



**Goodman (NZ) Limited**  
as Manager of Goodman Property Trust

**Related Party Policy**

Effective 14 May 2013

---

<b>TABLE OF CONTENTS</b>		<b>Page</b>
<b>PART A</b>	<b>INTRODUCTION</b>	<b>2</b>
	1. Basic principles	2
	2. Application of Policy	2
	3. Responsibility for Compliance	2
	4. Relationship between Goodman Group and The Trust	3
<hr/>		
<b>PART B</b>	<b>LEGAL FRAMEWORK</b>	<b>4</b>
	1. Listing Rules	4
	a) Related party	4
	b) Material transaction	5
	2. Trust Deed	6
	a) Acquisitions and disposal of Trust assets	6
	b) Service agreements	6
	c) Permitted reimbursements	6
	3. Banking Facility	7
<hr/>		
<b>PART C</b>	<b>MANAGING RELATED PARTY ISSUES</b>	<b>8</b>
	1. Management Fees	8
	2. Service Agreements	8
	a) Existing categories of service agreements	8
	b) Process for initial engagement	9
	c) Annual review of performance fees	9
	d) Approval of transactional fees	10
	3. Co-ownership Agreements	11
	4. Trust Acquisition of Goodman Group Assets	11
<hr/>		
<b>PART D</b>	<b>DISCLOSURE AND ONGOING COMPLIANCE OBLIGATIONS</b>	<b>12</b>
	1. Quarterly Board Reporting	12
	2. Disclosure in Annual and Half Year Reports	12
	3. Disclosure in AGM Notice of Meeting	13
<hr/>		
<b>PART E</b>	<b>GLOSSARY</b>	<b>14</b>
	Schedule – Manager’s permitted reimbursements	15

---

## PART A INTRODUCTION

### 1 Basic principles

The Listing Rules, the Trust Deed and the Banking Facility set out restrictions on dealings between the Trust and any related party. These restrictions are summarised in this Policy and aim to ensure that any transaction between the Trust and a related party is carried out on arm's length terms and in certain instances is approved by the Trustee or Unitholders. In short:

**In broad terms, any person who has a relationship with the Trust that could influence (or could be perceived as influencing) the Trust to enter into a transaction on terms which are not arm's length or commercial, is considered a related party.**

**Any material transaction between the Trust and a related party requires approval of Unitholders.**

**Any other transaction between the Trust and a related party, while not requiring Unitholder approval, requires various other approvals as set out in this Policy.**

The reasoning underlying these principles is that a party with influence over the Trust (or who could be perceived as having influence over the Trust) should not be given the opportunity to convince the Trust to enter into a transaction which unfairly transfers value away from the Trust.

The Manager believes it is important to have in place a policy to set out the relevant related party dealing restrictions and to record the processes which it has in place to manage related party issues so that:

- + Management and the Board are properly briefed and educated on issues relevant to related party matters; and
- + Unitholders and the investment market generally recognise that the Manager deals with related party issues in an appropriate, transparent and robust manner.

This Policy is regularly revised to remain current.

### 2 Application of Policy

This Policy applies to all dealings between the Trust and related parties. However, due to the close relationship between the Trust and the ASX-listed Goodman Group, it is the numerous interactions between these two that are most likely to give rise to related party issues and hence are the focus of this Policy.

Note that references in this Policy to the Trust entering into a transaction or agreement or any restrictions on any activity of the Trust applies to the Manager or the Trustee so doing in its capacity as manager or trustee of the Trust. They do not apply to the Manager or Trustee (as the case may be) acting in its personal (or any other) capacity.

### 3 Responsibility for compliance

The Chief Executive Officer of the Manager has primary responsibility for ensuring the Manager complies with all obligations relevant to related party dealings. This includes compliance with the relevant parts of the Listing Rules, the Trust Deed, the Compliance Plan, any other relevant contractual arrangement and the terms of this Policy.

The functional responsibility of compliance, however, is shared between the Chief Financial Officer and the General Counsel of the Manager. Any enquiries in relation to related party dealings should be directed to either or both of these people.

#### 4 Relationship between Goodman Group and the Trust

As stated above, the Trust and Goodman Group have a close working relationship. Goodman Group took over the management of the Trust in late 2003 and since that time has held a cornerstone stake in the Trust. Goodman Group also provides various other services to the Trust and from time to time it has sold property to the Trust.

Details of the various relationships and dealings between the Trust and Goodman Group are set out below and explained in more detail in Part C of this Policy.

- + Goodman Group is the Trust's largest Unitholder, owning approximately 14.5% of the issued units in the Trust as at the Effective Date.
- + Goodman (NZ) Limited (the "**Manager**"), a wholly owned subsidiary of Goodman Group, is the manager of the Trust.
- + Goodman Property Services (NZ) Limited (the "**Service Provider**"), also a wholly owned subsidiary of Goodman Group, is party to various service agreements with the Trust for the provision of property services, development management services and legal services.
- + Goodman Group and the Trust are parties to the Co-ownership Agreement, pursuant to which they own, and can buy or sell properties, as 50/50 co-owners.
- + From time to time, the Trust has acquired interests in property from Goodman Group.

## PART B LEGAL FRAMEWORK

The Listing Rules, the Trust Deed and the Banking Facility set out restrictions on dealings between the Trust and any related party.

### 1 Listing Rules

As stated above, any material transaction between the Trust and a related party requires approval of Unitholders. Listing Rule 9.2.1 relevantly provides as follows (paraphrased):

The Trust shall not enter into a **Material Transaction** if a **Related Party** is, or is likely to become:

- a) a direct or indirect party to the Material Transaction, or to at least one of a related series of transactions of which the Material Transaction forms part; or
- b) in the case of a guarantee or similar transaction, a direct or indirect beneficiary of such guarantee or transaction,

unless that Material Transaction is approved by an ordinary resolution of Unitholders.

The key concepts of “Related Party” and “Material Transaction” are discussed below.

#### a) **Related Party**

Listing Rule 9.2.3 defines “Related Party”, and for the Manager this includes:

- + A director or officer of the Manager or any of its subsidiaries.

This includes:

- + Each member of the Board and Management.
- + The holder of a Relevant Interest in 10% or more of the units in the Trust. This includes (at the Effective Date).
- + Goodman Group.

Note that “Relevant Interest” is defined very broadly and would include beneficial ownership of a unit, any right to acquire or dispose of a unit and any right to exercise the voting rights attached to a unit.

- + Any Associated Person of the Manager OR any Associated Person of any of the other Related Parties noted above.

To paraphrase the Listing Rules, a person is “associated” with a Related Party where an arrangement or relationship exists between that person and the Related Party which *could* influence the decisions of the Related Party. The Listing Rules go on to deem certain persons to be “Associated”, and these include:

- + a person and a company of which that person is a director;
- + two related companies;
- + a company and a person who is a director of any related company; and
- + two people who are related (by family) or are acting jointly or in concert.

Accordingly, the Associated Persons of the Manager and the Associated Persons of any of the Related Parties of the Manager noted above would include the following:

- + Any family member or close contact (personal or business) of the directors or senior management team of the Manager.
- + The Manager when acting in its personal capacity (ie not as manager of the Trust).
- + The Service Provider (being a Related Company of the Manager).
- + Any director or influential senior executive of Goodman Group.

This list of Related Parties is for guidance only and is far from exhaustive. Any queries regarding the scope of the Related Parties of the Manager should be referred to the Manager's General Counsel.

b) **Material Transaction**

Under the Listing Rules, the definition of a Material Transaction includes the following:

**Transactions over 10%**

- + A transaction where the Trust purchases or otherwise acquires, gains, leases or sells or otherwise disposes of assets having a value in excess of 10% of the Trust's Average Market Capitalisation or the Trust borrows, lends, pays, or receives money or incurs an obligation for an amount in excess of 10% of the Trust's Average Market Capitalisation.

**Securities over 10%**

- + A transaction whereby the Trust issues its own securities or acquires its own equity securities having a value in excess of 10% of the Trust's Average Market Capitalisation.

**Service agreements over 1%**

- + The provision of services to the Trust where the actual gross cost to the Trust of the services in any financial year *is likely to exceed* 1% of the Trust's Average Market Capitalisation.

On or about the Effective Date, the Trust's Average Market Capitalisation was approximately \$1.27 billion (assuming a unit price of \$1.05). This means that as at this date, the following transactions would constitute Material Transactions, requiring Unitholder approval:

A **transaction** of the type mentioned above with a value exceeding **\$127m**.

The **issuing or acquiring of GMT units** with a value exceeding **\$127m**.

An **agreement to provide services** of the type mentioned above where the annual cost *is likely to exceed* **\$12.7m**.

When considering these monetary limits, the value of the transaction to which the Trust is a party needs to be aggregated with the value of any other transaction which forms a related series with the transaction in question.

## 2 **Trust Deed**

There are restrictions on related party dealings set out in the Trust Deed and these are described below. The Trust Deed also prescribes the payment of fees to the Manager for management of the Trust, and a summary of these arrangements is set out in section C1 of this Policy.

a) **Acquisitions and disposal of Trust assets**

Even where a proposed acquisition or disposal of Trust assets does not require approval of Unitholders in accordance with the Listing Rules, Trustee approval is still required.

Clause 12.5 of the Trust Deed provides that no acquisition or disposal of Trust assets to or from the Manager or any "Related Person" of the Manager can occur unless the Trustee is satisfied that the transaction is:

- + on normal commercial terms or on terms as favourable to the Trust as normal commercial terms; and
- + in accordance with the Trust's investment policies.

The scope of "Related Person" for the purposes of the Trust Deed is more limited than the Listing Rule definition. The Trust Deed definition does not include Associated Persons or major (>10%) Unitholders who are unrelated to Goodman Group or its Associated Persons.

The investment policy of the Trust is the policy most recently announced to the market from time to time. At the Effective Date, the investment policy of the Trust is set out in section 3.3 of the Investment Statement and Prospectus of the Trust dated 19 November 2012.

b) **Service agreements**

Even where a proposed service agreement between the Trust and a related party does not require approval of Unitholders in accordance with the Listing Rules, Trustee approval is still required.

Clause 18.9 of the Trust Deed allows the Manager to employ itself or to employ other Goodman Group companies to provide services to the Trust which are not ordinarily expected to be performed by the Manager itself, with the prior approval of the Trustee. Any such service must be provided on normal commercial terms (or terms as favourable to the Trust as normal commercial terms), including the payment of a reasonable fee.

c) **Permitted reimbursements**

Clause 18.11 of the Trust Deed sets out a list of expenditures for which the Manager is entitled to reimbursement from Trust funds. These reimbursements are in addition to the fees it is entitled to receive as manager of the Trust (see section C1 below) or the fees it or any Goodman Group company is entitled to receive under a service agreement mentioned under paragraph (b) above (and section C2 below).

A list of these permitted reimbursements is contained in the Schedule to this Policy.

**3 Banking Facility**

Clause 12.1 of the Banking Facility prohibits the following activities by the Trust and each guarantor under the Banking Facility (currently Goodman Property Aggregated Limited, Goodman Nominee (NZ) Limited, Goodman Highbrook Limited, GMT Bond Issuer Limited, GMT Wholesale Bond Issuer Limited, Highbrook Business Park Limited, Highbrook Development Limited, Henshaw Holdings Limited and Henshaw Goodman Limited) (each a "**Guarantor**") without bank consent:

- + Providing any financial accommodation to any related person or permitting any indebtedness of a related person to subsist, in each case subject to some specified exceptions.

- 
- + Entering into any agreement for the sale and purchase of assets with, or for the benefit of, a related person except on arm's length commercial terms in the ordinary course of the relevant company's ordinary business.
  - + Entering into any agreement for the provision of services or any other transaction with, or for the benefit of, a related person except on arm's length commercial terms in the ordinary course of the relevant company's ordinary business.
  - + Entering into any guarantee in respect of an obligation of a related person (subject to some specified exceptions).

The Banking Facility does not prohibit the Trust and each Guarantor from entering into these activities with each other.

The Banking Facility defines "related person" to cover:

- a) any related company (as defined in section 2 of the Companies Act 1993, but as if the word "subsidiary" in that section had the same meaning as in the Bank Facility) of the Trust or any Guarantor;
- b) any person which is treated as an associated company of the Trust or any Guarantor in terms of NZ GAAP;
- c) any person which beneficially owns (or together with its related persons, determined on the same basis as set out in paragraphs (a) and (b) above, beneficially owns) whether directly or indirectly 20% or more of the equity share capital of the Trust or any Guarantor; or
- d) any related person (determined on the same basis as set out in paragraphs (a) or (b) above) of any person referred to in paragraph (c) above.

Where consent under the Banking Facility is required, it will be required in addition to any necessary consent of Unitholders or the Trustee.

## **PART C      MANAGING RELATED PARTY ISSUES**

Under section A4 above, various relationships between the Trust and Goodman Group were set out. Under this Part, each of these relationships will be explained in more detail including the practices adopted by the Manager to ensure related party issues are managed appropriately.

### **1      Management fees**

The Trust Deed evidences the engagement of the Manager as manager of the Trust and sets out the Manager's responsibilities and remuneration entitlements.

The duties of the Manager are set out in numerous places in the Trust Deed, but essentially relate to strategically managing the Trust's property portfolio including buying and selling properties, managing capital and overseeing day-to-day operations.

Under the Trust Deed, the Manager receives a fee for the management of the Trust. The fee is comprised of two components: a base fee and a performance fee.

The base fee component is equal to 0.50% per annum of the book value of assets less than or equal to \$500 million, and if the book value of assets is greater than \$500 million, the aggregate of \$2.5 million and 0.40% per annum of the amount by which the book value of assets exceeds \$500 million.

The performance fee is referable to the Trust's performance (including gross distributions and movements in Unit price) relative to the performance of the Trust's New Zealand listed real estate peers, and calculated on an annual basis.

The calculation of the Manager's base fee is reviewed by the Trust's auditors as part of the annual audit. By a separate specific engagement, the Trust's auditors also review the calculation of the Manager's performance fee each year.

### **2      Service agreements**

#### **a)      Existing categories of service agreements**

At the Effective Date, the Service Provider is party to various services agreements with the Trust, which fall under the following general categories:

##### Property services agreements

Under these agreements, the Service Provider is responsible for the day to day property management of the Trust's properties including matters such as customer management, procuring leasing and maintenance arrangements, negotiating rent reviews, handling the acquisition and disposal of properties and developing, recommending and implementing business plans and budgets.

##### Development management agreements

The Service Provider manages all aspects of the development of new properties for the Trust. This includes the provision of the following services:

- + Development management: overall management of the development, including design, approvals, engaging builders and other consultants, negotiating agreements to lease with customers and ensuring completion of the development in the manner contemplated.
- + Project management: management of builders and other consultants engaged by the Trust to ensure that works are completed in the manner contemplated.
- + Pre-leasing: managing the process, or itself carrying out the process, of securing customer commitments to lease property being developed.
- + Related services: these include master planning and architectural services.

+ Legal services

The Service Provider employs a team of internal lawyers who work with other Goodman property professionals and external legal counsel to ensure that transactions conducted on behalf of the Trust are executed efficiently and in a manner which properly assesses and manages risk.

To the extent that any work done by an internal lawyer would, but for their existence, have to be carried out by external lawyers at the expense of the Trust, the Service Provider is paid for this service on an hourly rate basis.

b) **Process for initial engagement**

As mentioned above, each service agreement between the Service Provider and the Trust needs the approval of either the Unitholders or the Trustee (depending on the likely fees to be charged).

Where Unitholder approval is required, NZX will require an independent expert to be engaged to provide a report to Unitholders opining on the fairness of the agreement to Unitholders including the fees (or range of fees) to be charged under it.

Where Unitholder approval is not required, the Trustee and the Independent Directors of the Board will need to approve the entry into the service agreement by the Trust. Both the Independent Directors and the Trustee will require the Service Provider to submit a capability statement outlining the relevant experience and capability of the Service Provider. The Manager will also be required to procure independent advice or confirmation of the appropriate level of fees for the services to be provided.

Approval from the Trust's banks under the Bank Facility might also be required if the transaction is not considered to be in the ordinary course of business. The Manager has taken the view, however, that entry into service agreements of this nature is in the Trust's ordinary course of business.

c) **Annual review of performance and fees**

(i) Property services and development management agreements

On an annual basis, the Manager engages an independent expert to review the fees charged for the services provided to the Trust under the property services and development management agreements with the Service Provider. The report that is prepared is addressed to the Independent Directors of the Manager.

The independent expert researches what fees are charged for comparable services provided in the market and from this determines a range of fees that is appropriate for each service in question.

The independent expert also reviews the performance of the Service Provider under its various service agreements with the Trust for the previous 12 months, to ensure that any key performance indicators or other material obligations have been met.

The Independent Directors consider the report and if they are happy with it, resolve to:

- + note the provision of the report by the independent expert;
- + note the compliance with the terms of the service agreement including that any key performance indicators under that agreement have been

---

met (if that is the case) or how any non-compliance will be dealt with;  
and

- + approve the fees or ranges of fees which the report recommends.

Where only a range of fees is approved, the Independent Directors will need to approve the appropriate fee level within this range for each service provided in conjunction with future transactions as they occur. This process is explained under paragraph (d) below.

(ii) **Legal services**

On an annual basis, the Service Provider procures a summary of the hourly charge out rates of law firms engaged by the Trust. These are provided to the Independent Directors together with a recommendation as to the appropriate charge out rate for each of the current members of the Service Provider's internal legal team.

The Independent Directors review these fee reports and recommendations against the capability statement provided and if they are happy with the recommendations made, approve the hourly rate for each legal team member for the following year. A similar process would be required for any new member of the internal legal team when that person is appointed.

d) **Approval of transactional fees**

As mentioned above, where the Board approves the Trust's entry into a particular transaction, and the Service Provider is to be paid for services in relation to that transaction, the Independent Directors will also need to approve the specific fee for those services where only a range of fees has previously been approved.

- + **Property services agreements**

When any new property is acquired by the Trust, the Independent Directors will need to approve the property management fee applicable to the property and the acquisition fee payable to the Service Provider. Both of these fees must be within the approved range.

The Independent Directors must similarly approve any disposal fee to be charged to the Trust in relation to a disposal of a Trust property, which again must be within the approved range.

Acquisition or disposal fees are typically not charged for transfers of property between Goodman Group and the Trust.

- + **Development management agreements**

While the range of services which can be provided under the development management agreements is quite broad, each individual development will typically have the Service Provider being engaged to provide development management, project management and pre-leasing services. In this regard,

the Independent Directors will need to approve the engagement of the Service Provider and the fees being charged and those fees must fall within the approved range.

Other examples of services that are sometimes provided are master planning services in relation to a new development estate of the Trust or project management services in relation to infrastructure works carried out by the Trust. The same process of fee approval applies here also.

### **3 Co-ownership arrangements**

Goodman Group and the Trust are parties to the Co-ownership Agreement, pursuant to which they own certain properties on a 50/50 basis.

In practical terms, the effect of LR 9.2.1 (as explained under section B1 above) means that the Trust and Goodman Group could not enter into any transaction as co-owners to buy or sell a property from or to an unrelated third party if the value of that transaction exceeded the 10% threshold.

As the interests of the Trust and Goodman Group would be aligned in any such transaction, the policy behind LR 9.2.1 would not have been offended and accordingly the Manager applied for and was granted a waiver. This waiver allows the Trust and Goodman Group to buy or sell properties as co-owners, where the value of the property exceeds the 10% threshold, without needing to obtain Unitholder approval in each case. However, the waiver has now expired. If it is proposed that it be used, consult the Manager's General Counsel.

### **4 Trust acquisition of Goodman Group assets**

From time to time, the Trust has acquired interests in property from Goodman Group. The nature of the approvals required for any acquisition of this type depends upon the size of the transaction in question.

If the transaction (and any related transactions) has a value exceeding the 10% threshold under LR 9.2.1 (and explained in section B1 of this Policy), Unitholder approval will be required. The Manager will also be required to procure a report by an independent expert addressed to Unitholders confirming that the terms of the acquisition are fair to Unitholders, including that the purchase price is market value.

If the 10% threshold is not exceeded, then approval from the Trustee and the Independent Directors will be required. The Manager will also need to procure an independent valuation to be prepared and addressed to the Trustee, the Independent Directors and the Trust's banks, confirming that that the purchase price is fair.

Approval from the Trust's banks under the Bank Facility might also be required if the transaction is not considered to be in the ordinary course of business. However, for transactions which fall below the 10% threshold, the Manager has taken the view that acquisitions of property of this value are in the Trust's ordinary course of business.

---

## **PART D DISCLOSURE AND ONGOING COMPLIANCE OBLIGATIONS**

### **1 Quarterly Board reporting**

A report on related party fees paid is provided to the Board at each quarterly meeting in relation to the previous quarter. The report sets out the management fees paid to the Manager and the fees paid to the Service Provider under the agreements described in section C2 above.

Together with this fee report, the Chief Financial Officer provides a sign off to the Board that all necessary procedures were followed for related party transactions between the Manager and Goodman Group for the applicable period. The Chief Financial Officer relies on executive reports, enquiries of relevant employees and personal observation in providing this certification.

### **2 Disclosure in Annual and Half Year Reports**

The Listing Rules, NZX waivers and accounting standards require that certain disclosures be made in the Trust's Annual and Half Year Reports regarding related party transactions. These disclosures are summarised below.

- + Regarding the service agreements:

for the development management and property services agreements between the Service Provider and Highbrook Business Park Limited:

- + the total fees accrued over the relevant time period (ie full year or half year) for the services under these agreements need to be separately and identifiably disclosed in the Trust's full year and half year financial statements;

for the development management and property services agreements between the Service Provider and Highbrook Development Limited:

- + the total fees accrued over the relevant time period (ie full year or half year) for the services under these agreements need to be separately and identifiably disclosed in the Trust's full year and half year financial statements; and

for funds management fees earned by the Manager:

- + the total income the Manager has earned in respect of its management of the Trust for the prior financial year, needs to be disclosed in the Annual Report only.

---

## PART E – GLOSSARY

In the Policy, the following terms or phrases have the meaning ascribed to them unless the context dictates otherwise:

**Average Market Capitalisation** means the average market capitalisation of the Trust as defined in the Listing Rules, which is the volume weighted average market capitalisation of all issued GMT units calculated from trades on the NZX over the 20 business days before the earlier of the day the transaction is entered into or is announced to the market.

**Banking Facility** means the Multi Option Facility Agreement dated 21 December 2006 with ANZ Bank New Zealand Limited, Bank of New Zealand, Commonwealth Bank of Australia, Kiwibank Limited and Westpac New Zealand Limited, as amended and novated from time to time.

**Board** means the board of directors of the Manager.

**Co-ownership Agreement** means the agreement of that name between the Manager, Goodman Property Aggregated Limited, the Trustee, Goodman Funds Management Limited as responsible entity of Goodman Industrial Trust, Tallina Pty Limited as trustee of Penrose Trust, and Trust Company of Australia as custodian of Tallina, dated 1 April 2004 as amended by the Restructuring Agreement between the same parties dated 7 March 2005, relating to the buying, selling and holding of property by the Trust and Goodman Group in 50/50 shares.

**Effective Date** means the effective date of this Policy, being 14 May 2013.

**Listing Rules** means the listing rules of NZX, from time to time and **LR** is a reference to any of these rules.

**Management** means the senior executive team of the Manager.

**Manager** has the meaning set out in section A4 of this Policy.

**NZX** means NZX Limited or any stock market or exchange operated by it, as the case may be.

**Policy** means this related party policy including its schedules.

**Service Provider** has the meaning set out in section A4 of this Policy.

**Trust** or **GMT** means the NZX listed Goodman Property Trust, or, where the term is used in the context of the Banking Facility, the Trustee as trustee for the Goodman Property Trust.

**Trust Deed** means the trust deed of the Trust dated 23 April 1999, as amended from time to time.

**Trustee** means the trustee of the Trust from time to time which, at the Effective Date, was Corporate Trust Limited (trading as Foundation Corporate Trust).

**Unitholders** mean the holders of units in the Trust from time to time.

Other capitalised terms used in this Policy not defined above have meanings given to them under the Listing Rules.

## Schedule – Manager’s permitted reimbursements

Clause 18.11 of the Trust Deed provides that the Manager is entitled to be reimbursed out of the Trust for the following items of expenditure incurred in relation to the Trust:

- (a) **all** costs, charges and disbursements incurred in connection with the acquisition, development, registration, custody, ownership, leasing of tenancies, disposal of or other dealing with an asset of the Trust including legal costs, stamp duties, valuation fees, search and enquiry fees, brokerage, commission, registration fees and other outgoings of and in connection with the investigation of or negotiation for the acquisition, sale, transfer, exchange, replacement, refurbishment, redevelopment or other dealing with or disposition of an asset of the Trust;
- (b) **the** costs of convening and holding any meetings of Unit Holders;
- (c) **duty** on cheques issued to Unit Holders and stamp duty (if any) in respect of the repurchase, redemption and sale of Units;
- (d) **the** reasonable remuneration and expenses of the Auditor in relation to the Trust;
- (e) **the** reasonable remuneration and expenses of the Valuer and any real estate agent;
- (f) **reasonable** property development fees and expenses;
- (g) **reasonable** acquisition, sales and leasing commissions;
- (h) **any** liability of the Manager or its directors under the Securities Act 1978 or Securities Regulations 1983, or repayment of subscription amounts pursuant to the Securities Act 1978;
- (i) **reasonable** building design fees;
- (j) **all** Taxes or any amount in bona fide reimbursement of any such Taxes properly charged to the Trustee or Manager (whether by any taxing authority or any other person) in connection with the operation of the Trust on account of the Manager, the Trustee, any Unit Holder or otherwise (excluding any Taxes levied on the Manager or the Trustee in its personal capacity);
- (k) **all** mailing and postage costs in respect of all certificates, cheques, financial statements, distribution statements, notices and other documents posted to all or any Unit Holders or other persons in relation to the Trust in accordance with the provisions of the Trust Deed;
- (l) **the** costs of preparation of the Trust Deed or any amendments, including the fees of solicitors and other advisors in relation thereto;
- (m) **costs** for the services identified in *clause 18.9(b) of the Trust Deed* where those services are provided by persons other than the Manager;
- (n) **the** reasonable costs of investigating proposals for the Trust;
- (o) **the** following costs, charges and expenses incurred by the Manager (or by the Trustee after consultation with the Manager);
  - + **fees** and expenses of any solicitor, barrister, chartered accountant, computer expert or other professional adviser or other expert from time to time employed in relation to the Trust;
  - + **all** costs, charges and expenses incurred in relation to the preparation, registration and distribution of any prospectus or investment statement issued by the Manager and any offer and issue of Units (including, without limitation, expenses and

- 
- brokerage) in relation to the Trust and the preparation, registration (if requisite) and distribution of any periodical or other report or document required by law or the Trust Deed to be prepared in respect of the Trust;
- + **expenses** in connection with the keeping of accounting records and the register of the Trust; and
  - + **all** other costs, charges and expenses incurred in connection with the ordinary administration of the Trust excluding any internal administration expenses of the Manager or the Trustee;
- (p) **all** amounts payable in relation to listing the Trust or quotation of the Units on the NZX or any other stock exchange upon which the Trust is listed;
- (q) **any** other expenditure properly and reasonably incurred by the Manager in connection with carrying on its duties under the Trust Deed in relation to the Trust; and
- (r) **such** other amounts for which, pursuant to any other provision of the Trust Deed, the Manager is properly entitled to be reimbursed.