own or by another person, gives or provides, or pays wholly or in part the expense of giving or providing, any food, drink, entertainment, or provision to or for any person-

(a) for the purpose of influencing that person or any other person to vote or refrain from voting; or

(b) for the purpose of obtaining his or her election; or

(c) on account of that person or any other person having voted or refrained from voting, or being about to vote or refrain from voting.

(2) Every holder of a licence under the Sale of Liquor Act 1989 commits the offence of treating who knowingly supplies any food, drink, entertainment, or provision-

(a) to any person, if the supply is demanded for one or more of the purposes specified in subsection (1); or

(b) to any person, whether an elector or not, for the purpose of obtaining the election of a candidate or affecting the result of a poll, and without receiving payment for it at the time when it is supplied.

(3) Every elector who corruptly accepts or takes any such food, drink, entertainment, or provision also commits the offence of treating.

(4) Despite subsections (1) to (3), the provision of light refreshments after any meeting relating to an election or poll does not constitute the offence of treating.

(5) Every person who commits the offence of treating is liable on conviction or indictment to imprisonment for a term not exceeding two years.

127. **Undue influence** - (1) Every person commits the offence of undue influence-

(a) who, directly or indirectly, on that person's own or by another person, makes use of or threatens to make use of any force, violence, or restraint against any person-

(i) in order to induce or compel that person to vote or refrain from voting:

(ii) on account of that person having voted or refrained from voting:

(b) who, by abduction, duress, or any fraudulent device or means,-

(i) impedes or prevents the free exercise of the vote of any elector:

(ii) compels, induces, or prevails upon any elector either to vote or to refrain from voting.
(2) Every person who commits the offence of undue influence is liable on conviction on indictment to imprisonment for a term not exceeding two years.

128. Personation defined - (1) Every person commits the offence of personation who, at any election or poll,

(a) votes in the name of some other person (whether living or dead), or of a fictitious person:

(b) having voted, votes again at the same election or poll:

(c) having returned a voting document, applies for or returns another voting document with the intention of returning an additional valid voting document or invalidating a vote already cast at the same election or poll (whether or not any voting document he or she returns is valid).

(2) Every person who commits the offence of personation is liable on conviction on indictment to imprisonment for a term not exceeding two years.