RULE CHANGES

The Kingfisher Residents' Society Incorporated (1790727) NZBN: 9429043052899) amended its rules by Special Resolution by at the Annual General Meeting held on 18 June 2021. The rule changes are as follows and have been incorporated into the attached rules and shown as underlined in those rules.

Rule 1.1

The Society amends its rule 1.1 by replacing the word 'Kingfisher' with 'Parawera' so that rule 1.1 reads:

***"Name:** The name of the Society shall be "Parawera Residents' Society Incorporated."*

It was further agreed that any other reference in the rules to 'Kingfisher' be replaced with 'Parawera'.

Rule 11.5

The Society amends its rule 11.5 by adding the following words to the end of Rule 11.5:

"To be eligible to be a General Committee Member, the Member shall not be in default of the rules of the Society, and all annual levies (including without limitation any special levies) and additional fees payable by the Member to the Society have been paid in full and for the avoidance of doubt if a member is in default of the rules of the Society as it pertains to levies and in arrears during the year for more than 30 days that they shall be ineligible to remain as a member of the committee and their position on the committee shall be filled through appointing another member in accordance with rule 11.7."

Therefore, the new rule 11.15 shall be:

"Committee Members: The General Committee Members shall be elected by the society at every annual general meeting, and may be elected at any other time by the Society in general meeting, provided that the Society shall only elect persons as general committee members, and shall not elect any person specifically as chairperson. To be eligible to be a General Committee Member, the Member shall not be in default of the rules of the Society, and all annual levies (including without limitation any special levies) and additional fees payable by the Member to the Society have been paid in full and for the avoidance of doubt if a member is in default of the rules of the Society as it pertains to levies and in arrears during the year for more than 30 days that they shall be ineligible to remain as a member of the committee and their position on the committee shall be filled through appointing another member in accordance with rule 11.7."

Signed by:

Member Name: HD Property Company Ltd Lot # 2 Signature _____

Member Name: HD Property Company Ltd Lot # 3 Signature _____

Member Name: John Harrison Lot # 4 Signature _____

Dated 22 January **2013**

RULES OF PARAWERA RESIDENTS' SOCIETY INCORPORATED

1. Name and Registered Office

1.1 **Name:** The name of the Society shall be *"Parawera Residents' Society Incorporated'.*

1.2 **Registered Office:** The registered office of the Society shall be at the offices of Level 1, 32 Market Place, Viaduct Harbour, Auckland, or such other place as the Committee shall determine from time to time.

2. Definitions and Interpretation

2.1 Definitions: In these Rules, unless the context otherwise requires:

"Act" means the Incorporated Societies Act 1908.

"Adjoining Land" means the subleasehold interest in lot 200 on the Scheme Plan which the Adjoining Owner intends to develop in the future.

"Adjoining Owner" means the registered proprietor from time to time of the Adjoining Land.

"Bank" means a registered bank as defined in the Reserve Bank of New Zealand Act 1989.

"Body Corporate" means (where there has been a subdivision of a Lot pursuant to the Unit Titles Act 2010) the body corporate established pursuant to the Unit Titles Act 2010.

"Building Act" means the Building Act 2004 (and any successor to that Act).

"Bylaws" means those bylaws set out in Schedule 1 as added to, amended or modified from time to time by the Society.

"Capital Improvements" means the structural repairs to, and the replacement or renewal of, the Communal Facilities (but excludes structural repairs to, and the replacement or renewal of any Easement Facility).

"Caretakers Lease" means the lease from time to time between the owner of the Caretakers Lot as sublessor and the Society as sublessee of the Caretakers Lot.

"Caretakers Lot" means Lot 81 on the Scheme Plan.

"Committee" means the committee members from time to time elected to manage the affairs of the Society pursuant to these Rules.

"Communal Facilities" means the Society Lots together with the roads, footpaths, walkways, street lighting, entry and exit gates, ride on mower with trailer, weed eater, chainsaw, leaf blower, water blaster, security cameras, assorted tools, landscaping, buildings, fences, plant, equipment, facilities, and amenities, including the tennis court, swimming pool, gymnasium complex, DVD, dishwasher, stereo, oven and hob, dining table

and chairs, mirror, painting, sofas (2), TV, barbeque utensils, outdoor tables and umbrellas, barbeque, seats, outdoor heater, and gym equipment owned leased, licensed, or otherwise held operated or managed by the Society as at the date of execution of these Rules together with such items as the Society may subsequently acquire from time to time.

"Rules" means these Rules as amended or added to, including all schedules to these Rules.

"Default interest Rate" means 4% above the Society's bank's overdraft rate applicable during the continuance of the default.

"Design Control Committee" means the committee members from time to time appointed under clause 15.1 to consider design approval application by Members of the Residential Lots.

"Design Guidelines" means the design guidelines issued by the Design Control Committee pursuant to clause 15.3.

"Developer" means Symphony Properties Limited and its transferees and assigns.

"Development" means the residential/commercial development of the Land and referred to as *"Parawera'*.

"Easement Facility" has the meaning given that term in any easement registered against the Society's Lots or, if no such meaning is given, has the meaning given that term by the Land Transfer Regulations 2002.

"Encumbrance" means encumbrance no. E16841320.100 registered against the Lots requiring the owners of the Lots to join and remain as a member of the Society and fulfil the obligations of a Member as set out in these Rules and the Bylaws.

"Financial Year" means:

(a) the period from the date of incorporation of the Society to the following 31 March; and

(b) each 12 month period commencing on 1 April and ending on 31 March.

"Headlease" means the lease between the Headlessor and the Sublessor in respect of the Land.

"Headlessor" means the registered proprietor of the fee simple estate in the Land which as at the date of these Rules is the Proprietors of the Hiruharama Ponui Block and includes its successors and permitted assigns.

"Invitee" means any invitee of or any visitor to an Owner or Occupier. "Land" means all of the land depicted on the Scheme Plan.

"Land Covenants" means those covenants and/or encumbrances registered against the Lots under which the Society's Lots obtain a benefit.

"Lot" means each of the subleasehold lots within the Development shown as Lots 1 to 81 (all inclusive) on the Scheme Plan.

"Manager" means Symphony Projects Limited or any other manager appointed by the Committee.

"Management Agreement" means the agreement for the management of the Development attached as Schedule 4.

"Manager's Representative" has the same meaning as set out in the Management Agreement.

"Member" means only those persons who shall from time to time be required to be a member of the Society by the Encumbrance, including a Body Corporate.

"Member's Proportion" means the percentage proportion ascribed to the relevant Lot owned by a Member as set out in Schedule 3.

"Occupier" means:

(a) any person occupying (permanently or temporarily) any Lot or part thereof;

(b) any person occupying (permanently or temporarily) a principal unit where a Lot has been subdivided under Part II of the Unit Titles Act 2010; and

(c) all family members of those persons referred to in subparagraphs (a) and (b) above.

"Operating Expenses" means the total sum of all rent (including, without limitation, rent under the Caretaker's Lease), rates, taxes, costs and expenses of the Society properly or reasonably assessed or assessable paid or payable or otherwise incurred in respect of the Communal Facilities, the carrying out of the Objects of the Society specified in clause 3, and the operation of the Society (including, without limitation, the Management Expenses, and Management Fee, as defined in the Management Agreement), but shall exclude any costs payable in respect of Capital Improvements.

"Owner" means each person registered as a proprietor (whether individually or with others) of a Lot and where a Lot has been subdivided under Unit Titles Act 2010 the Body Corporate of that Lot.

"Owner's Title" means the subleasehold Identifier issued for a Lot.

"Registrar" means the person holding office from time to time as Registrar of Incorporated Societies in terms of the Act.

"Residential Lots" means Lots 1 to 75 (both inclusive) on the Scheme Plan.

"Resource Consent" means all local and territorial authority resource consents obtained by the Developer for the Development and includes any variation or derivation of them.

"Scheme Plan" means DP 365838.

"Society" means Parawera Residents Society Incorporated.

"Society's Lots" means the subleasehold interest in Lots 92 and 96 on the Scheme Plan owned by the Society.

"Special Levy" means a levy made on a Member under clause 7.5.

"Special Resolution" means a special resolution of the Society in general meeting passed by a majority of not less than 75% of the votes of those Members entitled to vote and voting on the question, whether in person or by proxy.

"Sublease" means the lease between the Sublessor and the Society in respect of the Society's Lots.

"Sublessor" means Symphony Properties Parawera Limited together with its successors and assigns.

2.2 **Interpretation:** In these Rules, unless the context otherwise requires:

2.2.1 words denoting the singular shall include the plural and vice versa;

2.2.2 one gender includes the other genders;

2.2.3 words denoting persons shall include any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, estate, agency of a state, municipal authority, government or any statutory body in each case whether or not having separate legal identity;

2.2.4 any covenant or agreement on the part of two or more persons shall bind those persons jointly and severally;

2.2.5 reference to anything of a particular nature following upon a general statement shall not in any way derogate from, or limit the application of the general statement, unless the particular context requires such derogation or limitation;

2.2.6 any reference to "month" or "monthly" shall mean, respectively, calendar month or calendar monthly;

2.2.7 reference to clauses are references to clauses in these Rules;

2.2.8 references to Bylaws are references to Bylaws made pursuant to these Rules;

2.2.9 section headings and clause headings have been inserted for convenience and shall not form part of these Rules or affect its interpretation in any way;

2.2.10 reference to any statute, regulation, ordinance or bylaw shall be deemed to extend to all statutes, regulations, ordinances or bylaws amending, consolidating or replacing the same.

3. Objects

3.1 **Objects:** The Society is formed to promote the following objects for the benefit of Members:

3.1.1 the ownership, leasing or control and continued ownership, leasing or control of the Communal Facilities by the Society;

3.1.2 to ensure the proper operation, maintenance, repair, renovation and replacement of the Communal Facilities by the levying of Members for the purpose of providing funds for and meeting the costs and expenses of such work;

3.1.3 to control the design of all improvements, buildings, dwellings, landscaping works of every kind on every Residential Lot;

3.1.4 to maintain the Communal Facilities and the Development generally as a safe, clean and well-presented environment having regard to the age, appearance and aesthetics of the Development as a whole;

3.1.5 to enforce the Land Covenants;

3.1.6 to maintain a right as leaseholder of the Caretaker's Lot so as to ensure that the Communal Facilities are subject to supervision on a permanent basis;

3.1.7 to ensure compliance by the Members of their obligations to the Society so that the Society can perform its Obligations under the Subleases and, to the extent that it may apply as a term of the Subleases, the Headlease, and thereby ensure that the rights of ownership of the Society's Lots and the Communal Facilities are not imperilled;

3.1.8 to ensure that all service lines, pipes, service facilities and easement facilities situated on or within the Society's Lots are properly maintained in a consistent manner and where appropriate in accordance with the requirements of the relevant local authority and that, where any such maintenance is carried out for the exclusive benefit of one or more Members (to the exclusion of other Members) then that or those Member(s) meet the costs of such works;

3.1.9 whilst lot 101 on the Scheme Plan contains areas or artefacts that are considered Wahi Tapu by the Headlessor, ensure that Members do not enter that lot;

3.1.10 to promulgate and enforce Bylaws;

3.1.11 to preserve the value and integrity of the Lots by assisting and co-operating with the Adjoining Owner to enable the completion of the development on the Adjoining Land;

3.1.12 *to assist and co-operate with the Adjoining Owner and the Developer to enable the completion of the Development such assistance and co-operation to include, without limitation, giving consent as Encumbrancee under the Encumbrance, to the registration of any document required by the Adjoining Owner or Developer to be registered in relation to any aspect of the Development provided that such registration does not have any material adverse effect on the use of the Communal Facilities. For the purposes of this clause variations to an individual sublease (not being the sublease of the Communal Facilities) or further subdivision of any Lot will be deemed not to have a material adverse effect on the Communal Facilities.*

3.2 **No Pecuniary gain:** Notwithstanding anything to the contrary, the Society does not have pecuniary gain as an object and, may not carry on trading activities or carry on business for profit. Subject to clause 16.1, no Member shall be entitled to receive any dividend out of any levy, fee, donation or other income or funds of the Society.

4. Powers of Society

4.1 **Powers:** Subject to the express terms of these Rules, and to the Act, the Society shall have all the powers of a natural person.

4.2 **Limitations:** Notwithstanding clause 4.1, the Society shall:

4.2.1 act solely in furtherance of the objects set out in clause 3.1 above;

4.2.2 hold all moneys of the Society on deposit with a Bank, and shall not otherwise invest any of such moneys, except by Special Resolution;

4.2.3 not borrow any monies, other than by way of short term borrowing in order to cover any temporary shortfall in meeting the Society's obligations under these Rules, except by Special Resolution;

4.2.4 not mortgage, charge, encumber, transfer or otherwise deal with the Society's Lots, the Communal Facilities or the Society's interest in the Caretaker's Lease, except by Special Resolution, provided that where the Society is obliged to grant any interest in or right in respect of the Communal Facilities by any agreement with the Developer or Adjoining Owner, such interest or rights may be granted by the Committee.

5. Duties of the Society

5.1 **Bylaws:** The Society shall:

5.1.1 promulgate Bylaws for the use of the Communal Facilities (including any restrictions on use for security, maintenance or other reasons) and Bylaws concerning the behaviour of Owners, Occupiers and Invitees.

5.1.2 subject to clause 16.2, amend and review the Bylaws and Rules from time to time as appropriate;

5.1.3 enforce the Rules and Bylaws, taking such action in this regard as the Society considers appropriate.

5.2 **First Rules:** The current Bylaws shall be those Bylaws attached as Schedule 1 to these Rules.

5.3 **Repair of Communal Facilities:** The Society shall ensure the proper use, operation, maintenance, repair, renovation and replacement of the Communal Facilities, and shall undertake such Capital Improvements as are necessary for this purpose.

5.4 **Repair of Easement Facilities:** Except to the extent that any Easement Facility may be owned and maintained by a third party (including without limitation Taupo District Council, Unison Networks Limited, WEL Networks Limited or Telecom New Zealand Limited, (together referred to as "Service Providers")), the Society shall arrange and carry out any maintenance, repair or renovation required to any Easement Facility. Where the Society carries out such maintenance, repair or renovation, it shall levy the Member(s) who benefit(s) from such maintenance, repair or renovation, in accordance with clause 7.5.3. For the avoidance of doubt, any pipe, line, conduit, meter or similar equipment which exclusively connects the front boundary of any Lot to any Easement Facility within the Society's Lot maintained by any Service Provider shall be deemed to exclusively benefit that Lot.

5.5 **Insurance:** The Society shall effect and maintain all insurances as it considers prudent with respect to the Communal Facilities and the Society's affairs, and shall meet all costs of such insurance (which shall include all valuations and other professional fees required or deemed desirable for the purposes of such insurances and the cost of certificates relating to such insurances).

5.6 **Service contractors and utility suppliers:** The Society may, from time to time, but, subject to any limitation under the Management Agreement) nominate a service contractor (with respect to management maintenance, security, landscaping or such other services as the Society considers desirable) or a utility supplier (with respect to the supply of any utilities to the Communal Facilities) as an exclusive service contractor or utility supplier to the Development. Any Member wishing to contract for services within the Development shall, where a service contractor or utility supplier has been nominated in respect of those services or utilities, whenever reasonably possible use that nominated service contractor or utility supplier.

5.7 **Register of Members:** The Society shall maintain a register of Members recording:

5.7.1 the name, address, occupation, telephone number, facsimile number and email address (at home and at work) of each Member, or if the Member is not a natural person, of a contact person for that Member;

5.7.2 the name, address, occupation, telephone number, facsimile number and email address (at home and at work) of each Occupier, or if the Occupier is not a natural person, of a contact person for that Occupier;

5.7.3 the date upon which each Member became a member of the Society;

5.7.4 where there is more than one Owner of a Lot, which of such Owners is entitled to vote in accordance with clause 14.1;

5.7.5 the name, contact person, telephone number, facsimile number and email address of any mortgagee over that Member's Lot.

6. Owner Members

6.1 **Owners to become Members:** Each Owner shall be a Member, and only Owners shall be Members, and for that purpose:

6.1.1 Land Covenants shall be noted against the title or identifier to each Lot in favour of the Society, whereby each Owner covenants to become and remain a Member, and to perform the obligations of a Member as set out in these Rules. Each Member shall prior to settling the sale, transfer or disposition of a Lot procure the purchaser, transferee or dispose to enter Into and deliver to the Society a deed of covenant in favour of the Society, wherein the purchaser transferee or dispose covenants to become, (contemporaneously with the transfer of the Lot), and remain a Member, and to observe and perform the obligations of a Member as set out in these Rules. The deed of covenant or encumbrance shall be prepared by the solicitors for the Society, and the selling Member shall pay the reasonable legal fees and disbursements of the Society's solicitors.

6.1.2 subject to compliance with clause 6.1.1 a Member shall be deemed to have resigned from the Society immediately that Member is no longer an Owner, provided that such resignation shall not relieve a person of any obligation or liability arising before that person ceased to be a Member.

6.1.3 each Owner shall, immediately upon becoming an Owner (and thereafter as any details change), provide the Society with details necessary for maintenance of the register of Members pursuant to clause 5.7, and shall upon entry of the details into the register, become a Member.

6.2 **More than one Owner:** If there is more than one owner of a Lot, such Owners shall collectively constitute one Member.

6.3 **Not assignable:** The rights, privileges and obligations of a Member are not assignable, other than where a Member sell, transfers or otherwise disposes of a Lot.

7. Obligations of Members

7.1 **Estimate of Operating Expenses:** Prior to or as soon as practicable after the commencement of each Financial Year, the Committee shall by written notice advise each Member of the Committee's estimate ("Committee's Estimate") of each Member's Proportion of Operating Expenses for that Financial Year, plus such contingency sum as the Committee shall, in its sole discretion elect for that Financial Year.

7.2 **Payment of Operating Expenses:** Each Member shall, on the first of each month in each Financial year, pay 11121h of the Committee's Estimate applicable to that Financial Year. Payment shall be made by each Member in the manner set by the Committee.

7.3 **Confirmation of Operating Expenses:** As soon as practicable after the end of each Financial Year the Committee shall provide to each Member an itemised statement of the actual Operating Expenses for the previous Financial Year. If the Member's Proportion of actual Operating Expenses for the previous Financial Year is greater than the total of the monthly payments made by the Member pursuant to clause 7.2, the Member shall within one month of notification pay to the Society the difference. If the Member's Proportion of actual Operating Expenses for the previous Financial Year is less than the total of the monthly payments made by the Member pursuant to clause 7.2, the Society shall credit the difference to the Society's Estimate for the then current Financial Year.

7.4 **Estimate not Available:** If the Committee has failed to advise a Member of the Committee's Estimate for a Financial Year before the date the first payment is due under clause 7.2, the Member shall on that date and every other date on which a payment is due under clause 7.2 pay 1112th of the Committee's Estimate applicable to the previous Financial Year. On the Committee's Estimate for the Financial Year being advised to that Member:

7.4.1 clause 7.2 shall apply thereafter;

7.4.2 if the aggregate of a Member's payments made under this rule during the Financial Year exceeds the aggregate of payments which should have been made under clause 7.2, the Society shall credit the difference in accordance with clause 7.3;

7.4.3 if the aggregate of a Member's payments under this rule during the Financial Year is less than the aggregate of payments which should have been made under clause 7.2, the Member shall immediately pay the Society the difference in accordance with clause 7.3.

7.5 **Special Levies:** The Committee:

7.5.1 may from time to time fix an additional monthly levy to be paid by each Member together with the monthly instalments of the Committee's Estimate for that Member, to be set aside as a sinking fund to allow for and meet the cost of Capital

Improvements;

7.5.2 may from time to time fix such special levies, payable by each Member at such times as are set by the Committee, as the Committee considers are necessary for it to meet its obligations under these Rules; and

7.5.3 may from time to time fix such special levies, payable by any Member to the exclusion of other Members at such time and for such amount as may be necessary to meet the Society's obligations pursuant to clause 5.4, such levy to be payable at the time specified by the Committee from time to time. For the avoidance of doubt, where any work carried out by the Society pursuant to clause 5.4 benefits more than one Member, then notwithstanding anything to the contrary contained herein, such benefiting Members shall pay that proportion of any levy set by the Committee pursuant to this clause in such shares as may be fair and equitable.

7.6 **Sale of Lot:** Where a Member ("Vendor") sells, transfers or otherwise disposes of a Lot:

7.6.1 The Vendor shall, notwithstanding any other rule in these Rules, remain liable for sums owed to the Society by that Vendor;

7.6.2 The Vendor shall not be entitled to any refund of any annual levy or Special Levies or any other financial contribution paid to the Society;

7.6.3 The Vendor shall continue to be liable as a primary and principal debtor for all indebtedness of the purchaser or transferee of the Lot to the Society until such time as the deed of covenant or encumbrance specified in clause 6.1.1 is received by the Society;

7.6.4 The purchaser or transferee of the Lot shall be liable as a Member for any indebtedness of the Vendor to the Society in respect of the Lot purchased and a certificate of the Society given pursuant to clause 7.7 shall be conclusive as to the sum of this indebtedness; and

7.6.5 The purchaser or transferee shall receive the benefit of any levies (special or otherwise) paid in respect of the Lot.

7.7 **Certificate of Indebtedness:** The Society shall, on application by a Member, any person authorised in writing by such Member, a prospective purchaser of a Lot, or any person authorised in writing by such prospective purchaser, provide to such applicant within five (5) Working Days a certificate of the indebtedness of the Member to the Society calculated to the date specified in the application. The statement shall show:

7.7.1 the Society's Estimate of the Member's Proportion of Operating Expenses for the current Financial Year for the relevant lot;

7.7.2 payments made by the relevant Member on account of Operating Expenses in the current Financial Year;

7.7.3 payments due from the relevant Member on account of Operating Expenses in the current Financial Year, and not paid by that Member; and

7.7.4 any accumulated unpaid default interest.

In addition, the Society shall provide to any such applicant a copy of the most recent financial statements of the Society.

7.8 **Member Covenants:** Each Member agrees to promptly and fully comply with the Bylaws under these Rules, any Bylaws made by the Society from time to time, the Land Covenants and any other covenants given in favour of the Society by such Member (whether by separate deed of covenant or as noted against the title or identifier to such Member's Lot).

7.9 **Application of Levies:** All Operating Expenses, and all levies and special levies may be applied only for one or more of the Objects set out in clause 3.1.

7.10 ***Performance and Observance of Terms of Members' Sublease:*** *Each member shall ensure that it performs and observes all of the terms and obligations under the Members Sublease so long as that member is a proprietor of a Lot. Those obligations include the obligation to make payment of all amounts due and payable under the Members Sublease including payment of rent and other outgoings. Without reducing any other rights of the Society or obligations of a Member, if for any reason a Member fails to perform its obligations under a Sublease, then the Society may perform those obligations for and on behalf of the relevant Member and seek recovery of the cost of such performance from the relevant Member plus interest calculated at the Default Interest Rate from the date that the Society performs the relevant Member's obligations until the date that the Society is fully reimbursed by the Member. The Manager is authorised to take all steps that it deems necessary to enforce the Society's rights against a Member under this clause and to recover the Manager's cost of doing so against the Member. For the purposes of this clause "Members Sublease" means the sublease of the Members Lot between the Member and the Sublessor.*

8. Use of Communal Facilities by Members

8.1 **Use:** Subject to any Bylaws of the Society relating to the use of the Communal Facilities, each Member, Occupier and Invitee shall be entitled to use the Communal Facilities for the proper purposes for which they are designed.

8.2 **Caretakers Lot:** No Member, Occupier or Invitee shall be entitled to use the Caretaker's Lot at any time. The Caretakers Lot shall be reserved for the residential occupation of any caretaker appointed and employed by the Manager.

9. Members Assistance to Development of Adjoining Lot

9.1 The Members acknowledge that development of the Adjoining Land is ongoing and shall allow the Adjoining Land Owner such access to the Adjoining Land as is necessary or desirable (in the Adjoining Land Owner's opinion) for the development of the Adjoining Land to proceed and shall allow the Adjoining Owner to add, remove or alter structures and services forming part of the Land, the Society shall procure that its Members amend these Rules if such amendment is necessary or desirable for development of the Adjoining Land to proceed. The Society and all Members individually agree:

9.1.1 to, and hereby allow, the Adjoining Land Owner unlimited access to the Land and the Lots for the purpose of proceeding with development of Adjoining Land;

9.1.2 to grant, and hereby grant, such easements in favour of the Adjoining Land over or under the Lots or the Society's Lots as are required for the development of the Adjoining Land to proceed or as may be necessary or desirable for its development;

9.1.3 not to prevent, hinder or obstruct the use by the Adjoining Land Owner of the Lots or the addition, removal or alteration of structures forming part of the Lots or the Society's Lots by the Adjoining Owner, or the granting of any interests in the Lots or the Society's Lots by the Society or its members to the Adjoining Owner;

9.1.4 not to oppose, permit or take part in any opposition to the development of the Adjoining Land;

9.1.5 to support any resolution to amend these Rules where the Society is bound by agreement with the Adjoining Owner to procure such amendment;

9.1.6 not to breach or act in any way likely to cause a breach of any provisions of any consent to develop the Adjoining Land;

9.1.7 to support the completion of any and all parts of the Adjoining Land;

9.1.8 sign and do all things as may be required by the Adjoining Owner to complete development of the Adjoining Land, including by way of example and not limitation consent to the Issue of all resource management and Building Act consents; and

9.1.9 sign and do all things as may be required by the Adjoining Owner to undertake further subdivisions of the Adjoining Land.

10. Breach of Obligations

10.1 **Occupiers and Invitees:** A reference to an act or omission by any Member, shall include any act or omission by any mortgagee in possession of that Member's Lot, the Occupiers of such Member's Lot and their respective Invitees. A Member must advise the Society of such details of the Occupiers of its Lot as are requested by the Society, and if required by the Society shall procure such Occupiers before they enter into occupation of the Lot to enter into a deed of covenant with the Society (in a form acceptable to the Society), covenanting to be bound by these Rules. Each Member must take all reasonable steps (including enforcing the terms of any lease) to ensure Occupiers comply with these Rules. In any case of persistent default by an Occupier of these Rules, the Owner shall on demand by the Society, terminate the Occupier's right to occupy the Lot. A copy of these Rules shall be attached to every lease, licence, or other document defining occupancy rights.

10.2 **Consequences:** Upon any breach of these Rules by a Member, its Occupiers or Invitees ("Defaulting Member"):

10.2.1 where damage has been caused to the Communal Facilities by the act or omission of a Member, its Occupiers or Invitees, the Defaulting Member shall make good such damage;

10.2.2 if such breach continues for three days after notice is given by the Society to the Defaulting Member to remedy the breach, the Society may (but shall not be obliged to) do anything, including paying money, necessary to remedy the default;.

10.2.3 all money paid and expenses incurred by the Society (including any legal costs of the Society) in remedying, or attempting to remedy, any breach by a Defaulting Member (or its Occupiers or Invitees) of these Rules, or incurred in the exercise, or attempted exercise, or enforcement or attempted enforcement of any power, right or remedy of the Society in respect of such breach (including without limitation money paid pursuant to clause 10.2.2), shall be a debt due from the Defaulting Member to the Society;

10.2.4 if any money payable by a Defaulting Member to the Society is in arrears and unpaid for seven days (whether or not formal demand for payment has been made and without any formal demand being necessary) such money shall be payable on demand and shall bear interest at the Default Interest Rate, computed on a daily basis from the due date until the date of payment in full.

OPERATION OF THE SOCIETY

11. Committee

11.1 **Composition:** The Committee shall comprise the following persons:

11.1.1 a chairperson (who will be from the general committee members subject to clause 11.12); and

11.1.2 four general committee members (excluding the chairperson).

11.2 **Bank accounts:** The Society shall establish a bank account, and any drawings on that account (including any cheque drawn on that account) shall be made only under the signature of the Manager's Representative or if there is no Manager appointed, then two committee members.

11.3 **Documents:** All documents and written announcements requiring execution on behalf of the Society must be signed by the chairperson or under the common seal of the Society, in each case in accordance with a resolution of the Committee.

11.4 **Powers:** The administration of the Society shall be vested in the Committee in accordance with this clause 11. The Committee may exercise all the powers, authority and discretions of the Society as permitted by these Rules and do on its behalf all such acts as it deems necessary or expedient. The powers, authority and discretions exercised by the Committee are subject always to any limits which may from time to time be imposed by the Society. The Committee may delegate any of its powers to committees consisting of such members of their body as it thinks fit or to the Manager provided however that the Committee's obligation to estimate and fix levies pursuant to clause 7 shall not be delegated. Any committee so formed shall in the exercise of the powers so delegated conform to directions of the Committee.

11.5 **Committee members:** The General Committee Members shall be elected by the Society at every annual general meeting, and may be elected at any other time by the Society in general meeting, provided that the Society shall only elect persons as general committee members, and shall not elect any person specifically as chairperson. To be eligible to be a General Committee Member, the Member shall not be in default of the rules of the Society, and all annual levies (including without limitation any special levies) and additional fees payable by the Member to the Society have been paid in full and for the avoidance of doubt if a member is in default of the rules of the Society as it pertains to levies and in arrears during the year for more than 30 days that they shall be ineligible to remain as a member of the committee and their position on the committee shall be filled through appointing another member in accordance with rule 11.7

11.6 **Retirement:** A committee member shall hold elected position until the earliest of:

11.6.1 the next annual general meeting following election (when the committee member shall be eligible for re-election);

11.6.2 the date written resignation from such position is received by the Society;

11.6.3 the date of removal from such position by the Society in general meeting; or

11.6.4 the date of cessation of membership.

11.7 **Casual Vacancy:** In the event of a casual vacancy in any position on the Committee (whether caused by death, cessation of membership from the Society, or some other reason) the remaining committee members may appoint another Member to fill the vacancy until the position is filled by the Society in general meeting.

11.8 **Treasurer/Secretary:** The Committee shall appoint a treasurer/secretary. Notwithstanding any other rule in these Rules, the Manager, acting through the Manager's representative, shall be treasurer/secretary for so long as it remains Manager, and the Committee shall not be entitled to remove the Manager from its Position as treasurer/secretary for any reason whatsoever.

11.9 **Duties of treasurer/secretary:** The treasurer/secretary shall:

11.9.1 convene general meetings of the Society when requested to do so in accordance with these Rules;

11.9.2 attend all meetings of the Committee and have full speaking rights at such meetings;

11.9.3 give all notices required to be given by these Rules or as directed from time to time by the Society or the Committee;

11.9.4 keep minutes at all general meetings and Committee meetings and enter into the minute book:

(a) the time, date and venue of such meeting;

(b) all business considered and resolutions passed at such meeting;

11.9.5 hold in safe custody the common seal of the Society;

11.9.6 receive, and issue receipts for, all levies and Special Levies, additional fees, and any other moneys paid to the Society;

11.9.7 operate and maintain a current bank account in the name of the Society;

11.9.8 pay all accounts properly incurred by or on behalf of the Society;

11.9.9 report immediately to the Society any Member who fails to pay levies or Special Levies or additional fees within the prescribed period;

11.9.10 keep all financial records and any security documents in safe custody;

11.9.11 compile all proper accounting records from time to time as required by the Act or by the Committee which give a true, fair and complete account of the financial affairs and

transactions of the Society; and

11.9.12 compile the financial statements immediately following each financial year as required by the Act, and arrange the auditing of those records and the distribution of the audited financial statements to Members in accordance with clause 11.10.

11.10 ***Audit:*** *subject to the proviso in this clause, the treasurer/secretary shall procure that financial statements in respect of the Society which comply with the Financial Reporting Act 1993 are audited annually and are distributed to the Members* as *soon* as *reasonably practicable after each audit is completed and, in any event, not later than 31 August in each year. For this purpose, the Society shall appoint the auditor* ***provided that*** so *long* as *the accounts of the Society are managed by an experienced property manager whose accounts are audited annually then the Society may dispense with the annual audit under this clause.*

11.11 **Conduct of Meetings:** The Committee may meet together, adjourn and otherwise regulate its meeting and procedures for conducting its business as it thinks fit. A majority of the members of the Committee from time to time shall constitute a quorum for a Committee meeting. No business of the Committee shall be conducted at any time when less than a quorum is present at the same time and place. The Committee may meet at any time and the treasurer/secretary shall, upon the request of the chairperson or any three committee members, convene a meeting of the Committee.

11.12 **Chairperson:** The Committee from time to time shall appoint, remove and replace a chairperson for such term as it sees fit from one of their number to chair Committee meetings and otherwise exercise the powers of the chairperson set out in these Rules.

11.13 **Casting Vote:** Subject to clause 11.15 in the case of an equality of votes the chairperson may exercise a casting vote.

11.14 **Seal:** The Committee shall obtain a common seal for the use of the Society and shall provide for its safe custody. The common seal shall not be used except by resolution of the Committee. Every instrument to which the common seal is affixed shall be signed by any two members of the Committee.

11.15 **Voting:** Resolutions of the Committee shall be passed by majority. Each committee member shall be entitled to exercise one vote, provided that the treasurer/secretary shall not be entitled to vote. Notwithstanding any contrary provision in these Rules, a resolution in writing signed by all of the committee members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and constituted.

11.16 **Validity of Committee's actions:** All acts properly done by any meeting of the Committee or by any person acting as a committee member, notwithstanding that it may afterwards be discovered that there was some defect in the appointment or continuance in office of any such committee member, or that they were disqualified, shall be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a committee member.

11.17 **Committee Minutes and Records:** The Committee shall cause proper minutes to be kept of the proceedings of all meetings of the Society and of the Committee. All business transacted at such meetings signed by the chairperson shall be accepted as a correct and accurate record of the business transacted at such meetings without any further proof of the facts contained in such minutes.

12. Manager

12.1 **First Manager:** The Manager shall manage the Society in accordance with the Management Agreement. On expiry or termination of the Management Agreement, a manager shall be appointed by the Committee under clause 12.2.

12.2 **Appointment and Duties:** Subject to clause 12.1, the Committee shall appoint, remove and replace a manager from time to time to carry out such of the obligations/ of the Society, and exercise such of the discretions and powers of the Society, as the Committee shall see fit. Such appointment shall be for the term, at the remuneration and on such terms and conditions as the Committee may agree with the Manager.

13. General Meeting

13.1 **Annual general meeting:** In addition to any other meetings in that year, the Society shall hold an annual general meeting each year. Not more than 18 months shall elapse between the date of one annual general meeting and that of the next. The Committee will determine the time and place of each year's annual general meeting.

13.2 **Special general meetings:** A general meeting other than an annual general meeting may be requested by the Committee, or by written requisition signed by not less than 25% of current Members. The treasurer/secretary shall call a special general meeting within 14 days of receiving an effective request.

13.3 **Powers of the Society in general meeting:** The Society in general meeting may, by resolution, exercise all powers, authorities and discretions of the Society notwithstanding that any such power, authority and discretion may have been delegated to the Committee by or pursuant to these Rules. Notwithstanding any contrary provision in these Rules, a resolution in writing signed by 75% of the Members entitled to 75% of the votes (in person or by proxy) at general meetings, shall be as valid and effectual as if it had been passed at a general meeting of the Society duly convened and constituted.

13.4 **Quorum:** No business shall be transacted at any general meeting of the Society unless a quorum is present when a meeting proceeds to business. Quorums shall be not less than 3 Members who between them are entitled to exercise not less than 10% of the eligible votes at general meetings, present in person or by proxy.

13.5 **Notice of general meeting:** A notice of general meeting of the Society shall be sent to every Member not less than 14 days before the date of such meeting. Such notice shall specify the date, time and venue of such meeting In the case of a general meeting other than an annual general meeting such notice shall specify all business and all notices of motions to be considered at such meeting. No business or notice of motion which is not specified shall be discussed or transacted at such meeting.

13.6 **Failure to give notice:** The accidental omission to give notice, or the non-receipt of such notice by any Member, shall not invalidate the proceedings at any such meeting.

13.7 **The Chairperson:** The chairperson at any general meeting shall be:

13.7.1 the chairperson of the Committee; or

13.7.2 if the chairperson is not present or is unwilling to take the chair, then a committee member chosen by the committee members present; or

13.7.3 if for any reason no chairperson is selected by the Committee, any Member appointed by a majority of Members present in person or by proxy.

13.8 **Adjournment:** If a quorum is not present within half an hour from the time appointed for the holding of a general meeting convened on requisition of Members, the meeting shall be dissolved. In any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Committee shall determine (such date not to be later than 14 days from the date of the adjourned meeting). If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present shall constitute a quorum.

13.9 **Adjourned meetings:** No business other than that business which might have been transacted at the meeting from which the adjournment took place, shall be transacted at any adjourned meeting. Members shall not be entitled to receive any notice in respect of adjourned meetings.

14. Voting

14.1 **One Member one Vote:** Each Member present at a general meeting of the Society (not at that time being in breach of the Rules) shall be entitled to one vote for each Lot of which that Member is a registered proprietor, which may be exercised either in person or by proxy. Where there is more than one Owner in respect of any Lot and such Owners are collectively a Member pursuant to clause 6.2, only one such Owner shall be entitled to vote. In the absence of agreement between such Owners as to who shall exercise this vote, the Owner appearing first on the identifier to the Lot shall be entitled to exercise that vote. On the death of any Member, and pending the transfer of that Member's Lot, the executor of that Member's estate shall be entitled to exercise that Member's vote.

14.2 **Corporation representatives:** Any corporation which is a Member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Society, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which that person represents as that corporation could exercise if it were an individual Member, and references in these Rules to a Member being present in person shall mean and include a representative appointed pursuant to this clause, and such person may also stand for election to the Committee.

14.3 **No vote if fees unpaid:** Unless all annual levies (including without limitation any special levies) and additional fees presently payable by the Member to the Society have been paid in full, the Member shall not be entitled to vote at any general meeting of the Society, whether in his own right or as a proxy for another person.

14.4 **Voting at meetings:** At any general meeting:

14.4.1 a resolution may be put to the vote by the chairperson or by any Member present at the meeting and entitled to vote;

14.4.2 resolutions put to the vote shall be decided on voices or a show of hands, unless a poll is demanded on or before declaration of the result of the voices or show of hands by:

(a) the chairperson of the meeting; or

(b) at least five Members present in person or by proxy;

14.4.3 in the case of a resolution put to the vote of the meeting by voices or a show of hands, a declaration by the chairperson that such resolution has been carried or lost or an

entry to that effect in the Society's minute book, shall be conclusive evidence of that fact, without further proof of the number or proportion of votes recorded in favour of or against such resolution;

14.4.4 resolutions shall be passed by a majority of votes, except where a Special Resolution or the unanimous resolution of all Members is required by these Rules.

14.4.5 in the case of a tie in votes, the chairperson may exercise a casting vote.

14.5 **Good faith:** Members shall, in exercising any vote at any general meeting, or as a committee member, exercise such vote in good faith with a view to ensuring that all Members are treated equally by the Society, and that each Member shall bear that Member's Proportion of all Operating Expenses and of all costs and expenses to be met by levies made by the Society under clause 7.5, irrespective of whether any expenditure by the Society benefits all Members.

15. Design Control Committee

15.1 **Composition:** The Design Control Committee shall comprise the following persons:

15.1.1 a representative of the Society appointed from time to time by the Committee; 15.1.2 an architect appointed from time to time by the Committee;

15.1.2 a landscape architect appointed from time to time by the Committee; and

15.1.3 a representative of the Sublessor.

15.2 **Design guidelines:** The Design Control Committee shall publish from time to time Design Guidelines for the Residential Lots and may change the Design Guidelines from time to time provided that the consent of Taupo District Council to any such change is first obtained.

15.3 **District Plan:** Each Member shall in respect of any building or development of a Residential Lot comply strictly with the Resource Consent and with the rules in the District Plan (as applicable) and shall not deviate therefrom without first obtaining the written consent of the Society, which consent may be given or withheld in the sole and absolute discretion of the Society. The Society shall not give consent to any noncompliance with or any deviation from or otherwise waive compliance with the Resource Consent and with the provisions of the District Plan (as applicable) without first obtaining the written certificate of an expert that the proposed non-compliance or deviation will not have a materially adverse impact on the efficacy of the Resource Consent and the District Plan (as applicable). Where the Society has obtained the expert's certificate, the Society may give its consent. For the purposes of this clause the expert shall be an independent professional planning consultant nominated by the President or Vice-President of the New Zealand Law Society or by his or her nominee.

15.4 **Design approval:** Before commencing any building or development on any Residential Lot or obtaining any consent from any local authority to build on or develop a Residential Lot, a Member must first submit the design of the proposed building or development to the Design

Control Committee for its written approval, which shall not be unreasonably withheld or delayed where the design:

15.4.1 complies with the Resource Consent (any consent notice issued thereunder}, the Land Covenants and the District Plan (as applicable};

15.4.2 complies with any Bylaws made under these Rules; and

15.4.3 is in accordance with the relevant Design Guidelines.

15.5 **Conflict:** If there is any conflict between the provisions of these Rules and the provisions of the Land Covenants or any consent notice registered against each Owner's Title, the provisions of the Land Covenants or consent notice shall prevail.

15.6 **Costs:** All costs of the design approval process (including without limitation, any disbursements or professional charges of a member of the Design Control Committee} shall be met by the Member seeking the approval.

16. General

16.1 **Dissolution:** The Society may be wound up in accordance with section 24 of the Act. Upon the winding up of the Society, ownership of the Communal Facilities shall vest in the Members as tenants in common in shares equal to the Member's Proportion as at the date of winding up, and the Society shall take all necessary steps to vest legal title to the Society's Lots, the Communal Facilities and the Society's interest in the Caretaker's Lease in the Members.

16.2 **Alteration of Rules:** Subject to clause 16.3, these Rules shall not be amended, added to or rescinded except at an annual general meeting, or a general meeting convened for that purpose, and unless written notice of the proposed amendment, addition or rescission shall have been given to all Members in accordance with this Rules.

16.3 **Rules not to be amended:** Notwithstanding any other clause in these Rules the objects contained in clause 3 may not be rescinded or varied in a manner contrary to those objects but, further objects may added in accordance with clause 16 provided that those objects are not inconsistent with and do not derogate from the existing objects.

16.4 **Alteration of Rules:** These Rules shall not be amended, added to or rescinded except by Special Resolution.

16.5 **Notify Registrar:** No such amendment, addition or rescission shall be valid unless and until accepted by the Registrar.

16.6 **Liability of Members:** No Member shall be under any liability in respect of any contract or other obligation made or incurred by the Society.

16.7 **Society Indemnity:** The Society shall indemnify each Member against any liability properly incurred by such Member in respect of the affairs of the Society, to the extent of property owned by the Society.

16.8 **Action in law:** No action in law or otherwise shall lie in favour of any Member against any other Member or the Committee in respect of any act or omission pursuant to these Rules.

16.9 **Action for wilful default:** Nothing in these Rules shall prevent an action in respect of any loss or expense arising from the wilful default of the person against whom such action is taken.

16.10 **Member Indemnity:** Each Member shall indemnify and keep indemnified the Society from and against any action, claim, demand, loss, damage, cost, expense and liability which the Society may suffer or incur, or for which the Society may become liable in respect of or arising from any breach of these Rules or the Bylaws of the Society by the Member.

16.11 **Dispute Resolution:** Any difference or dispute which may arise between a Member and the Society concerning these Rules or any act or thing to be done, suffered or omitted under these Rules, or concerning the construction of these Rules shall be first referred to mediation and then if resolution is still not achieved, to the arbitration of a single arbitrator if the parties can agree upon one, but otherwise to two arbitrators (one to be appointed by either party) and an umpire (to be appointed by the arbitrators before entering upon the reference). Any dispute, difference or question as to the jurisdiction of the arbitrator shall be determined by the arbitrator. The arbitration shall be conducted in accordance with and subject to the provisions of the arbitration statutes for the time being in force in New Zealand. Such mediation and arbitration shall be a condition precedent to the commencement of any action at law.

Schedule 1:
Society Bylaws

RULES GOVERNING COMMUNAL FACILITIES

1. Use

1.1 Each Member shall make no improper, offensive or unlawful use of any Communal Facilities, and shall use the Communal Facilities only for the purposes for which they were designed and in particular the following conditions shall apply:

(a) the Communal Facilities may only be used by a Member, and Occupier or an Invitee of a Member or any other person entitled to use them between the hours nominated from time to time by the Committee;

(b) children under the age of 12 years may use the Communal Facilities only if accompanied by and supervised by an adult;

(c) no person shall be entitled to have access to the Lot 101.

1.2 No Member shall fetter, obstruct or impede the use of any Communal Facilities by any other Member.

1.3 No Member shall place anything in or on Communal Facilities without the prior approval of the Manager.

1.4 No Member shall do any act which may prejudice or add to the premium payable in respect of any insurance of the Communal Facilities.

2. Roads

2.1 The road and footpaths on the Society's Lots shall only be used for the purpose of access by Members to their Lots.

2.2 Each Member shall provide the Manager with the registration number of all vehicles belonging to that Member which shall be used on any of the Society's Lots.

2.3 No Member shall park any vehicle on the roads or any other Communal Facilities, other than in spaces specified by the Manager from time to time as suitable for that purpose.

3. Prohibited Acts

3.1 No Member shall drop any litter in or on the Communal Facilities.

3.2 No Member shall do any act which detracts from the attractiveness or state of repair of the Communal Facilities. Any Member who discovers any damage to the Communal Facilities shall immediately report such damage to the Manager.

4. Closing of Communal Facilities

4.1 The Manager shall be entitled to close any or all of the Communal Facilities as the Manager considers necessary for security reasons, or for the purpose of maintaining and repairing Communal Facilities.

4.2 The Manager shall endeavour to give reasonable notice to the Members of such closure unless the situation requires immediate closure in which case the Manager shall not be required to give notice.

RULES GOVERNING OWNERS, OCCUPIERS AND INVITEES

5. Conduct and Noise

5.1 No Member shall engage in, or allow any person to engage in, any criminal activity on the Land.

5.2 No Member shall make or permit any improper or unseemly noises on the Land, nor act in any fashion so as to annoy or disturb any other Member.

5.3 If intoxicating liquor is consumed on the Land, the Member shall ensure that all laws governing the consumption of intoxicating liquor are complied with.

5.4 The Society reserves the right to exclude or evict from the Lots and/or Land any person who in the opinion of the Society is under the influence of intoxicating liquor, drugs or substances, or who in any manner acts in violation of the Bylaws or these Rules. This right has been delegated to the Manager.

5.5 No Member shall burn any material or substance on the Land or do anything which may create a fire hazard or contravene fire regulations.

5.6 No Member shall dispose of any rubbish except into bins or receptacles for removal on usual days by the local authority or by independent contractors.

6. Keys/Access Cards

6.1 No Member shall make or retain any duplicates or copies of any keys or access cards relating to the Communal Facilities. Additional keys or access cards can be provided by the Manager, on payment of the fee charged by the Manager. In the interests of effective security the Manager shall have the right (at the Manager's sole discretion) to restrict the number of keys or access cards issued.

6.2 No person shall be allowed by any Member to use a key or access card, other than the Member, or an Occupier of the Lot of the Member (as recorded in the register of members).

6.3 If any key or access card is lost, stolen, destroyed or mutilated, then the Member shall immediately report such to the Manager.

7. Member's Lots

7.1 Each Member shall have the duty to keep that Member's Lot and all improvements thereto (including all fences) in well maintained and attractive condition and shall not permit the accumulation thereon of unsightly rubbish or materials or in any other way permit the appearance of the Member's Lot to detract from the general standards established for the development on the Land.

7.2 Each Member shall at all times comply with the requirements of all statutes, regulations and local authorities, and shall duly and punctually pay all rates, taxes, charges and other outgoings payable in respect of that Member's Lot.

7.3 No Member shall erect any notice or sign on a Lot or the Communal Facilities without the prior written consent of the Manager.

7.4 Each Member shall properly secure any residence or building on that Member's Lot when it is not occupied.

8. Pets

8.1 No Member shall keep or allow any animal on the areas comprising the Communal Facilities. Notwithstanding this general prohibition, a Member may take an animal over and across the Communal Facilities if the animal is on a leash or under some other form of control and the Member shall be responsible for immediate removal of any droppings. A Member may keep within its Lot any animals permitted by Local Authority By-Laws provided such animals do not unreasonably interfere with the peaceful enjoyment of other Members.

9. Aerials

9.1 No Member shall erect or permit to be erected on any Lot any aerials, satellite dishes or other communication receivers of any kind whatsoever, other than those approved by the Society which permission may in the Society's absolute discretion be withheld should it consider that these do not conform to the standards desirable for the development on the Land.

10. Design Approval

10.1 Upon lodging any design for approval by the Design Control Committee, a Member shall deposit with the Society the sum of $2,000.00 plus GST thereon (or such other sum as may from time to time be fixed by the Design Control Committee) thereon as a contribution towards the actual costs of the Design Control Committee in considering whether or not to give its approval to the design.

10.2 If the Design Control Committee fails to approve any design or modifies it or suggests modifications in a substantial manner to such design, the Member shall pay such further monies as the Design Control Committee may reasonably determine to meet the costs of assessment or reassessment.

10.3 The Design Control Committee retains the right to refuse to approve any plans which in its reasonable opinion do not meet the minimum standards of design quality as outlined in the Rules or these Bylaws.

10.4 The Design Control Committee and the Member shall comply with the approval process set out in the Design Guidelines before the Member shall undertake any work on the Lot.

11. Wahi Tapu

11.1 As at the date of these Rules, Lot 101 contains Wahi Tapu areas of significance to the Headlessor. Whilst Lot 101 contains such areas or artefacts, no Member shall enter onto Lot 101 without the prior written consent of the Headlessor. The Members shall take all reasonable steps to respect the significance of this site to the Headlessor.

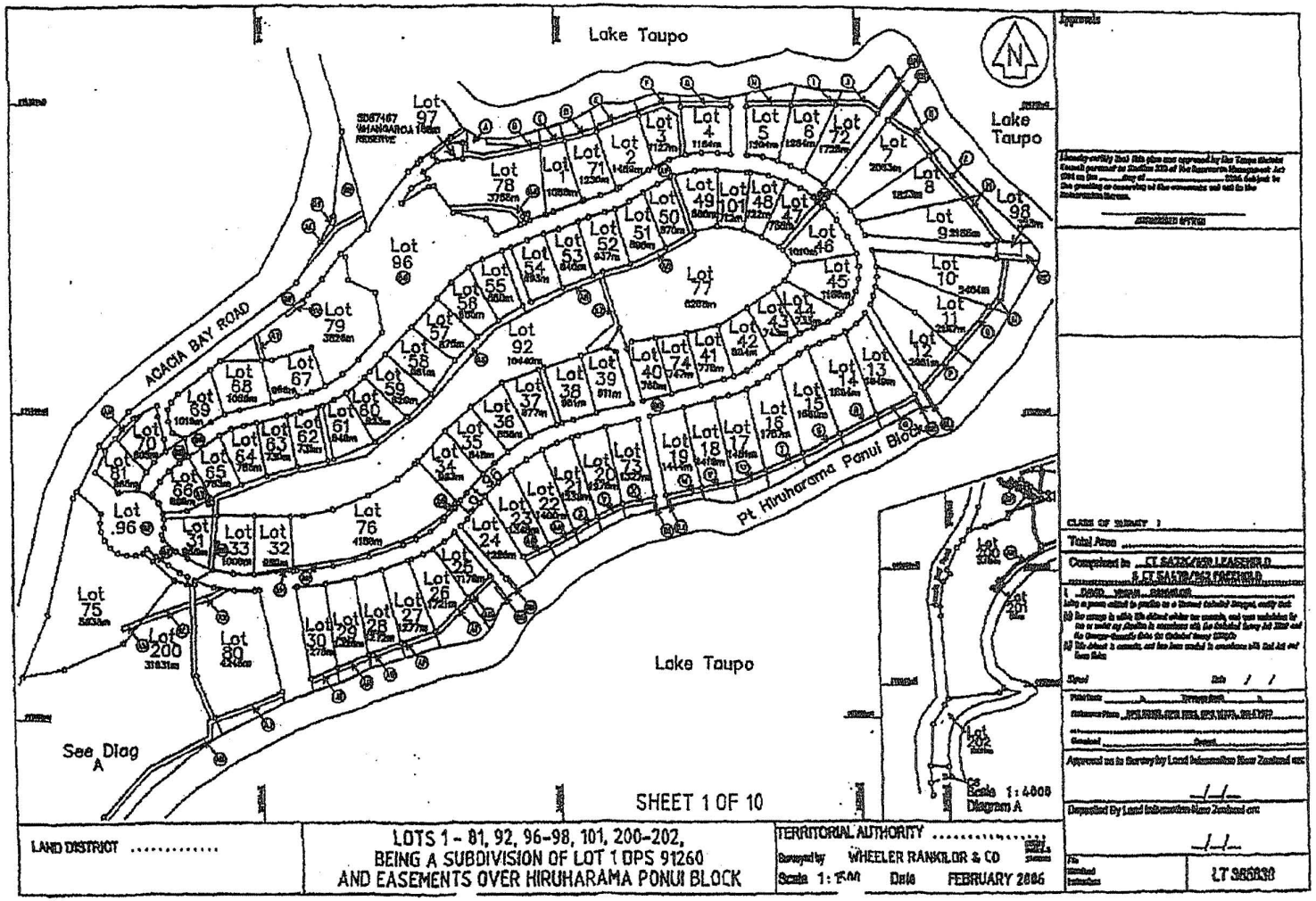
12. Interpretation

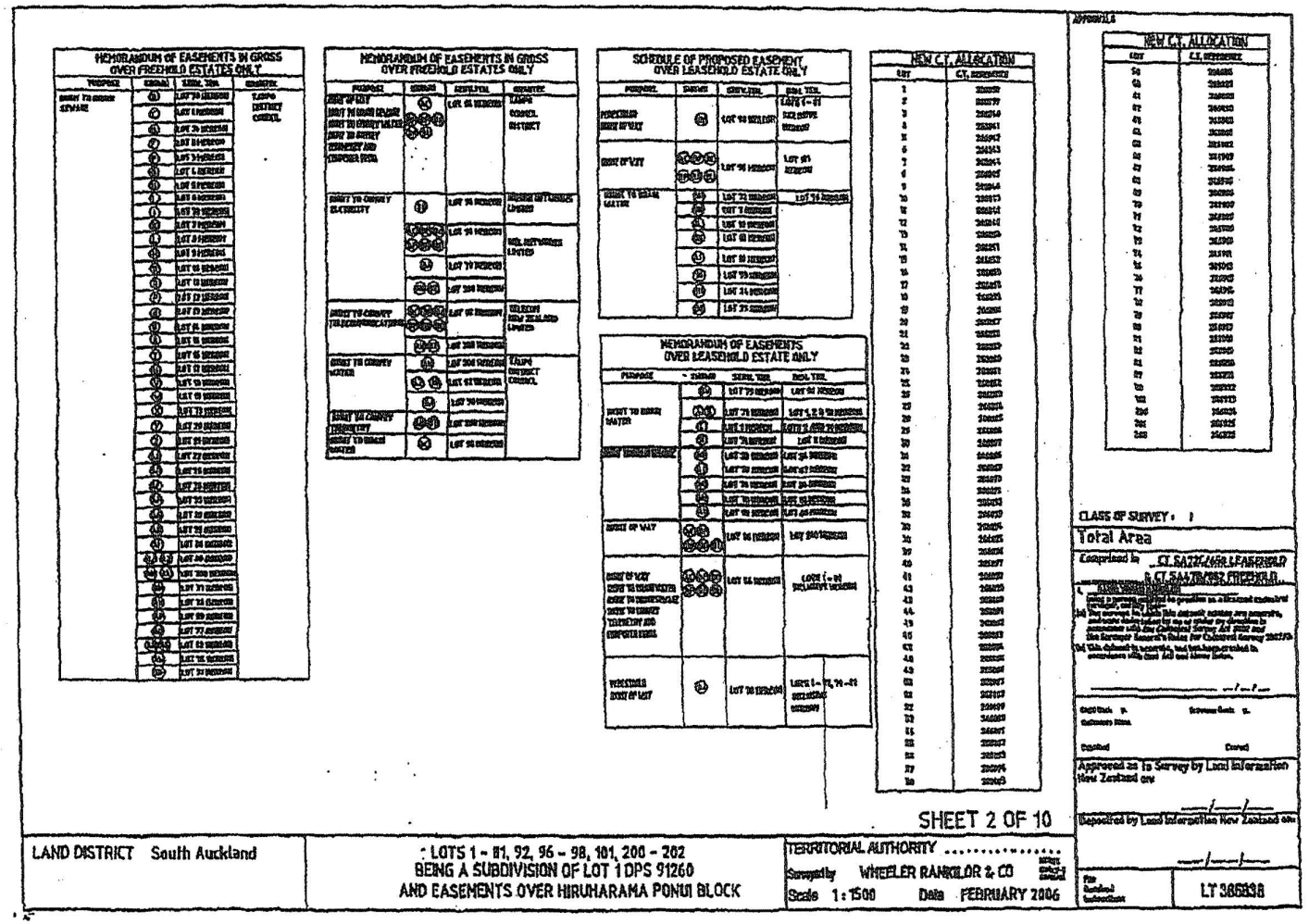
12.1 For the purposes of these Rules:

(a) any reference to "Member" shall be deemed to include a reference to "Occupier" and/or "Invitee".

(b) any obligation imposed on a Member shall bind the Member to procure performance of that obligation by the Member's Occupiers and/or Invitees.

Schedule 2:
Scheme Plan


Lake Taupo
Lake Taupo
Lake Taupo
ACACIA BAY ROAD
Pt Hiruharama Ponui Block
See Diag A
SHEET 1 OF 10
Scale 1:4000
Diagram A
Approvals
CLASS OF TITLE 1
Total Area
Completed in CT SAT6/951 LEASEHOLD
& CT SAT6/952 FREEHOLD
Approval as to Survey by Land Information New Zealand are
Deposited by Land Information New Zealand are
LT 356838
LAND DISTRICT .....
LOTS 1 - 81, 92, 96-98, 101, 200-202,
BEING A SUBDIVISION OF LOT 1 DPS 91260
AND EASEMENTS OVER HIRUHARAMA PONUI BLOCK
TERRITORIAL AUTHORITY .....
Surveyed by WHEELER RANKILOR & CO
Scale 1:
Date FEBRUARY 2006


MEMORANDUM OF EASEMENTS IN GROSS OVER FREEHOLD ESTATES ONLY
MEMORANDUM OF EASEMENTS IN GROSS OVER FREEHOLD ESTATES ONLY
SCHEDULE OF PROPOSED EASEMENT OVER LEASEHOLD ESTATE ONLY
MEMORANDUM OF EASEMENTS OVER LEASEHOLD ESTATE ONLY
NEW C.T. ALLOCATION
NEW C.T. ALLOCATION
CLASS OF SURVEY : I
Total Area
SHEET 2 OF 10
LAND DISTRICT South Auckland
LOTS 1 - 81, 92, 96 - 98, 101, 200 - 202
BEING A SUBDIVISION OF LOT 1 DPS 91260
AND EASEMENTS OVER HIRUHARAMA PONUI BLOCK
TERRITORIAL AUTHORITY .....
Surveyed by WHEELER RANKILOR & CO
Scale 1:1500 Date FEBRUARY 2006
Approved as to Survey by Land Information New Zealand on
Deposited by Land Information New Zealand on
LT 366138

Schedule 3:
Members Proportion

(Subject to alteration)

Parawera - GROUND RENT AND OPEX CALCULATIONS

SITE No:	Area m2	Description	Opex %age
1	1187	Lakeside - Acacia Bay	1.4%
2	1455	Lakeside - Acacia Bay	1.5%
3	1191	Lakeside - Acacia Bay	1.5%
4	1169	Lakeside - Acacia Bay	1.3%
5	1103	Lakeside - Acacia Bay	1.2%
6	1134	Lakeside - Acacia Bay	1.4%
7	2089	Lakeside - Point	1.7%
8	1627	Lakeside - Point	2.0%
9	2161	Lakeside - Point	2.0%
10	2324	Lakeside - Point	2.0%
11	2149	Lakeside - Point	2.0%
12	2067	Lakeside - Point	1.8%
13	1654	Lakeside - Point	1.6%
14	1868	Lakeside - Point	1.7%
15	1625	Lakeside - Point	1.6%
16	1734	Lakeside - Parawera Bay	1.5%
17	1430	Lakeside - Parawera Bay	1.3%
18	1392	Lakeside - Parawera Bay	1.3%
19	1439	Lakeside - Parawera Bay	1.3%
20	1377	Lakeside - Parawera Bay	1.3%
21	1340	Lakeside - Parawera Bay	1.2%
22	1400	Lakeside - Parawera Bay	1.3%
23	1222	Lakeside - Parawera Bay	1.1%
24	1021	Lakeside - Parawera Bay	0.9%
25	1183	Lakeside - Parawera Bay	1.0%
26	1815	Lakeside - Parawera Bay	1.5%
27	1397	Lakeside - Parawera Bay	1.3%
28	1132	Lakeside - Parawera Bay	1.1%
29	1178	Lakeside - Parawera Bay	1.2%
30	1169	Lakeside - Parawera Bay	1.0%
31	835	Lakeview - Entry	0.7%
32	1003	Lakeview - Entry	0.7%
33	887	Lakeview - Entry	0.7%
34	983	Lakeview - Parawera Bay	0.9%
35	849	Lakeview - Parawera Bay	0.7%
36	891	Lakeview - Parawera Bay	0.8%
37	872	Lakeview - Parawera Bay	0.8%
38	850	Lakeview - Parawera Bay	0.8%
39	823	Lakeview - Parawera Bay	0.8%
40	768	Lakeview - Point	0.8%
41	776	Lakeview - Point	0.8%
42	883	Lakeview - Point	0.7%
43	743	Lakeview - Point	0.7%
44	736	Lakeview - Point	0.7%
45	1183	Lakeview - Point	0.9%
46	1007	Lakeview - Point	0.8%
47	783	Lakeview - Point	0.8%
48	722	Lakeview - Point	0.8%
49	834	Lakeview - Point	0.8%
50	885	Lakeview - Acacia Bay	0.8%
51	990	Lakeview - Acacia Bay	0.9%
52	935	Lakeview - Acacia Bay	0.9%
53	848	Lakeview - Acacia Bay	0.8%
54	934	Ridgeway	0.8%
55	848	Ridgeway	0.7%
56	883	Ridgeway	0.7%
57	874	Ridgeway	0.7%
58	968	Ridgeway	0.8%
59	829	Ridgeway	0.8%
60	821	Ridgeway	0.8%
61	844	Ridgeway	0.8%
62	733	Ridgeway	0.8%
63	726	Ridgeway	0.8%
64	779	Ridgeway	0.8%
65	787	Ridgeway	0.8%
66	998	Ridgeway	0.8%
67	699	Hillside	0.6%
68	1053	Hillside	0.8%
69	1028	Hillside	0.8%
70	883	Hillside	0.6%
71	1327	Lakeside - Acacia Bay	1.6%
72	1713	Lakeside - Acacia Bay	1.9%
73	1328	Lakeside - Parawera Bay	1.1%
74	749	Lakeview - Point	0.7%
			78%
76	4182	Parawera Bay chalets	4.9%
77	8188	Point Chalets	4.9%
78	4350	Acacia Bay Fishermans Huts	2.9%
79	4347	Hillside Cluster	3.3%
80	4845	Parawera Bay Fishermans Huts	2.9%
200	23484	Hotel and Hotel Condominiums	
75	5842	Hillside - multi units	4.9%
81	700	Managers House (Lot)	0.4%
			2.9%
			109%

Schedule 4:
Management Agreement

AGREEMENT dated 2003

PARTIES

1.. **PARAWERA RESIDENTS' SOCIETY INCORPORATED ("Society")**

2. **SYMPHONY PROJECTS LIMITED ("Manager")**

INTRODUCTION

A The Society is empowered to enter into management and service agreements for the management of the Land and all improvements thereon including the Common Facilities.

B. The Society has resolved to appoint the Manager to perform certain duties and provide certain services for the management and maintenance of the Land.

C. The Manager has agreed to accept the appointment.

AGREEMENT

1. DEFINITIONS AND INTERPRETATION

1.1 In this agreement:

"Commencement Date" means 19 April 2006 the date of this agreement.

"Constitution" means the constitution of the Society.

"Duties" means the Manager's duties specified in section 3,

"Expiry Date" means the date 10 years after the Commencement Date.

"Land" means collectively the Lots and the Common Facilities.

"Management Expenses" means the costs and expenses of the Manager in fulfilling Its obligations pursuant to this agreement

"Management Fee" means the fee payable to the Manager under section 5.

"Manager" means Symphony Projects Limited together with its successors and permitted assigns and where not repugnant to the context its agents, employees and contractors.

"Manager's Representative" means the person appointed from time to time by the Manager for the purposes of section 9.

"Relevant Authority" means any corporation, including any government, local, statutory, or non-statutory authority or body having jurisdiction over the Land or the Property.

"Services" means the services to be performed by or on behalf of the Manager for the Society as specified in schedule 1.

"Society Representative" means the person appointed from time to time by the Society to liaise with the Manager for the purposes of this agreement

"Term" means the period from the Commencement Date to the Expiry Date.

1.2 In the agreement, unless the contrary intention appears:

1.2.1 headings are for convenience only and do not affect the interpretation of this agreement;

1.2.2 words importing the singular include the plural and vice versa;

1.2.3 words importing a gender Include any gender;

1.2.4 an expression importing a natural person includes any company partnership, joint venture, association, corporation or other body corporate and any Governmental agency;

1.2.5 a reference to anything includes a part of that thing;

1.2.6 a reference to a part, clause, party, annexure, exhibit or schedule is a reference lo a part, clause of, party, annexure, exhibit or schedule to this agreement;

1.2.7 a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances or by laws varying, consolidating or replacing them, and a reference to a statute includes all regulations, proclamations, ordinances or by laws Issued under that statute;

1.2.8 an agreement on the part of two or more persons binds them jointly and severally;

1.2.9 a reference to an officer of an association or body which has ceased to exist includes the most senior officer of the organisation established in place of the association or body to service substantially the same person;

1.2.10 words and phrases which appear in this agreement (the first letters of which are in capital letters) but are not themselves defined, will have the meaning as defined in the Constitution;

1.2.11 a reference to any year of the Term will be taken as a reference to successive 12 month periods commencing from the Commencement Date;

1.2.12 a provision of or a right created under this agreement may not be:

(a) waived except in writing signed by the party granting the waiver; or

(b) varied except in writing signed by the parties.

2. APPOINTMENT

2.1 The Society appoints the Manager for the Term to perform the Duties set out in this agreement.

2.2 The Manager accepts the appointment.

3. DUTIES AND ROLE OF THE MANAGER

3.1 The Manager must use all reasonable endeavours to:

3.1.1 perform the Services;

3.1.2 account to the Society for the Common Facilities in the possession, custody or control of the Manager,

3.1.3 when requested, advise. the Society in relation to any correspondence, reports, enquiries and complaints relating to the Common Facilities and the performance of the Duties;

3.1.4 supervise any agents, contractors or employees of the Manager who are employed by the Manager to perform any Services on behalf of the Manager and to ensure that such Services are carried out in accordance with the terms of their contract;

3.1.5 keep itself fully apprised and advise the Society of the condition, layout, construction, location, character, plan and operating of any lighting, drainage, sewerage, power, communication, security or other systems and equipment installed on the Common Facilities;

3.1.6 if the Society so resolves, and at its request and cost, buy, sell, replace, erect, construct, repair, exchange, lease, hire or otherwise acquire and install all fixtures, fittings, equipment, Improvements and additions to the Common Facilities;

3.1.7 liaise with the Society Representative on a regular basis and work in co-ordination with the requirements of the Society;

3.1.8 administer the Society's accounts and levy Members on behalf of the Society;

3.1.9 manage the Society in accordance with sound commercial practice and in accordance with any reasonable directions (not inconsistent with the terms of this agreement) which may from time to time be given to the Manager by the Society.

3.2 Subject to any limitations contained in this agreement, the Manager may:

3.2.1 enter into agreements with other persons for the provision of services or materials for the proper performance of the Duties and be reimbursed by the Society for the cost of these services or materials;

3.2.2 take any action that the Manager deems necessary or desirable either in its own name or in the name of the Society to ensure and maintain compliance with the Rules by the Members or any Member individually and be reimbursed by the Society for the cost (including solicitor/client) of any such action.

3.3 Nothing in this agreement imposes any obligation on the Manager to:

3.3.1 enforce the Rules without a specific written direction from the Society;

3.3.2 take any action in relation to the Common Facilities by making applications or submissions to the Society or by instituting In Its own name any proceedings In any court of competent Jurisdiction;

3.3.3 perform any duty of a technical or specialist nature outside the scope of the Manager's skill and expertise.

3.4 If the Manager has used all reasonable endeavours to carry out the Duties the Manager will have satisfied its obligations under this agreement

3.5 The Manager shall not by reason of its management of the Society be liable for any of the Society's legal, equitable, statutory, or other obligations.

3.6 Subject to any specific limitations in this agreement, the Manager may exercise all powers, authority and discretions of the Society as set out In the Constitution and do on Its behalf all such acts as it deems necessary or expedient.

3.7 The relationship between the Society and the Manager shall be that of principal and agent.

4. DUTIES OF THE SOCIETY

4.1 The Society must:

4.1.1 provide the Manager with copies of all documents necessary to enable the Manager to perform its Duties including current copies of the Rules, current plans or any other document identifying the location and character of any services or amenities installed or erected on Common Facilities;

4.1.2 permit the Manager to erect signs on the Common Facilities for any purpose ancillary to the performance of the rights and obligations by the Manager under this agreement;

4.1.3 effect all necessary service agreements for equipment normally the subject of a service agreement;

4.1.4 provide (or reimburse) the Manager for all materials and parts used or supplied in carrying out the Services;

4.1.5 reimburse the Manager for all employment costs, expenses, wages and salaries incurred (including, without limitation, the employment costs of the caretaker) in relation to the Services;

4.1.6 appoint a Society Representative;

4.1.7 give its full support and co-operation to any action the Manager may elect to take under clause 3.2.2.

4.2 The Society must not without the prior written consent of the Manager employ or contract with any other person to perform any duty or provide any service that the Manager is entitled to perform or provide under this agreement.

4.3 If the Act, the Rules or the Constitution require the Society to obtain a consent or authorisation prior to performance of a duty or obligation under this agreement then the Society must use Its best endeavours to obtain that consent or authorisation at its cost and to keep the Manager Informed of its endeavours.

4.4 The Society must not pass any resolution varying or rescinding (or purporting to vary or rescind) the Rules in any way which may compromise or adversely affect the Manager' s rights under this agreement

4.5 The Society grants to the Manager unrestricted access to the Land (subject to the rights of any Member In respect of a Member's Lot).

5. MANAGEMENT FEE

5.1 The Management Fee for the period expiring at the end of the second Financial Year following Commencement Date ("First Review Date") shall be $30,000.00 per annum.

5.2 On the First Review Date and annually thereafter (each being a "Review Date") the Management Fee shall be increased either:

(a) to a sum equivalent to a fair market management fee at Review Date agreed between the parties or failing agreement as fixed pursuant to the dispute resolution procedures set out in clause 15; or

(b) by the same percentage as the cumulative percentage increase (if any) in the Consumer Price index (All Groups) as published by the Department of Statistics (or any replacement index} during the 12 month period immediately preceding the Review Date, whichever is the higher.

5.3 Notwithstanding the provisions of clause 5.2, at each Review Date the Manager and the Society will consult with each other to review the Management Fee payable and the extent of the Services required. Such review shall be undertaken in good faith by the parties. Any variations to this agreement shall be recorded by the parties in writing.

5.4 The Society must pay the Management Fee plus GST without deduction, reservation or set off whatsoever to the Manager in equal monthly instalments in advance on the Commencement Date and the first day of each month until the Expiry Date.

6. MANAGER TO EMPLOY OWN STAFF

6.1 The Manager must:

6.1.1 provide the employees and contractors necessary to enable it to perform the Duties; and

6.1.2 be responsible for payment of the wages, salaries, benefits and entitlements of its employees and the costs, charges and entitlements of its contractors.

7. ATTENDANCE AT MEETINGS

7.1 The Society must permit the Manager and the Manager's Representative to attend meetings of the Society.

7.2 The Manager and the Manager's Representative is entitled to be heard on any matter or question in relation to the Duties which may arise at any such meeting.

8. INSTRUCTIONS TO MANAGER

8.1 All directions and instructions given by the Society to the Manager must be given by the Society Representative and, if required by the Manager, must be given in writing.

8.2 In relation to the performance of the Duties by the Manager, the Manager m y confer from time to time with the Society Representative and shall confer in good faith if requested by the Society Representative.

9. AGREEMENT WITH OWNERS

9.1 The Manager may enter into agreements with Members or Occupiers of the Lots for the provision of additional services to those Members or Occupiers upon such terms and conditions as may be agreed between those parties.

10. ASSIGNMENT / SUBCONTRACTING.

10.1 The Manager may assign the whole (but not a pan) of its Interest in this agreement If, before the proposed assignment takes effect:

10.1.1 the Manager notifies the Society of its intention to assign;

10.1.2 the Manager provides evidence to the Society to show that the proposed assignee has the appropriate experience and resources to fulfil the obligations of the Manager under this agreement; and

10.1.3 the proposed assignee executes a deed of covenant (if required by the Society) agreeing With the Society to be bound by this agreement as if the proposed assignee was the Manager.

10.2 The instrument is to be prepared by the solicitors for the Manager at the expense of the Manager.

10.3 Upon the assignment the Manager shall be released and discharged absolutely from any further liability under this agreement but without prejudice to the rights and remedies of either party arising in respect of any matter or thing occurring prior to the date of the assignment.

10.4 The Manager may subcontract with any third person(s) to observe and perform some or all of the obligations of the Manager under this agreement but without releasing the Manager from observing or performing the obligations of the Manager under this agreement.

11. TERMINATION BY THE SOCIETY

11.1 Subject to clause 3.4, the Society *may* terminate this agreement by notice in writing to the Manager if:

11.1.1 the Manager fails or neglects to commence, to continue or to complete any of its Duties and such failure or neglect continues for a further period of 30 days after the Society has given notice in writing to the Manager specifying the Duties which the Manager has failed or neglected to carry out and calling upon the Manager to perform such Duties. The notice must contain sufficient details of the alleged breach or breaches to enable the Manager to ascertain with reasonable detail Duties which it has allegedly failed or neglected to carry out; or

11.1.2 the 'Manager is guilty of gross misconduct or gross negligence in the performance of its Duties; or

11,1.3 the Manager goes into liquidation, whether compulsorily or voluntarily, other than for the purpose of amalgamation or reconstruction.

12. TERMINATION BY THE MANAGER

12.1 This agreement may be terminated by the Manager by notice in writing to the Society If:

12.1.1 the Society fails or neglects to comply with its obligations under this agreement and such failure or neglect continues for a period of 30 days after notice in writing has been given to the Society specifying the obligation which the Society has failed or neglected to comply with and calling upon 'the Society to remedy the default;

12.1.2 the Society fails on the due date to pay to the Manager any Management Fees or other money payable to the Manager under this agreement and that failure continues for a period of 14 days whether any formal demand has been made or otherwise;

12.1.3 notwithstanding the provisions of section 2, at any time during the Term upon giving three months' prior notice in writing to the Society.

13. OPTION FOR NEW AGREEMENT

13.1 The Manager may require the Society to enter into a new agreement subject to the provisions herein contained.

13.2 If the Manager wishes to exercise its rights under clause 13.1, then the Manager must give notice of the exercise of that right to the Society not earlier than 12 calendar months prior to the Expiry Date.

13.3 The new agreement Is to be identical with this agreement except that:

13.3.1. the commencement date of the new agreement is to be the date after the Expiry Date

13.3.2 the Term of the new agreement is to be ten years;

13.3.3 the Expiry Date of the new agreement Is to be the last day of the term of the new agreement;

13.3.4 this clause 13 is to be omitted from the new agreement.

14. DELAY IN PAYMENT

14.1 The Society must pay the Manager Interest on any amount that has become due for payment and remains unpaid from and including the date it becomes due for payment, during the period it remains unpaid, on demand or at times notified by the Manager, calculated on daily balances at the rate equal to 4% per annum above the Manager' s banker' s indicator lending rate quoted from time to time.

15. DISPUTE RESOLUTION

15.1 If a dispute arises between the parties in connection with this agreement then that dispute must be dealt with In accordance with this clause.

15.2

15.3 If:

152.1 a party has given to the other party notice of a dispute in connection with this agreement; and

15.2.2 the parties are unable in good faith to settle the dispute within 14 days after notice under sub-clause 15.2.1 has been received by the other party,

then the dispute may be submitted by either party to such person as may be nominated by the President or Vice _President for the time being of the Auckland District law Society. The person nominated is to act as an expert and not as an arbitrator.

15.4 Both parties are entitled to make written submissions to the expert so appointed upon the matter the subject of the dispute.

15.5 The expert's decision is final and binding upon the parties and the cost of the expert's decision will be borne by the parties in such shares as the expert may determine.

16. MANAGER NOT LIABLE FOR LOSS THROUGH BREACH OF RULES

16.1. The Manager is not liable for any damage or loss caused through a breach of the Rules by any Owner lessee or any Occupier, tenant, visitor, invitee or licensee of any lessee or any independent contractor In or about the Land.

17. WARRANTY AS TO CORRECTNESS OF INFORMATION SUPPLIED TO MANAGER

16.2. The Manager is entitled to rely upon information concerning the management and administration of the Land certified by any authorised member of the Society and the Society through that authorised member warrants that any such information is, prima facie, true and accurate.

17.1 The Society indemnifies the Manager against any loss or damage caused to any person by the provision of any information which Is incorrect or Inaccurate.

17.2 Any certificate under the hand of the Society or under the hand of an authorised representative of the Society shall be conclusive evidence of the facts contained therein and the Manager need not be concerned to enquire into the validity or accuracy of such facts.

18. WARRANTY AS TO AUTHORISATION OF SOCIETY

18.1 The Society warrants that it has authority to enter into this agreement

19. WARRANTY AS TO AUTHORISATION FOR EXECUTION

19.1 Each of party warrants that the persons executing this agreement are duly authorised to do so on behalf of the Manager and Society respectively.

20. INDEMNITY

20.1 Except In the event of wilful default by the Manager, the Society indemnifies and saves harmless the Manager and each of. its employees, officers, agents or contractors from and against all actions, claims, demands, losses, costs, damages and expenses (including without limitation reasonable legal costs on a solicitor and own client basis) property incurred by the Manager in carrying out its Duties or as Instructed from time to time by the Society.

21. EXCLUSION OF LIABILITY

21.1 The Manager Is not liable to the Society if the Manager permits or fairs to do anything It is obliged to do if the doing or permitting or failure arises from the Society failing to make the appropriate decision.

22. SAFETY AND SECURITY

22.1 The Society acknowledges that the Manager is not the insurer or guarantor of the security or safety of the Society, or any person or any property upon the Land.

22.2 The Society indemnifies the Manager from and against all claims, demands. and liability which may arise from the Society's failure to provide adequate security within the Land or by reason of any ineffective security measures undertaken by the Society.

23. COSTS

23.1 Each party must bear its own costs of and incidental to the negotiation, preparation, and execution of this agreement.

24. NOTICES

24.1 A notice, approval, or other communication in connection with this agreement

24.1.1 must be in writing; and

24.1.2 must be left at the address of the addressee or, sent by prepaid ordinary· post (airmail If posted to or from a place outside New Zealand) to the address of the addressee or sent-by-facsimile to the facsimile' number of the addressee.

24.2 A notice, approval, consent or other communication takes effect from the time it is received unless a later time Is specified in it.

24.3 A letter, telex or facsimile is taken to be received:

24.3.1 in the case of a posted letter, on the third {seventh, if posted to or from a place outside New Zealand) day after posting;

24.3.2 in the case -of facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient

25. NO MERGER

25.1 No act done or document executed pursuant to or in connection with this agreement can operate to prevent any provision or part of this agreement to which effect has not been given thereby from continuing to have full force and effect, or as a merger of any of the powers, rights or remedies of the parties to which effect has not been fully given thereby.

26. ENTIRE AGREEMENT

26.1 This agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings, representations and negotiations between the parties.

27. FURTHER ASSURANCES

27.1 Each party agrees, at its own expense, on the request of the other party, to do everything reasonably necessary to give effect ·to this agreement and the transactions contemplated by it.

28. GOVERNING LAW

28.1 This agreement. and the transactions contemplated by this agreement are governed by the laws of New Zealand.

28.2 Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New Zealand for determining any dispute concerning this agreement or the transactions contemplated by this agreement.

29. UNENFORCEABILITY OF A PROVISION

29.1 If any provision of this agreement or the application thereof to any person or circumstance is or becomes invalid or unenforceable, the remaining provisions shall not be affected by that event and each provision shall be valid and enforceable to the fullest extent permitted by law.

SCHEDULE 1

Services

1. **Common Facilities**

(a) Employ a caretaker to keep tidy the Common Facilities and ensure that the caretaker occupies the Caretaker's Lot In strict accordance with the terms of the Caretaker's Lease.

(b) Attend to the lighting of all parts of the Common Facilities and replace and attend to the maintenance and cleaning of all light globes, tubes and fittings in those areas,

(c) Clean, inspect and maintain in the proper place all fire extinguishers, hose reels, sprinkler systems and other fire safety equipment.

(d) Report promptly to the Society on the Common Facilities that require repair; replacement or renewal and all matters creating a hazard or danger and to take remedial action where applicable.

(e) Carry out other duties in relation to the Lots, Land or the Common Facilities that may be agreed between the Manager and the Society at the cost of the Society.

(f) Liaise with local iwi and hapu concerning the proper use of any right of way over the Society's Lots to rand which fs wahi tapu.

2. **Membership**

(a) Maintain a register of members in accordance with the Constitution.

3. **Levies**

(a) As required, calculate each Member's Proportion of the Operating Expenses.

(b) As required, provide an estimate of total Operating expenses. and each Member's Proportion of Operating Expenses for any given period.

(c) Advise each Member of, and receive payments from Members in respect of, each Member's Proportion of Operating Expenses, and account for such payments to the Society.

(d) Keep full and complete records of:

(I) Operating Expenses;

(ii) estimates of Operating Expenses and each Member's Proportion of Operating Expenses;

(iii) payments from Members on account of Operating Expenses;

(iv) the indebtedness of each Member of the Society.

(e) Provide a statement of indebtedness of any Member to the Society,

(f) Reconcile estimated and actual Operating Expenses and advising Members of any further payments required or credits being given in respect of Operating Expenses.

(g) Make recommendations to the Committee as to the level of, or due dates for payment of, any levies.

4. Rules and Covenants

(a) Enforce In the name of the Society (where directed in writing by the Society) any Rules promulgated by the Society under the Constitution and make recommendations to the Society as to any addition or amendments to those Rules.

(b) Enforce any contract to which the Society is a party (where directed in writing by the Society).

5. Committee

(a) Participate fully as a member of the Committee, and perform all functions of the treasurer/secretary as set out in the Constitution.

6. Development

(a) Provide full and proper co-operation to the Developer in completing the Development.

7. Services

(a) Make recommendations to the Committee as to any service contractors to be nominated by the Society.

8. Keys/Access Cards

(a) Control any keys/access cards issued by the Society for the copying of such keys/access cards.

9. General

(a) Be responsible for the day-to-day management of the Society.

(b) Endeavour to improve the efficiency of the Society.

(c) Provide technical know-how and expertise to enable the Society to Improve and sustain the quality of life within Parawera.

(d) Deposit immediately all sums received on behalf of the Society to the credit of the Society in such bank account(s) as may from time to time be designated by the Society.

(e) Take all reasonable steps to ensure the Society honours any contract to which it is a party, and that the Society operates in accordance with law and the requirements of any statutory or regulatory authority.

EXECUTION

THE COMMON SEAL of **PARAWERA** RESIDENTS' SOCIETY INCORPORATED was affixed In the presence of: _____

SIGNED by SYMPHONY PROJECTS LIMITED by Its director in the presence of: _____

_____
Witness sign

_____
Print name

_____
Occupation

_____
Address