PARE HAURAKI FISHING TRUST

# Proposed Trust Deed Amendments – Explanatory Note

## Background

The Pare Hauraki Fishing Trust (with the Hauraki Māori Trust Board as its trustee) is the Mandated Iwi Organisation (**MIO**) for Hauraki Iwi under the Māori Fisheries Act 2004 (**the Act**). As such, the Trust Deed of the Trust must meet the requirements of the Act.

The Act was amended in 2024, with the amendments coming into force in July 2026. These amendments followed an independent review of the Act and subsequent engagement between Te Ohu Kaimoana (**Te Ohu**) and iwi. The amendments were "intended to give iwi a greater degree of rangatiratanga over their assets, improve benefits to all Māori, reduce costs, and improve efficiency."

The amendments to the Act are positive and beneficial to iwi, as they remove some of the more paternalistic elements of the original Māori Fisheries Settlement structure that the Act established. There are two main changes, and these lead to a few consequential amendments.

The amendments are detailed in the table **overleaf** to this explanatory note.

## Conversion of shares in Aotearoa Fisheries Limited

Originally, MIOs were issued with "income shares" in Aotearoa Fisheries Ltd (**AFL**), which entitled them to a share of dividends, but conferred no voting rights. All voting shares in AFL were held by Te Ohu. Amendments to the Act have effectively converted all income shares to full voting shares and cancelled the shares held by Te Ohu. This means that MIOs now have all the usual rights of shareholders including, for example, being able to participate directly in the appointment of directors to AFL.

Several changes to the Trust Deed are required because of this change:

- Adding a definition of "Aotearoa Fisheries Limited" to cl 1.1, as this term will be used in other new clauses to be inserted.
- Adding a new requirement in cl 3.4 that the Trust must "direct the exercise of the rights of a shareholder in Aotearoa Fisheries Limited held by any of its asset-holding companies or their subsidiaries". This wording is prescribed by the Act and reflects the fact that the voting shares in AFL are now held by Pare Hauraki Asset Holdings Ltd (PHAHL) on behalf of the Trust. Note that amendments to three paragraphs of cl 3.4 are proposed, so that the new wording can be added without renumbering the whole clause, but only one of these paragraphs is new.
- Amending cl 7.2 to add a requirement that PHAHL must include in its annual report a note on any interactions with AFL, as well as interactions with Te Ohu and other MIOs. Again, this is prescribed by the Act but just reflects the new relationship PHAHL now has with AFL by virtue of being a full shareholder in it.
- Add a reference to "any proposal to acquire shares in AFL" to cl 7.2(b)(ii) as a matter that must be noted in the annual report of PHAHL, reflecting the new, more tradable, nature of those shares.
- Replace all references to "income shares" with "ordinary shares".

## Direct appointment of directors of Te Ohu Kaimoana Trustee Limited

Originally, directors of Te Ohu Kaimoana Trustee Ltd (TOKMTL) were appointed through an electoral college, called Te Kawai Taumata, made up of regional groupings of MIOs. Hauraki iwi were part of the Tainui grouping, along with Waikato-Tainui, Ngāti Maniapoto and Ngāti Raukawa (ki Waikato). Amendments to the Act did away with Te Kawai Taumata, in favour of direct appointment of TOKMTL by MIOs. All references to Te Kawai Taumata in the Trust Deed are therefore to be removed.

## Other amendments

The attached table also proposes several other amendments to remove or correct references to statutory terms or sections that no longer exist.

## Conclusion

The Pare Hauraki Fishing Trust recommends that these amendments are approved, as they will be for the collective benefit of all members of Hauraki iwi. If the amendments are not approved, or there is a delay in doing so, we risk losing our status as the MIO for Hauraki iwi. That could mean missing the opportunity to participate in processes such at the appointment of directors to Te Ohu and AFL and – importantly – not being able to receive settlement assets under the Māori Commercial Aquaculture Claims Settlement Act 2004.

## Table of Proposed Amendments

| Amendment | Comments |
|---|---|
| Amend clause 1.1 (definitions) by inserting the words "**Aotearoa Fisheries Limited** has the meaning given to it in the Act", after the definition of "Adult Member". | Consequential amendment to support the addition of references to AFL in clauses 7.2 and 3.4. |
| Amend clause 1.1 (definitions) by deleting the definition of "Advisory Trustee" and inserting the words "**Special Trust Advisor** has the meaning given to it in the Trusts Act 2019" and amend clause 4.17 to reflect ss 74-76 of the Trusts Act 2019 | The Trustee Act 1956 has been repealed. The new equivalent to an Advisory Trustee is a Special Trust Advisor under the Trusts Act 2019. |
| Replace clause 3.4 (Strategic Governance) with:<br>"The Trust must:<br>(a) exercise strategic governance over its Asset Holding Companies and any Fishing Enterprise;<br>(b) direct the exercise of the rights of a shareholder in Aotearoa Fisheries Limited held by any of its asset-holding companies or their subsidiaries; and<br>(c) Exercise strategic governance over the process to examine and approve" | Note that only subclause (b) is actually new in this proposed amendment, but replacing the whole clause in this way avoids the need for renumbering.<br>Because the income shares in AFL held by PHAHL are now ordinary/voting shares, the new subclause empowers the Trust to direct PHAHL in the exercise of those voting rights. |
| In clause 7.1(d), replace reference to s 43 of the Act with s 54H. | Technical amendment to reflect amendments to the Act. |
| Amend clause 7.2(a)(v) by inserting after (d): "(dd) with Aotearoa Fisheries Limited". The effect of this is that any interactions with AFL becomes one of the things that must be noted in the Trust's annual report, along with interactions with Te Ohu Kaimoana and other MIOs. | As the Trust (through PHAHL) has become a full, voting shareholder in AFL, this additional reporting requirement is required by the Act. |
| Amend clause 7.2(b)(ii) by inserting after "Settlement Quota" the words "and the acquisition of shares in Aotearoa Fisheries Limited" | Because shares held by MIOs in AFL have become more easily tradable, the Act adds a requirement that any proposal to acquire more be noted in the Annual Plan. |
| Delete clause 7.3(c)(ii). | This clause refers to the ability to make a request to Te Ohu that any quota owned by the iwi be classified as settlement quota. Amendments to the Act allow the Trust to simply make a declaration to that effect if it wishes to do so. |
| Replace all references to "income shares" with "ordinary shares" | All non-voting income shares in AFL have been converted into ordinary (voting) shares |
| Delete all references to Te Kawai Taumata. | This entity has ceased to exist with the amendments to the Act. |