

EXPLANATORY NOTE

CHANGES TO TE RŪNANGA-Ā-IWI-Ō-NGĀPUHI TRUST DEED AND ADDING A NEW TRUST TO THE GROUP

Introduction

This Explanatory Note adds to the information already provided in the Notice of Meeting for the 2026 Special General Meeting (**SGM**) called for members to vote on the resolutions about changes to Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi (**TRAION**) Trust Deed and adding a new trust.

Adding a new trust to the Group has been approved by the trustees of TRAION and the directors of Ngāpuhi Asset Holding Company Limited (**NAHC**).

The changes to the TRAION Trust Deed have been approved by the trustees of TRAION.

This Explanatory Note is issued jointly by Moana Tuwhare (**Tumu Whakarae, TRAION**) and Nick Wells (**Chair, NAHC**) and has been endorsed by the trustees of TRAION and the directors of NAHC.

Overview

Trustees put forward a resolution on these changes at the Annual General Meeting (**AGM**) on Saturday 22 November 2025. Members voted 71% in favour, but 75% in favour is needed for resolutions to pass.

We've taken on feedback from whānau and written a new set of resolutions that need to be voted on at or before the SGM on 21 March 2026. The resolutions are attached to this note.

The Government has said all iwi have to make changes to their fisheries trusts by July 2026, before the Māori Fisheries Amendment Act 2024 comes into force.

At the same time we make the required changes, we are taking the opportunity to update the TRAION Trust Deed to make it easier to use and more inclusive. We also think it is a good idea to add a new type of trust to our existing structure to make it easier to grow iwi funds and do more with them.

TRAION is a charity. A new trust that is not a charity will be able to fund and invest in things that are not charitable, including supporting Ngāpuhi in achieving economic aspirations. It will be able to work better with hapū and land trusts and other community groups that are also non-charitable.

The proposal for adding a new trust to the Group (**new trust**) is to:

- a. Set up a new sister trust called **Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust**, a new tax-paying trust which gives Ngāpuhi a non-charitable status;
- b. Transfer Mandated Iwi Organisation (**MIO**) status and all fisheries assets from TRAION to Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust;
- c. Transfer NAHC and all of its non-fisheries assets from TRAION to Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust.

To keep it simple, the people appointed to Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust will be the same as the people appointed to TRAION. This also means the decision-making will be the same across the two trusts and for the benefit of Ngāpuhi.

TRAION would continue to operate the charitable part of the group, with Te Hau Ora o Ngāpuhi and Ngāpuhi Iwi Social Services staying as they are with TRAION.

Because TRAION will no longer be the MIO for fisheries, the TRAION Trust Deed needs to be amended to remove the Māori Fisheries Act clauses.

Key benefits

The key purpose of adding a new trust is to allow more benefits to reach Members and hapū of Ngāpuhi.

TRAION is a charity. Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust is not a charity. Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust will be able to do activities and fund programmes that are not charitable. For example, some aspects of community support are charitable, but some (like economic types of support) are not.

The new trust gives Ngāpuhi more flexibility including the ability to more fully engage in activities and with parties (which could include hapū) that are also non-charitable.

There are also tax benefits to having Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust as a non-charitable trust. Imputation credits (including those attached to dividends from Aotearoa Fisheries Limited (trading as Moana NZ) can be used by Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust (these credits cannot be used by TRAION because it is a charity).

Why now?

We are required to make key changes by July 2026, before the Māori Fisheries Amendment Act 2024 comes into force.

If Ngāpuhi delays the changes, and it does not happen until after July 2026, there could be negative tax impacts for both Ngāpuhi and other iwi who are shareholders in Aotearoa Fisheries Limited (trading as Moana NZ).

Because we are having to make changes anyway, we are taking the opportunity to update the TRAION Trust Deed and add this new commercial trust at the same time.

The sooner we get the new trust, the sooner we can support a wider range of community projects and work with other hapū trusts and groups that also have non-charitable status.

Changes to the TRAION Trust Deed

The following changes have been identified and recommended by the TRAION management team. This way we can meet Government requirements, make the trust deed easier to use and set up a new type of trust.

There are two categories of changes to the TRAION Trust Deed:

- a. changes that reflect that TRAION will no longer be the mandated iwi organisation;
and
- b. tidy-up changes recommended by the management team.

Those tidy-up changes include changes to:

- c. Reflect changes in trust and charity legislation in the last few years.
- d. Remove the purpose, which was to receive Treaty settlement assets.
- e. Provide for electronic attendance at meetings and electronic voting (except where the Māori Fisheries Act 2004 says electronic voting is not permitted).
- f. Shorten the timeframes for Takiwā election meetings.
- g. Confirm that Members can be notified by email.
- h. Remove the requirement to advertise elections in a national newspaper.
- i. Change what “active participation” is for Takiwā election candidates (so they do not have to have attended half of the last year’s meetings).
- j. Remove the Registration Form from Schedule 2 (so it is accessed on the website).
- k. Describe the limits on the Trustees’ liability and what their indemnity covers.
- l. Tie the election and service of Trustees to that of the governors of the new trust.

Most of these changes are self-explanatory. Where the TRAION management team considers that further explanation is needed, footnotes have been included in the Trust Deed with those explanations.

Two versions of the amended TRAION Trust Deed are available for viewing on the TRAION website:

- a. one version is a mark-up, showing all of the proposed amendments against the current (2019) version of the TRAION Trust Deed; and
- b. one version is “clean” and shows the TRAION Trust Deed as it will be if the proposed changes are approved by the Members of Ngāpuhi at the SGM.

Adding a new type of trust to the Group: Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust

The Trust Deed for Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust is based on the TRAION Trust Deed. Where there are any differences between the Trust Deed for Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust and the TRAION Trust Deed, those reflect:

- a. that Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust is not a charity;
- b. that Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust is the mandated iwi organisation;
- c. new changes are needed because of the Government's changes to the Māori Fisheries Act.

These changes do not change how trust representatives are appointed. To keep it simple, the governors of Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust will be the same as the trustees of TRAION. This means decision-making across the two entities will be the same and both for the benefit of Ngāpuhi.

Two versions of the Trust Deed for Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust are available for viewing on the TRAION website:

- a. one version is a mark-up, showing all of the proposed amendments against the current (2019) version of the TRAION Trust Deed; and
- b. one version is “clean” and shows the Trust Deed for Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust as it will be if it is ratified by the Members of Ngāpuhi at the SGM.

Regulatory approvals

As required by the Māori Fisheries Act 2004, Te Ohu Kaimoana needs to approve the change of mandated iwi organisation and the transfer of fisheries assets from TRAION to Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust.

A binding ruling has been sought from Inland Revenue to secure its approval on key aspects of the restructure (including the tax implications arising from the recognition of a new MIO) and ensure certainty from a tax perspective before proceeding with the restructure.

Effective date

Once the regulatory approvals have come through, TRAION will decide the “effective date” of the restructure, which must be at least 3 months after approval from Te Ohu Kaimoana is received.

We expect the effective date will be in the first half of 2026.

Legal documents

The schedule to this note includes a table listing the key documents required to implement the restructure and provides a summary of each.

For further information please contact TRAION via board.admin@ngapuhi.org, visit the TRAION office in Kaikohe, or attend one of the information hui leading up to the special general meeting.



Moana Tuwhare
Tumu Whakarae – General Manager
Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi



Nick Wells
Chairman
Ngāpuhi Asset Holding Company Limited

RESOLUTIONS

The resolutions are below and will be voted on at the SGM (or via postal or ballot box vote prior).

Resolution one: *Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust should replace Te Rūnanga-Ā-Iwi-Ō Ngāpuhi as the Ngāpuhi Mandated Iwi Organisation for the fisheries assets.*

Related approvals: In agreeing to resolution one, I also agree that:

- The constitutional documents for Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust are ratified for the purposes of the Māori Fisheries Act 2004, and include all new requirements of the Māori Fisheries Amendment Act 2024.
- All of the current trustees of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi will be directors of the trustee company of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust and they are elected for three-year terms on both entities.
- All fisheries assets and Ngāpuhi Asset Holding Company Limited will be transferred from Te Rūnanga-Ā-Iwi-Ō Ngāpuhi to Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust and these transfers are approved as a major transaction.
- Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust will become responsible for holding and maintaining the membership register and dealing with membership disputes, in accordance with the Māori Fisheries Act 2004. Te Rūnanga-Ā-Iwi-Ō Ngāpuhi shall have delegated authority to hold and maintain the register of members on behalf of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust
- The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi is amended to reflect that Te Rūnanga-Ā-Iwi-Ō Ngāpuhi is no longer the Ngāpuhi Mandated Iwi Organisation.
- The existing Ngāti Hine withdrawal mechanism will be included in the Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust Deed as that Trust will hold the fisheries assets.
- These changes are subject to Te Rūnanga-Ā-Iwi-Ō Ngāpuhi receiving the necessary regulatory approvals, including from Te Ohu Kaimoana, and will take effect on a date to be confirmed by the trustees of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi.

Resolution two: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to remove from the purpose clause the reference to receiving Treaty settlement assets.*

Resolution three: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to comply with delegation and custodian rules in the Trusts Act 2019.*

Resolution four: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to make the Takiwā election process more user friendly by changing the meaning of “active participation” for candidates and shortening the timeframes for the election process.*

Resolution five: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to provide for electronic meeting attendance and electronic voting, notices to include email notices and remove the requirement for notice to be in a national newspaper (so that a local paper is enough).*

Resolution six: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to make sure all of the procedural rules for meetings and voting are the same as Te Rūnanga-Ā-Iwi-Ō Ngāpuhi Commercial Trust.*

Resolution seven: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to:*

- *correct mistakes;*
- *remove outdated concepts like cheques and standing orders; and*
- *remove the Membership Registration Form from the Trust Deed.*

Resolution eight: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to clarify that a Trustee is not “interested” just because he or she is an officer of another Ngāpuhi entity.*

Resolution nine: *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to insert the market standard trustee liability, indemnity and insurance clauses.*

Related approvals: In agreeing any or all resolutions two to nine, I also agree that:

- These changes to the Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi are for the collective benefit of all Members of Ngāpuhi.
- These changes will take effect on a date to be confirmed by the trustees of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi.

Resolution ten: MFAA changes. If resolution one is not approved and Te Rūnanga-Ā-Iwi-Ō Ngāpuhi remains as the Ngāpuhi Mandated Iwi Organisation:

- *The Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi be amended to reflect changes required by the Māori Fisheries Amendment Act 2024.*

Related approvals: In agreeing to resolution ten, I also agree that:

- These changes to the Trust Deed of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi are for the collective benefit of all Members of Ngāpuhi.

- These changes are subject to Te Rūnanga-Ā-Iwi-Ō Ngāpuhi receiving the necessary regulatory approvals, including from Te Ohu Kaimoana, and will take effect on a date to be confirmed by the trustees of Te Rūnanga-Ā-Iwi-Ō Ngāpuhi.

SCHEDULE KEY DOCUMENTS

Document	Parties / Signatories	Key Points	When is the document signed or effective?
TRAION Trust Deed [Available on website]	All current TRAION trustees	<ul style="list-style-type: none"> Amended to remove Māori Fisheries Act clauses Amended to make other tidy up changes to make it more user friendly. 	<p>Signed after the SGM.</p> <p>Dated on the “Proposed Transfer Date” – the date that TRAION decides which must be at least 3 months after TOKM approval is received.</p>
Trust Deed for Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust [Available on website]	All current TRAION trustees	<ul style="list-style-type: none"> Trust deed is based on the TRAION trust deed Requirement to have a register of members is delegated to TRAION 	Established after the SGM.
Constitution of corporate trustee for Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust [Available on website]	N/A	<ul style="list-style-type: none"> A company will be the corporate trustee, to protect the governors from personal liability All of the trustees of TRAION will be the directors of the corporate trustee Standard constitution for a trustee company 	Trustee company with TRAION trustees as directors needs to be set up immediately.
NAHC constitution (first change) [Available on request]	Resolution of TRAION board as shareholder	<ul style="list-style-type: none"> The NAHC constitution needs to be amended twice First, to remove the requirement for a charitable shareholder 	<p>On the “Proposed Transfer Date”</p> <ul style="list-style-type: none"> first set of changes to NAHC constitution take effect shares in NAHC are transferred from TRAION to Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust
NAHC constitution (second change) [Available on request]	Resolution of board of Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi Commercial Trust as shareholder	<ul style="list-style-type: none"> The second amendment to the NAHC constitution is to remove the charitable purposes from the constitution 	<p>Immediately after the Proposed Transfer Date</p> <ul style="list-style-type: none"> NAHC will deregister as a charity second set of changes to the NAHC constitution take effect