

[LEGAL NOTICE No. 117]

FIJI PINE DECREE 1990  
(Section 9)

FIJI PINE TRUST RULES

IN exercise of the powers conferred upon the First Trustees of the Fiji Pine Trust under section 9 of the Fiji Pine Decree 1990, the said Trustees have by resolution this day made the following Trust Rules as appearing in Schedule I hereto.

Dated at Lautoka this 30th day of November 1990.

ONISIMO COLAIVALU  
Secretary/Manager Fiji Pine Trust

IN accordance with the provisions of Section 9(1) of the Fiji Pine Decree 1990, I hereby consent to the Trust Rules of the Fiji Pine Trust appearing in Schedule I hereto.

Dated at Suva this 14th day of December 1990.

OVINI BOKINI  
Minister for Forests

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SCHEDULE I

RULES OF FIJI PINE TRUST PURSUANT TO SECTION 9 OF  
THE FIJI PINE DECREE

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*Short Titles*

1. These rules shall be cited as the Fiji Pine Trust Rules.

*Interpretation*

2. In these Rules unless the context otherwise requires:
  - “Beneficiary” means the Landowners and Extension Forest Owners and the Government as owner of State land.
  - “Directors” means directors of the Company appointed by the Trustees herein
  - “Company” means the Fiji Pine Limited or its successors or assigns.
  - “Extension Forest” means privately owned pine or other planted areas of forest as determined by the Company from time to time that would qualify the owners thereof for participation in the Trust.
  - “Extension Forest Owners” means owner or association of owners of Extension Forest and whose name appear on the Register.
  - “Extension Units” means units held by the Extension Forest Owners in accordance with the Register herein.
  - “Extension Unitholders” means the Extension Forest Owners holding Extension Units.
  - “Forest” means pine or other planted species of forest managed by the Company.
  - “Government” means the Government of the Republic of Fiji.
  - “Government Unitholders” means units held by the Government in accordance with the Register herein.
  - “Landowners” means owner and association of owners of native or freehold land leased at any point in time to the Company for the growing of pine or

- other species of trees thereon and whose name appears in the Register.
- “Landowner Units” means units held by the Landowners not including the Government in accordance with the Register herein.
- “Landowner Unitholders” means the Landowners holding Landowner Units.
- “Manager” means the Company or any other persons or entities which may be appointed by the Trustees herein.
- “Minister” means the Minister of Forest or such Minister of the Government responsible for forest.
- “Register” means the Register of Beneficiaries which is kept and maintained by the manager as herein provided.
- “Special Resolution” means resolution which has been passed by a majority of not less than three-fourths of Beneficiary.
- “Station” means such pine or other forest station which is recognised by the Company from time to time.
- “Trustees” means the Trustees named herein or such other Trustees who shall be appointed or substituted by the beneficiaries in the manner provided hereafter.
- “Trust” means the Fiji Pine Trust.
- “Trust Property” means all the property held by the Trust including the 100,000 A Class ordinary shares in the Company, bonus shares, any other shares and other assets (personal or real) received as distribution in kind.
- “Trust Rules” means the rules of this Trust.
- “Unit” means an entitlement under the Trust.
- “Vesting Day” means the day as determined by the Trustees pursuant to Rule 37 herein.

*Non-application of the Trustee Act Cap. 65*

3. Provisions of the Trustee Act Cap. 65 shall not apply to the rules herein.

*Appointment of Trustee*

- 4.—(1) There shall be for the purpose of the Trust a Board of Trustees which shall consist of:—
- (a) one (1) Trustee to be elected by the Landowners of each Pine Station recognised by the Company;
  - (b) one (1) Trustee in addition to the Trustees elected for each Pine Station to be elected by the Landowners for every 10,000 hectares of land leased to the Company from each Pine Station recognised by the Company;
  - (c) six (6) Trustees to represent the Extension Forest Owners to be elected as follows:
    - (i) three (3) to be elected by the Extension Forest Owners in the Eastern Division;
    - (ii) one (1) each to be elected by the Extension Forest Owners in the Central, Northern and Western Divisions respectively.
  - (d) Two (2) Trustees to be appointed by the Minister for Forests to represent all State land leased to the Company.
- (2) Every Trustee shall unless removed earlier in accordance with these Rules hold office for three years and shall be eligible for reappointment. They may be entitled to such fees and allowances as may be approved by the Board of Directors of the Company.

- (3) A person shall be qualified for election or appointment as a Trustee if:
- (a) in respect of Trustees elected under Rule 4 1(a) and (b), he is a landowner within the Pine Station from which he is elected;
  - (b) in respect of Trustees appointed under Rule 4(1)(c), he is a member of Extension Owners;
  - (c) he is a natural person;
  - (d) he is 21 years of age or over;
  - (e) he is not an undischarged bankrupt;
  - (f) except for the Trustees appointed under clause 4 (1) (d) herein, he is not a member of the senior management staff of the Company;
  - (g) he is of sound mind;
  - (h) he has not been convicted of a criminal offence which if committed in Fiji carries a maximum penalty of not less than two years imprisonment or which involves dishonesty;
  - (i) he has not been previously removed as a Trustee in accordance with these Rules.

(4) The term of office of a Trustee elected or appointed under these Rules shall terminate on the occurrence of one or more of the following events, that is to say that the Trustee:

- (a) is dead; or
- (b) is bankrupt by Order of a Court; or
- (c) has resigned; or
- (d) fails to attend three successive meetings of the Board of Trustees without good reason;
- (e) is insane;
- (f) refuses or is medically unfit to act or is incapable for any reason of acting therein;
- (g) is convicted of a criminal offence which, if committed in Fiji, carries a maximum penalty of two years or more or an offence which involves dishonesty.

(5) Any Trustee whose term has terminated prematurely on any of the grounds specified in Rule 4 (4) herein may be replaced soon thereafter by the Owners who had elected or appointed him, and such replacement Trustee shall, unless reappointed, hold office for the balance of the term of the outgoing Trustee.

*Powers of Trustees*

5. The Trustees, in addition to other powers conferred upon them, are empowered to do all or any of the following:

(a) *Power to Pay Costs*

To pay out of the Trust or the income thereof all costs, charges and expenses incidental to the management of the Trust or to the exercise of any power authority or discretion herein contained, or in carrying out or performing the Trusts hereof which the Trustees may at any time incur including all income tax or other taxes payable in respect of the Trust and all costs in any way connected with the preparation and execution of these presents and all moneys which the Trustee may be required to pay as settlement, probate estate gift stamp or revenue duties, including stamp, gift or settlement duties payable in respect of the Trust or in these presents.

(b) *Power to Open and Operate Bank Accounts*

To open any account or accounts with any bank or banks and to operate by and in all usual ways any such account or accounts.

*(c) Power to Issue Receipts*

To give effectual receipts and discharges for any moneys received by or on behalf of the Trust or otherwise relating to any of the acts, matters and things provided for in these presents and to receive property by gift inter vivos or by will or under the provisions of any other Trust or Trusts or otherwise and either from any person or persons as additions to the Trust and to hold the same upon the Trust herein set forth and to administer such additions under the provision hereof.

*(d) Power to Appoint Managers*

To appoint managers and delegate duties without extinguishing their own responsibilities.

*(e) Power to Act to Protect the Trust*

To take such action as the Trustee shall think fit for the adequate protection of the Trust or any part thereof.

*(f) Power to take an Opinion*

To take and act upon an opinion (given in writing) of an attorney at law or counsel practising when necessary in relation to the interpretation or effect of these presents or any other document or statute or as to the administration of the Trust.

*(g) Power to Co-opt Trustees*

To Co-opt Trustees to attend meetings of the Trustees which Co-opt Trustees shall not have the right to vote therein.

*Duties of Trustees*

6.(a) The Trustees in addition to any other duties conferred upon them shall in the manner hereafter provided:

- (i) Manage the Trust;
- (ii) Appoint six directors who may or may not themselves be Trustees under this Trust to the Board of Directors of the Company to represent the beneficiaries therein or appoint directors in any other Company that the Trust may be entitled to appoint.
- (iii) Distribute the income in full to the Beneficiaries as hereinafter provided.
- (iv) Hold meetings of the Trustees and Landowner Unitholders in the manner hereinafter mentioned for the despatch of any business, adjourn and otherwise regulate their meetings and deal with any questions or issues as they may think fit.

*(b) Minutes to be Kept*

The Trustees shall cause to keep and maintain minutes of all their meetings and will make available to any Trustee who may request to inspect the same.

*(c) Attendance of Meeting*

Each Trustee (except for ill health or bereavement or due to such circumstances beyond his control) shall attend every meeting which may be called by the Trustees in accordance with the regulation herein and shall not be permitted to attend and/or vote by proxy, agent or attorney.

*Accounts and Audit*

7.(a) The Trustees shall cause proper books of account to be kept with respect to:

- (i) all sums of moneys received and expended by the Trustees and the matters in respect of which the receipts and expenditures take place;
- (ii) the assets and liabilities in respect of the Trust.
- (b) The books of account shall be kept at such place as the Trustees think fit and shall always be open to the inspection of the Trustees.
- (c) The Trustees shall cause to be prepared income and expenditure account and/or profit and loss accounts (hereinafter referred to as "Income Statements") for the financial year and balance sheets and report by the Trustees with respect to the Trust's affairs and the amounts which they recommend to be distributed.
- (d) The accounts which are to be laid aforesaid in the Trustee Meeting shall contain all relevant particulars and such other particulars as may be required by the Seventh Schedule of the Companies Act, 1983 and shall be prepared in accordance with generally accepted accounting principles.
- (e) Every balance sheet and report referred to above shall be signed by at least two (2) Trustees and the auditors report shall be attached to the balance sheet and Income Statements and the report shall be read at the Trustee Meeting and shall be open to inspection by any Trustee.

*The Trust Property*

8.—(1) The Trust shall henceforth stand possessed of all of the Trust Property and shall receive all dividends, interest and other income accrued or to accrue therefrom and to deal with the same in such a manner as provided herein. *Provided However* that the Trust Property shall not be capable of being distributed, paid or transferred either in whole or in part thereof to or for the Beneficiary until the Vesting Day hereinafter provided.

(2) *Income of Trust.* The income of the Trust shall include all dividends, interest and other income derived from the Trust Property after deducting costs and other expenditure incurred by the Trustee.

*Income Distribution*

- 9. (a) The Trustee in each accounting period until the Vesting Day will pay the whole of the net income of the Trust for such accounting period to or for the benefit of the Beneficiaries in proportion to the number of units registered in their respective names as at the end of the such accounting period *provided however* that if the income shall consist of distribution in kind such as shares or other property (personal or real) the Trustees shall hold and deal with the same in the like manner as if it is the Trust Property. The income therefrom shall only be capable of distribution in the like manner.
- (b) The Trustee shall be entitled to make an interim distribution of income at such time or times as the Trustees shall determine during the accounting period.
- (c) The distribution of income hereunder to any category of Beneficiaries shall be limited from time to time as not to exceed a certain percentage of the income available to be distributed to all Beneficiaries upon receipt by the Trustee of a written notification to that effect from the Company.

*Limitation of Liability of Beneficiary*

- 10.(a) Nothing in these Rules shall constitute or shall be deemed to constitute the relationship of principal and agent between the Trustees and the Unit-

holders nor the relationship of partners as between the Trustees and the Unitholders or as between the Unitholders inter se. All income payable in accordance with the provisions of the Rules to the Unitholders shall be payable to them separately and income received by the Trustees shall not be received or be construed as received by or on behalf of the Unitholders jointly or otherwise.

- (b) Notwithstanding any other provision of these Rules or provision deemed to be included herein, no Unitholder shall, by reason thereof, or by reason of the relationship thereby created with the Trustees, be under any obligation personally to indemnify the Trustees or any creditor of the Trustees in the event of there being any deficiency of the assets of the Trust Property as compared with the liabilities of the Trustees in relation thereto, and only rights, if any, of indemnity of such Trustees or of such creditor shall be limited to recourse to the assets of the Trust Property.

*Beneficial Interest of Unitholders*

- 11.(a) The beneficial interest in the Trust as originally constituted and as existing from time to time shall be held by the Beneficiary for the time being in proportion to the units registered in their respective names.
- (b) The Units hereunder shall be issued in the following manner:
- (i) to the Landowners (which for this purpose shall not include the Government) on the basis of one unit for each hectare of land leased by them to the Company and which herein shall be referred to as the "Landowner Units".
  - (ii) to the Extension Forest Owners on the basis of one unit to each hectare of land under the Extension Forests which herein shall be referred to as "Extension Units".
  - (iii) to the Government on the basis of one unit to each hectare of state land leased to the Company which herein shall be referred to as "Government Units".
- (c) Unless otherwise specifically provided herein each unit shall have equal rights.
- (d) Each Unit shall entitle the registered holder hereof equally with the registered holders of all other units to the beneficial interest in the Trust as an entity but subject thereto shall not entitle the beneficiary to any particular security or investment comprised in the Trust or any part thereof and (save as hereinafter expressly provided herein) no Beneficiary shall be entitled to transfer to him or any property comprised in the Trust.
- (e) A beneficiary shall not (except as expressly herein provided) be entitled to interfere with the rights or powers of the Trustees in his dealing with the Trust or any part thereof nor to exercise any rights powers or privileges in respect of the Trust or any part thereof.
- (f) The Trust shall issue additional units from time to time to Beneficiaries whose names are subsequently included in the Register.

*Register of Beneficiaries*

- 12.(a) The Trustees shall cause to be kept and maintained an up-to-date Register subdivided in such manner as to give proper identification to facilitate herein the respective categories and areas as set out in Rule 4 herein.

There shall be entered the following particulars:

- (i) the names, addresses and descriptions of the Beneficiaries;
  - (ii) the number of units in respect of which they are registered and the distinctive numbers or letters of the certificates held by them respectively;
  - (iii) the date at which the name of every Beneficiary was entered in the Register in respect of units standing in his name;
  - (iv) the date on which he ceases to be a beneficiary; and
  - (v) any other details considered necessary by the Trustees.
- (b) Any change of name or address of any beneficiary shall be notified to the Trustees who shall alter the register accordingly.
- (c) (i) Except as hereinafter provided in this sub-paragraph no notice of any trust express implied or constructive shall be entered in the register and the person from time to time entered in the register as the Beneficiary shall be the only person recognized by the Trustee as entitled to the Units registered in his name or to exercise the rights and privileges of the registered holder thereof pursuant to the Rules. No person shall be recognized by the Trustees as holding any unit upon any trust and the Trustees shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable contingent future or partial interest in any unit or any interest therein or (except only as by the provisions of these Rules as otherwise provided) any other rights in respect of any unit except an absolute right to the entirety thereof in the Unitholder. Units held by a trustee in respect of a particular trust may be marked in the register in such a way as to identify them as being held in respect of that trust but no liability shall be created by any such marking and the Trustees shall not be affected with notice of a trust recorded as aforesaid.
- (ii) The Trustees shall not recognise or be bound by any assignments, lien, charges given by any Unitholder in respect of the income or any part thereof from the Units they hold.
- (c) Unless otherwise specifically provided herein each unit shall have equal rights.
- (d) Each Unit shall entitle the registered holder hereof equally with the registered holders of all other units to the beneficial interest in the Trust as an entity but subject thereto shall not entitle the beneficiary to any particular security or investment comprised in the Trust or any part thereof and (save as hereinafter expressly provided herein) no Beneficiary shall be entitled to transfer to him or any property comprised in the Trust.
- (e) A beneficiary shall not (except as expressly herein provided) be entitled to interfere with the rights or powers of the Trustees in his dealing with the Trust or any part thereof nor to exercise any rights powers or privileges in respect of the Trust or any part thereof.
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*Register of Beneficiaries*

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  - (ii) the number of units in respect of which they are registered and the distinctive numbers or letters of the certificates held by them respectively;
  - (iii) the date at which the name of every Beneficiary was entered in the Register in respect of units standing in his name;
  - (iv) the date on which he ceases to be a beneficiary; and
  - (v) any other details considered necessary by the Trustees.
- (b) Any change of name or address of any beneficiary shall be notified to the Trustees who shall alter the register accordingly.
- (c) (i) Except as hereinafter provided in this sub-paragraph no notice of any trust express implied or constructive shall be entered in the register and the person from time to time entered in the register as the Beneficiary shall be the only person recognized by the Trustee as entitled to the Units registered in his name or to exercise the rights and privileges of the registered holder thereof pursuant to the Rules. No person shall be recognized by the Trustees as holding any unit upon any trust and the Trustees shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable contingent future or partial interest in any unit or any interest therein or (except only as by the provisions of these Rules as otherwise provided) any other rights in respect of any unit except an absolute right to the entirety thereof in the Unitholder. Units held by a trustee in respect of a particular trust may be marked in the register in such a way as to identify them as being held in respect of that trust but no liability shall be created by any such marking and the Trustees shall not be affected with notice of a trust recorded as aforesaid.
- (ii) The Trustees shall not recognise or be bound by any assignments, lien, charges given by any Unitholder in respect of the income or any part thereof from the Units they hold.

*Certificates*

- 13.(a) Every Beneficiary whose name is entered in the Register shall be entitled to be issued with a Certificate in such form as the Trustees may from time to time prescribe but in respect of units held jointly the Trustees shall not be bound to issue more than one Certificate and delivery of a Certificate to one of several joint Beneficiaries shall be sufficient delivery to all such Beneficiaries.
- (b) Each such Certificates shall be signed for or on behalf of the Trustees and shall specify the name of the Beneficiary and the number of units to which it relates and shall bear a distinctive number or letter.
- (c) The appearance of the name of a beneficiary on the Register shall be evidence that he is a correct beneficiary and shall be final evidence in case of dispute.
- (d) Whenever units are cancelled under the provisions hereof, the Certificate with respect to such units (or such evidence as to its loss or destruction as the Trustees may require) shall be delivered up to the Trustees.

*Cancellation of Units*

14. Units issued shall be cancelled:
- (i) in the case of Landowner Units and Government Units when the leases of land in relation to which the said Units were issued have

- been cancelled, or terminated for whatever reason or lapsed or expired and not renewed or disposed of in any way whatsoever by the Company and:
- (ii) in relation to the Extension Units, when Extension Forests in relation to which Units were issued no longer qualify for participation.

*Restriction on Alienation of Units*

- 15. (i) No Units shall be alienated or be capable of alienation whether by way of sale, transfer, assignment, lunacy, liquidation or bankruptcy of any Beneficiary unless such alienation will vest the unit in the customary manner recognised by the Native Land Commission.
- (ii) No units or any part thereof shall be capable of being charged or mortgaged to any persons.

*Meetings of Trustees*

- 16.(a) (i) The Trustees shall meet when called upon by the Chairman or upon the joint request of at least three Trustees in writing to the Manager.
- (ii) The Trustees may regulate their meetings as they may themselves from time to time determined.
- (iii) A quorum shall consist of 50% of the members of the Board of Trustees, four (4) of whom shall be Landowner Trustees.
- (iv) The Trustees shall appoint amongst themselves a chairman to hold office for such period as they may decide.
- (v) The Trustees may summon all or any of the directors of the Company appointed by them to attend any meeting herein.

(b) *Decision of Trustees*

Save as herein specifically provided a decision of the majority of the Trustees for the time being of the Trust shall constitute and be given effect to as a decision of the Trustees. In case of an equality of votes the Chairman of Trustees shall have the second or casting vote.

(c) *Resolution*

A Resolution in writing signed by all Trustees for the time being shall be effective as though it were a resolution made at a duly convened meeting of the Trustees.

(d) *Liability of Trustee*

No Trustee shall be liable for:

- (i) any loss or damage occasioned by the exercise of any discretion or power hereby or by law conferred on the Trustee or by failure to exercise any such discretion or power; or
- (ii) any breach of duty of trust whatsoever unless it shall be proved to have been committed, made or omitted fraudulently or in bad faith by the Trustee.

All persons claiming any beneficial interest in over or upon the property subject to this Trust shall be deemed to take the same with notice of and subject to the protection hereby conferred on the Trustee.

*Meeting of Landowner Unitholders*

- 17(a) Each of the Landowner Trustees shall call separate meetings of Landowner Unitholders who appointed him, at their respective station at least once every calendar year at such time as may be determined by the Trustees. Such meetings shall be referred to as the Annual Landowner Meeting. Any Landowner Meeting other than the Annual Landowner Meeting shall be called an "Extraordinary Landowner Meeting".

Each of the Landowner Trustees of the respective forest estate may summon the director appointed by the Landowner Unitholder of that estate to attend any meeting.

- (b) It shall be the sole business of the Annual Landowner Meeting to:
- (i) Receive information from the Trustees concerning the administration and accounts of the Trust;
  - (ii) Receive information concerning the Company and advise the director concerning the same;
  - (iii) Receive nominations for and elect a Trustee in accordance with Rule 4 to fill a vacancy therein;

*Extraordinary Landowner Meeting*

18. The Trustee shall whenever he think fit convene an Extraordinary Landowner Meeting of the Landowner Unit Holders of a particular forest estate, or the managers upon the request in writing of the majority of the Landowner Unitholders of a particular estate shall convene such a meeting at the forest estate in the manner as herein provided.

*Notice*

19. Unless otherwise provided fourteen days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and in case of special business the general nature of that business shall be given to such persons as are entitled to receive such notices from the Trust, but with the consent of all Landowner Unitholders entitled to receive notice of some particular meeting, that meeting may be convened by such shorter notice and in such manner as those Landowner Unitholders may think fit.

Such Notice and service thereof is hereby deemed to be complied with if the Manager causes an announcement to be made in the Fijian language over the National Radio Station at least fourteen (14) days before the time scheduled for the Meeting informing the Landowner Unitholders of the time of the Meeting. The radio announcement must be made on at least three (3) occasions at different intervals.

*Non-receipt of notice*

20. The non-receipt of notice of a meeting by any person entitled to such notice shall not invalidate the proceedings of any Meeting.

*Quorum*

21. No business shall be transacted at any meeting unless a quorum of Landowner Unitholders are present at the time when the meeting proceeds to business. Save herein otherwise provided the Landowner Unitholders present in person holding 50% of total units held for that station will constitute a quorum.

*Absence of Quorum*

22. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Landowner Unitholders, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day at such

other time and place as the manager may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall proceed as if there is a quorum present.

*Determination of Qualification to attend Landowner Meeting*

23. Every Landowner Unitholder shall be entitled to attend the said meeting if prior to the scheduled time of the meeting he is able to satisfy his manager that he is a Landowner Unitholder in accordance with the Register.

*Chairman*

24. The Landowner Unitholders of a Station shall appoint a chairman who shall preside as chairman at the meeting.

*Adjournment*

25. The chairman may, with the consent of the Landowner Unitholders of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid that it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

*Voting*

26. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the chairman;
- (b) by any Landowner Unitholders present in person and holding not less than one-quarter of the total units issued for that Station.

*Unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, an entry to that effect in the book containing the minutes of the proceedings of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn.*

*Poll*

27. If a poll is duly demanded it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the chairman of the meeting may direct, and the result of the poll shall be the resolution of the meeting at which the poll was demanded but a poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith.

*Casting Vote*

28. The Chairman shall, in the case of equality, have a second or casting vote.

*Voting in person*

29. On a show of hands or on a poll every Landowner Unitholder who is present in person shall have one vote for every unit of which he is the holder.

*Manager*

30. The Trustees shall appoint the Company as manager and they may delegate to the Company any duties which they may from time to time wish for the manager to undertake in particular:

- (i) to keep and maintain the Register
- (ii) to maintain and prepare books of account as required under Rule 7 and keep minutes of all Trustee or Landowner Unitholder meetings.
- (iii) to prepare and serve notice of all meetings. *For the purpose of this rule nothing shall be interpreted as preventing the manager in turn to employ agents or representatives to carry out any of the above duties.*

The manager, its agent or representative shall be entitled to attend all meetings held pursuant to this presents.

*Objections*

31. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objections made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

*Appointment of Directors*

32.—(1) The Trustees shall appoint seven (7) directors to the Board of the Company as follows:

- (a) One (1) director to represent the Government who shall be nominated by the Minister.
- (b) Two (2) directors to represent Extension Unitholders.
- (c) Four (4) directors to represent the Landowner Unitholders appointed in the manner prescribed hereunder:
  - (i) one (1) director to represent Nabou Station
  - (ii) one (1) director to represent Nadi Station
  - (iii) one (1) director to represent Lololo and Ra Stations.
  - (iv) one (1) director to represent Bua Station including forests in the Province of Macuata.

(2) The qualification of a director shall be the same as that of a Trustee *Provided however* a Trustee may be entitled to be appointed as a director in the same manner.

(3) In the event that the directors representing the B Class shares of the Company are reduced to three (3), the Trustees shall in addition to subsection (1) hereof appoint a further four (4) directors each of whom to represent the Eastern, Central, Northern and Western Divisions respectively.

*Removal of Directors*

33. Subject to the Articles of Association of the Company and the Companies Act 1983 a director nominated herein shall be removed by the Trust upon receipt by the Manager of a special resolution of the Landowning Unitholders who elected him or in respect of the Extension Unitholders or the Government on receipt of a notice of removal duly signed by an authorised representative of the same.

*Voting Rights*

34. Each Unit entitles the Beneficiary to one vote for each Unit held by him *provided however* that the aggregate voting entitlement of any of the Beneficiaries shall be restricted from time to time as not to exceed a certain percentage of the total aggregate votes of all Beneficiaries upon receipt by the Trustee of a written notification to that effect from the Company.

*Variation of Rules*

35. A Special Resolution of the Beneficiaries may vary, alter or amend the rules herein in accordance with the instructions contained in such resolutions. The special resolution shall be an aggregate of 75% of votes of all Beneficiaries entitled to cast votes at separate meetings of the Landowner Unitholders, the Government and the Extension Unitholders.

*Provided However* that any variation herein which affects the rights of a particular category of Unitholders shall require in the case of the Government and Extension Forest Owners the consent in writing of the holders of three quarter of the Unitholders in those classes and in the case of the Landowner Units with the sanction by Special Resolution passed in each of the separate Landowner Meetings.

*Period of Trust and Determination*

- 36(a) The Trust created herein shall commence on the date hereof and shall continue until the Vesting Day.
- (b) The Vesting Day will be such date as determined by the Beneficiaries after the full redemption of the B Class and C Class shares in the Company have been effected.
- (c) The Vesting Day shall be deemed to be determined upon receipt of Special Resolution by each category of the Beneficiaries approving such determination.
- (d) At the Vesting Day or as soon as practicable after the Vesting Day, the Trustee shall (subject as hereinafter provided):
- (i) sell, call in and convert into money or cause to be sold called in and converted into money the investments and property constituting the Trust, and divide the proceeds of such sale and conversion (less all proper costs and disbursements, commissions, brokerage fees and other outgoings and all proper provision for liabilities) among the Unitholders in proportion to the number of units of which they are at the date of determination of Trust respectively registered as the holders *Provided However* that the Trustees may in their discretion at the request of any Unitholder transfer to such Unit Holder any assets of the Trust Fund in specie in satisfaction or part satisfaction of the entitlement of the Unitholder on the termination of this Trust. *Provided Further* that the Extension Landowner shall not for the purpose of distribution hereunder be entitled to receive any leasehold land and/or forest thereon or proceeds therefrom which the Trust has received as distribution in kind or in species.
  - (ii) The Trustees shall give to each Beneficiary not less than one (1) month's notice of the impending distribution herein.
  - (iii) The Trustees may postpone the sale and conversion of any part of the investments and property of the Trust for such time as it thinks desirable in the interests of the Beneficiaries and shall not be responsible for any loss attributable to such postponement.

- (e) The Trust shall be deemed to be terminated from the date the Trustees receive in writing evidence that seventy-five percent (75%) of all the Beneficiaries herein wishing to determine the same *provided however* that the Trust shall not be determined unless:
- (i) A Vesting Day has already been determined by the Beneficiaries pursuant to sub-rule (a) herein; and
  - (ii) That the evidence in writing shall contain the signatures of the requisite percentage of Beneficiaries referred to herein.

*Seal*

37. The Trustees shall provide for the safe custody of the seal which shall only be used by the authority of the Trustees or of a committee of Trustees authorised by the Trustees on their behalf and every instrument to which the seal is affixed shall be signed by two Trustees and the Manager.

*Jurisdiction*

38. This Trust is subject to the exclusive jurisdiction of the courts of Fiji.