



# Selwyn Water

## BOARD PACK

for

## Selwyn Water Ltd Board Meeting

Tuesday, 1 July 2025

2:45 pm (NZST)

Held at:

Default Location

2 Norman Kirk Drive, Rolleston, New Zealand

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# AGENDA

## SELWYN WATER LTD BOARD MEETING



|                       |   |
|-----------------------|---|
| <b>Name:</b>          | Selwyn Water  |
| <b>Date:</b>          | Tuesday, 1 July 2025  |
| <b>Time:</b>          | 2:45 pm to 3:15 pm (NZST)   |
| <b>Location:</b>      | Default Location, 2 Norman Kirk Drive, Rolleston, New Zealand   |
| <b>Board Members:</b> | Murray Strong (Chair)   |
| <b>Attendees:</b>     | Alex Cabrera, Amon Nunns, Heather Geddes, Jo Gallop, Rachael Brown, Sydney Mallon-Piper, Toni Forrest |

### 1. Opening Meeting

#### 1.1 Introduction

Supporting Documents:

|       |   |   |
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#### 1.2 Quorum

#### 1.3 Interest Register

For Noting

Supporting Documents:

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### 2. Major Decisions and Discussions

#### 2.1 Board Documents and Resolutions

For Decision

Supporting Documents:

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| 2.1.g | 09. SWL - Shareholder's Resolutions and Entitled Persons' Consent (WCFA).docx                                   | 34 |
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Supporting Documents:

|       |  |    |
|-------|--|----|
| 2.1.i | 11. Deed of Access, Indemnity and Insurance - Selwyn Water Limited (Execution version).docx        | 43 |
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3. Other Business

4. Close Meeting

**4.1 Close the meeting**

**Next meeting:** Selwyn Water Board Meeting - 1 August - 1 Aug 2025, 10:00 am

**Selwyn Water Limited**  
**(“the Company”)**  
**ANNUAL GENERAL MEETING**  
**AGENDA**

9.30am, 1 July 2025 NZT

Via Teams video conference as set out in meeting invitation

| Agenda Items  | Attachments  |
|---|--|
| <b>Introduction</b>   |  |
| <b>1. Welcome / Apologies / Quorum</b>  |  |
| <b>2. Conflicts of interest</b>   |  |
| <b>3. Discussion of:</b><br><br>(a) Draft written resolutions of the Board to enter into Water Services documents (the <b>Board Resolutions</b> ) and the documentation and actions contemplated within such resolutions; and<br><br>(b) Draft shareholder’s special resolution approving major transactions. | <ul style="list-style-type: none"> <li>• Draft written resolutions of the Board to enter into Water Services documents.</li> <li>• Draft shareholder’s special resolution approving major transaction.</li> <li>• Draft Delegated Authorities.</li> <li>• Draft Health and Safety Policy.</li> </ul>   |
| <b>4. Discussion of Working Capital Facility Agreement and associated documentation (the WCFA Corporate Approvals)</b>  | <ul style="list-style-type: none"> <li>• Draft written resolutions of the Board to enter into Working Capital Facility Agreement and related documents.</li> <li>• Draft shareholder’s special resolution approving entry into Working Capital Facility Agreement and related documents.</li> <li>• Draft director’s certificate relating to entry into Working Capital Facility Agreement and related documents.</li> </ul> |
| <b>Resolutions</b>  |  |
| <b>5. The form of Board Resolutions be and is hereby approved and the sole director of the Company execute such Board Resolutions and the documents and actions contemplated within the Board Resolutions.</b>  |  |
| <b>6. The form of WCFA Corporate Approvals be and is hereby approved and the sole director of the Company execute such WCFA Corporate Approvals and the documents and actions contemplated within the WCFA Corporate Approvals.</b>   |  |
| <b>Conclusion</b>   |  |
| <b>7. Date / time of next meetings</b>  |  |

# Interests Register

## Selwyn Water



As of: 1 Jul 2025

| Person               | Organisation | Active Interests  | Notice Date |
|----------------------|--------------|---|-------------|
| <b>Murray Strong</b> | CoDE Ltd     | Centre of Digital Excellence, NZ Ltd - Chairman - 1/12/2018-current.<br>Fees paid                 | 3 Jan 2025  |
|                      | DCC          | Digital Interactive Health/MedTechIQ - Chairman - 1/08/2023-current.<br>Fees paid.                | 3 Jan 2025  |
|                      | Health NZ    | New Dunedin Hospital, Digital Transformation Board - Chairman -<br>20/12/2021-current. Fees paid. | 3 Jan 2025  |

| Person               | Organisation | Recently Closed Interests   | Closing Date |
|----------------------|--------------|---|--------------|
| <b>Murray Strong</b> | DSL          | Destination Southern Lakes - Chairman - 06/09/2023-current. Fees<br>paid. | 30 Jun 2025  |



## Selwyn Water Limited: Document checklist

Selwyn Water Limited (**SWL**) was incorporated on 22 May 2025 as a council-controlled organisation, being a wholly owned subsidiary of Selwyn District Council (**SDC**). SWL was established to carry out SDC's role of delivering drinking water and wastewater in the Selwyn Region (**Water Services**), as contemplated by the Local Government (Water Services) Bill (the **Bill**).

In anticipation of the enactment of the Bill, SWL is proposing to enter into various documentation to enable the transfer, through a phased transition process, of SDC's Water Services obligations (and associated assets, liabilities and debts) to SWL (the **Water Services Transition**).

This checklist sets out the documentation to be executed and actions required to give effect to the proposed Water Services Transition. Documents shaded in blue are those documents to be signed at SWL's first board meeting on 1 July 2025.

| #                                    | ITEM                               | SIGNING PARTIES  | SIGNING REQUIREMENTS             | COMMENTS / STATUS  |
|--------------------------------------|------------------------------------|--|----------------------------------|--|
| <b>KEY TRANSACTION DOCUMENTATION</b> |                                    |  |                                  |  |
| 1                                    | Transitional Services Agreement    | <ul style="list-style-type: none"> <li>• Authorised signatory of SDC.</li> <li>• Authorised signatory of SWL.</li> </ul>   | Wet-ink or electronic signature. | <p style="text-align: center;">✓</p> Fully executed on 19 June 2025. |
| 2                                    | Operational Delivery Agreement     | <ul style="list-style-type: none"> <li>• Authorised signatory of SDC.</li> <li>• Authorised signatory of SWL.</li> </ul>   | Wet-ink or electronic signature. | <p style="text-align: center;">✓</p> Fully executed on 19 June 2025. |
| 3                                    | Working Capital Facility Agreement | <ul style="list-style-type: none"> <li>• Authorised signatory of SDC, whose signature must be witnessed.</li> <li>• Authorised signatory of SWL, whose signature must be witnessed.</li> </ul> | Wet-ink or electronic signature. | To be re-signed.   |
| 4                                    | Shareholder Comfort Letter to SWL  | <ul style="list-style-type: none"> <li>• Authorised signatory of SDC.</li> <li>• Authorised signatory of SWL.</li> </ul>   | Wet-ink or electronic signature. | TBC following Alex's discussions with SDC on 30 June.                |

| #   | ITEM   | SIGNING PARTIES  | SIGNING REQUIREMENTS             | COMMENTS / STATUS  |
|---|--|--|----------------------------------|--|
| <b>CORPORATE APPROVALS</b>                |  |  |                                  |  |
| 5   | SWL board resolution approving entry into Water Services documents | <ul style="list-style-type: none"> <li>Sole director of SWL.</li> </ul>  | Wet-ink or electronic signature. | Draft prepared by BG.  |
| 6   | SWL special shareholder resolution approving major transaction     | <ul style="list-style-type: none"> <li>Authorised signatory of SDC.</li> </ul>                                   | Wet-ink or electronic signature. | Draft prepared by BG.  |
| 7   | Delegations of authority   | <ul style="list-style-type: none"> <li>Signed by Chair of SWL.</li> </ul>  | Wet-ink or electronic signature. | To set financial delegations for CEO.                                  |
| 8   | SWL board resolution approving entry into WCFA                     | <ul style="list-style-type: none"> <li>Sole director of SWL.</li> </ul>  | Wet-ink or electronic signature. | Draft prepared by BG.  |
| 9   | SWL special shareholder resolution approving entry into WCFA       | <ul style="list-style-type: none"> <li>Authorised signatory of SDC.</li> </ul>                                   | Wet-ink or electronic signature. | Draft prepared by BG.  |
| 10  | Director's certificate relating to entry into WCFA                 | <ul style="list-style-type: none"> <li>Sole director of SWL.</li> </ul>  | Wet-ink or electronic signature. | Draft prepared by BG.  |
| <b>DIRECTORS' INDEMNITY AND INSURANCE</b> |  |  |                                  |  |
| 11  | Deed of Access, Indemnity and Insurance                            | <ul style="list-style-type: none"> <li>Sole director of SWL, whose signature must be witnessed.</li> </ul>       | Wet-ink or electronic signature. | Draft prepared by BG.  |
| 12  | Directors' certificate relating to the cost of effecting insurance | <ul style="list-style-type: none"> <li>Sole director of SWL.</li> </ul>  | Wet-ink or electronic signature. | Draft prepared by BG.  |
| 13  | D&O Insurance Policy   | TBC  | Wet-ink or electronic signature. | Marsh to advise of documentation to inception policy from 1 July 2025. |
| <b>EMPLOYMENT</b>                         |  |  |                                  |  |
| 14  | SWL employment agreement and letter of offer for CEO               | <ul style="list-style-type: none"> <li>Chair of SWL.</li> <li>Employee to whom the agreement relates.</li> </ul> | Wet-ink or electronic signature. | Drafts to be prepared by BG  |

| #            | ITEM   | SIGNING PARTIES   | SIGNING REQUIREMENTS             | COMMENTS / STATUS   |
|--------------|--|---|----------------------------------|---|
| 15           | SWL employment agreements and letters of offer for:<br>DCE & Director of Strategy and Organisational Development<br>Director of Finance and Commercial<br>Director of Asset Management and Planning<br>Director of Operations and Service Delivery | <ul style="list-style-type: none"> <li>• Authorised signatory of SWL.</li> <li>• Employee to whom the agreement relates.</li> </ul>           | Wet-ink or electronic signature. | Drafts to be prepared by BG                                       |
| 16           | Template employment agreements for current SDC employees to be offered employment by SWL:<br>Permanent<br>Permanent (currently on collective agreement)<br>Fixed term  | <ul style="list-style-type: none"> <li>• Authorised signatory of SWL.</li> <li>• Employee to whom the agreement relates.</li> </ul>           | Wet-ink or electronic signature. | Drafts to be prepared by BG                                       |
| 17           | Secondment agreements  | <ul style="list-style-type: none"> <li>• Authorised signatories of SDC and SWL.</li> <li>• Employee to whom the agreement relates.</li> </ul> | Wet-ink or electronic signature. | Draft being prepared by SDC for BG review                         |
| 18           | Health and Safety Policy   | Nil   | Board to approve by resolution.  | Heather to confirm the HSE consultants have prepared this policy. |
| <b>OTHER</b> |  |   |                                  |   |
| 19           | Water Service Delivery Plan  | Nil   | Nil                              | Final form to be available for SWL                                |
| 20           | Statement of Expectations  | <ul style="list-style-type: none"> <li>• Sam Broughton (SDC)</li> <li>• Sharon Mason (SDC)</li> </ul>   | Wet-ink or electronic signature. | Final draft with SDC. To be considered after Day 1.               |

| #  | ITEM   | SIGNING PARTIES  | SIGNING REQUIREMENTS             | COMMENTS / STATUS   |
|----|--|--|----------------------------------|---|
| 21 | Certificate of currency in relation to business insurances | <ul style="list-style-type: none"> <li>Marsh</li> </ul>  | N/A                              | To be issued by Marsh to confirm coverage under SDC policies. |
| 22 | Template Services Agreement                                | TBC  | TBC                              | BG to draft   |
| 23 | Master Services Agreement                                  | <ul style="list-style-type: none"> <li>Authorised signatory of SWL.</li> <li>Authorised signatory of Datacom Solutions Limited.</li> </ul> | Wet-ink or electronic signature. | Timing of signing to be confirmed.                            |
| 24 | Datascape Service Schedule                                 | <ul style="list-style-type: none"> <li>Authorised signatory of SWL.</li> <li>Authorised signatory of Datacom Solutions Limited.</li> </ul> | Wet-ink or electronic signature. | Timing of signing to be confirmed.                            |
| 25 | Datascape Statement of Work                                | <ul style="list-style-type: none"> <li>Authorised signatory of SWL.</li> <li>Authorised signatory of Datacom Solutions Limited.</li> </ul> | Wet-ink or electronic signature. | Timing of signing to be confirmed.                            |

# Selwyn Water Limited

## Board Pack

5. Written resolution of the Board of Directors approving entry into Water Services Documents (*item 3*)
6. Special resolution of shareholder approving major transaction (Section 129 Companies Act 1993) (*item 3*)
7. Selwyn Water Limited Delegated Authority Policy (*item 3*)
8. WRITTEN RESOLUTIONS OF THE BOARD (*item 4*)
9. SHAREHOLDER'S WRITTEN RESOLUTIONS AND ENTITLED PERSON'S WRITTEN CONSENT PASSED IN ACCORDANCE WITH SECTIONS 122 AND 107 OF THE COMPANIES ACT 1993 (*item 4*)
10. DIRECTOR'S CERTIFICATE (*item 4*)
11. Deed of Access, Indemnity and Insurance
12. Director's certificate relating to the cost of effecting insurance
13. SWL Health Safety & Wellbeing Management Charter (*item 3*)
14. Memo re Working Capital Facility Agreement – Shareholder position and path forward (*item 4*)

## Selwyn Water Limited (the Company)

### Written resolution of the Board of Directors approving entry into Water Services Documents

#### Noted

##### *Introduction*

- A. The Company was incorporated on 22 May 2025. The Company is a council-controlled organisation, being a wholly-owned subsidiary of Selwyn District Council (**SDC**).
- B. The Company was established to carry out SDC's role of delivering drinking water and wastewater in the Selwyn Region (**Water Services**), as contemplated by the Local Government (Water Services) Bill (the **Bill**). In anticipation of the enactment of the Bill, the Company is proposing to enter into various documentation to enable the transfer, through a phased transition process, of SDC's Water Services obligations (and associated assets, liabilities and debts) to the Company (the **Water Services Transition**).
- C. As contemplated in the Bill, SDC has prepared and provided a copy of a Water Services Delivery Plan to the Department of Internal Affairs for review on 18 June 2025 (the **Water Services Delivery Plan**).
- D. The Company, as a council-controlled organisation, is subject to various requirements under legislation.

##### *Entry into Transaction Documents*

- E. In connection with the Water Services Transition, the Company proposes to enter into:
  - (i) the documents set out in Schedule 1 to these resolutions, in substantially the form circulated to the Board in advance of signing these resolutions; and
  - (ii) such other documents as may be considered necessary, advisable or desirable to give effect to the Water Services Transition, or which may be considered necessary, advisable, desirable or expedient in connection with, or incidental to the Water Services Transition,(together, the **Transaction Documents**) and do all such things, and enter into such other transactions and/or documents, as may be considered necessary in connection with, or incidental to, the Transaction Documents.

##### *Indemnities and Insurance*

- F. The Company proposes to indemnify each of its directors as set out in a Deed of Indemnity (the **Deed of Indemnity**) in substantially the form previously circulated to the Board in advance of signing these resolutions to the extent permitted in accordance with section 162 of the Act and the Company's constitution.
- G. The Company also proposes to effect insurance for each of its directors in respect of liabilities and costs referred to in section 162(5) of the Act, subject to the satisfaction of the Board of the Company with the cost and coverage under such insurance (the **Insurance Arrangements**).

##### *Bank Account*

- H. On 19 June 2025, the Company opened a bank account in the name of the Company (the **Bank Account**) and established certain transactional banking arrangements.

- I. To facilitate the day to day dealings with the Bank Account, the Company proposes to give authority to operate the Bank Account to the following persons (together, the **Bank Account Authorised Persons**):
- (a) Murray Strong;
  - (b) Alex Cabrera; and
  - (c) Heather Geddes.

*Appointment of Chief Executive Officer*

- J. Mr Alex Cabrera has been assisting in the establishment of the Company and planning for Water Services Transition. The Board intends to appoint Mr Cabrera as the Chief Executive Officer of the Company with effect from 1 July 2025 pursuant to an employment agreement agreed between the Chair of the Board and Mr Cabrera in substantially the form circulated to the Board in advance of signing these resolutions (**CEO Employment Agreement**).

*Appointment of other members of management*

- K. The Board, in consultation with its newly appointed Chief Executive Officer, intends to appoint:
- (a) DCE & Director of Strategy and Organisational Development;
  - (b) Director of Finance and Commercial;
  - (c) Director of Asset Management and Planning; and
  - (d) Director of Operations and Service Delivery,
- (together, the **Additional Members of Management**).
- L. The Board, in consultation with its newly appointed Chief Executive Officer, intends to recruit other members of management to support the Board and Chief Executive Officer.

*Delegations of Authority*

- M. The Board proposes to delegate certain of its powers, functions and authorities in relation to the Company by adopting the delegations of authority in the form circulated to the Board in advance of signing these resolutions (the **Delegated Authorities**). The Board is satisfied that the delegates will exercise the power in conformity with the duties imposed on directors of the Company by the Companies Act 1993 (the **Act**) and the Company's constitution but will remain responsible for monitoring the exercise of any powers delegated.

*Policies and Procedures*

- N. The Board has reviewed a health and safety policy for adoption by the Company.
- O. The Board, in consultation with its newly appointed Chief Executive Officer, intends to develop various other policies and procedures in connection with the operation of the Company for consideration and adoption at a future meeting of the Board.

*Director appointments*

- P. The Board has commenced a search for suitable candidates to join the Board as Independent Directors (within the meaning given to that term in the Company's constitution).

*Initial funding*

- Q. The Company will, under the Working Capital Facility Agreement, be advanced funds to support the establishment and initial operations of the Company. Amounts drawn under the Working

Capital Facility Agreement will be repayable to SDC on 31 March 2026 (subject to extension in certain circumstances until 30 June 2026). The Board notes that given the purposes for which advances under the Working Capital Facility Agreement are to be made, it is unlikely to have assets available to repay the Working Capital Facility Agreement on or before 30 June 2026 unless the Water Services Transition has completed and replacement funding has been made available by the Local Government Funding Authority (or another financial institution acceptable to the Company). Accordingly, the Board believes it is prudent to require a binding commitment from SDC to fund (if needed) the repayment of amounts due, including under the Working Capital Facility Agreement, prior to the entry into the Working Capital Facility Agreement (such commitment, a **Comfort Letter**).

#### *Major transactions*

- R. The entry by the Company into the documents contemplated by these resolutions (the **Documents**) constitutes or may constitute a "major transaction" for the purposes of section 129 of the Act. Pursuant to section 129 of the Act, the directors of the Company have sought the approval of its sole shareholder, by special resolution, to the entry by the Company into the Documents (**Shareholder Resolution**).

#### *Interested Director*

- S. The sole director of the Company may be "interested" (as that term is defined in section 139 of the Act) in the matters contemplated by these resolutions. The director's interests will be entered in the Company's interests register (the **Director's Interests**). The sole director of the Company also noted his interests as a director of other companies and asked that a general entry be made in the interests register of each of his directorships, trusteeships and other governance roles.

**Resolved** (as a resolution in writing) that, subject to the Shareholder Resolution being passed:

#### *Water Services Delivery Plan*

1. the Company acknowledges the receipt of the Water Services Delivery Plan, as adopted by SDC on 18 June 2025;

#### *Entry into the Transaction Documents*

2. the entry into, and performance of, the Transaction Documents by the Company is in the best interests of the Company and be and is hereby approved subject to the Board being satisfied with the Comfort Letter or such other form of comfort as the Board may require to support the discharge of directors' duties;

#### *Indemnities and Insurance*

3. the Company enter into, and perform its obligations under, the Deed of Indemnity;
4. the Company effect insurance for any Director or employee of the Company in respect of any liability or costs referred to in section 162(5) of the Act;
5. the details of the indemnity under the Deed of Indemnity and the particulars of insurance effected under resolution 2 above be entered in the interests register of the Company for the purposes of sections 141 and 162(7) of the Act;

#### *Bank Account*

6. the Company's opening of the Bank Account be and is hereby ratified and approved;
7. the Bank Account Authorised Persons are authorised to sign all necessary documents in relation to the operation of the Bank Account;

*Appointment of Chief Executive Officer*

8. Alex Cabrera be appointed as Chief Executive Officer with effect from 1 July 2025 on the terms set out in the CEO Employment Agreement;

*Appointment of other members of management*

9. The Additional Members of Management be appointed on such terms as the Board may approve as recommended by the Chief Executive Officer.
10. The Board, in consultation with its newly appointed Chief Executive Officer, commences a recruitment process to identify and appoint other members of management to support the Board and Chief Executive Officer;

*Delegated Authorities*

11. the Delegated Authorities be adopted by the Company in such final form as may be approved by the Chairperson of the Board and issued to the Chief Executive Officer and will remain in force until amended or withdrawn by the Board;

*Policies and Procedures*

12. the health and safety policy be and is approved in the form circulated to the Board in advance of signing these resolutions;
13. the newly appointed Chief Executive Officer be asked to develop various other policies and procedures in connection with the operation of the Company for consideration and adoption at a future meeting of the Board;

*Director appointments*

14. the Board work with SDC to select and appoint suitably qualified and experienced Independent Directors, and the Chair is authorised to provide a letter of appointment in a form approved by the Chair to set out the terms of appointment of any person who is to be appointed as a director of the Company;

*Comfort Letter*

15. the Board engage with SDC to agree a form of Comfort Letter or alternative comfort as the Board may require to support the discharge of directors' duties;

*Directors' interests*

16. the Director's Interests be noted as set out in the interests register of the Company;

*Authorised signatories*

17. the sole Director of the Company or any other person instructed by the sole director is authorised to do all such things as may be necessary or desirable in order to give effect to the Water Services Transition, including:
  - (a) giving any notices and other communications under or in connection with the Water Services Transition on behalf of the Company;
  - (b) negotiating, approving, making, agreeing and/or executing any amendments, supplements and variations to documents relevant to the Water Services Transition as that Authorised Signatory may (in their absolute discretion) think fit, the execution of each such document by an Authorised Signatory being conclusive evidence of the due authorisation and approval by the Company;
  - (c) taking such action and make such filings as are required under applicable law; and



## Schedule 1 – Transaction Documents

| #  | Transaction Document   |
|----|--|
| 1. | Transitional Services Agreement between Selwyn Water Limited and Selwyn District Council under which Selwyn District Council will provide transitional services to Selwyn Water Limited.                             |
| 2. | Operational Delivery Agreement between Selwyn Water Limited and Selwyn District Council under which Selwyn District Council appoints Selwyn Water Limited to carry out certain water services for an interim period. |
| 3. | Working Capital Facility Agreement between Selwyn Water Limited and Selwyn District Council under which Selwyn District Council will provide Selwyn Water Limited with a working capital facility.                   |

# **Selwyn Water Limited Delegated Authority Policy**

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| 5. | <b>Non-Financial Delegations</b> ..... | <b>7</b> |

| ISSUE DETAILS                                  |   |
|--|---|
| <b>Effective Date:</b>                         | 1 July 2025   |
| <b>Policy Owner:</b>                           | [Acting] Chief Financial Officer  |
| <b>Approved By:</b>                            | Board of Directors  |
| <b>Policy Review Date:</b>                     | 30 June 2026  |
| <b>Monitoring Compliance with this policy:</b> | The [Financial Controller] is responsible for monitoring compliance with this Policy. Any queries about this policy should be directed to the [Financial Controller] in the first instance. |

## Selwyn Water Limited Corporate Policy

This Policy was implemented on and from 1 July 2026. This policy will be reviewed and updated (if necessary) following enactment of the Local Government (Water Services) Bill.

### 1. Preface

---

The Board of Selwyn Water Limited (**SWL**) is responsible for all aspects of the operation of the company. In order to allow the company to function effectively and efficiently on a day-to-day basis, the Board has delegated to the CEO and General Managers (once employed or seconded to SWL) the authority to spend money and to carry out certain other tasks and functions within prescribed limits. Those delegations (sometimes referred to as “standing delegations”) are set out in this Policy.

### 2. Structure

---

Section 3 of this Policy sets out the principles that apply to the interpretation and application of the Financial Delegations and Non-financial Delegations in this Policy.

The Financial Delegations are in Section 4. These are “quantitative” delegations under which the Chief Executive’s or a General Manager’s delegated authority is defined by reference to the monetary value of the relevant transaction or other matter (or may be unlimited).

The Non-financial Delegations are in Section 5. These are “qualitative” delegations under which the Chief Executive or a General Manager has delegated authority to approve (or not) certain types of transaction or other matter regardless of its value.

The Financial Delegations and Non-financial Delegations are referred to collectively as the Delegations.

### 3. Principles

---

#### 3.1 Scope and interpretation of the Delegations

- (a) The Delegations contain the minimum authorisation levels for the transactions and other matters covered by them. Depending on the circumstances in which a matter arises it may be prudent for personnel to seek a higher level of authorisation. Likewise, it may be prudent for personnel to seek a high level of authorisation for a matter not explicitly covered by the Delegations. Personnel must exercise their judgement about whether it is appropriate in all the circumstances to go above and beyond the Delegations in seeking authority for a transaction or other matter. In

exercising their judgement personnel should have particular regard to the potential reputational consequences of the transaction or other matter for SWL or its shareholder.

- (b) All authority delegated in the Delegations includes the authority to sign any document and do any other thing necessary or desirable to give effect to the delegated authority.
- (c) In applying the Delegations a series of related transactions to which SWL becomes committed at the same time must be treated as a single transaction. For example, a contract to buy three computers over three years is a single transaction, not three separate transactions.
- (d) Transactions must be approved in accordance with all applicable Financial Delegations and Non-financial Delegations.

### 3.2 **Limitations on the Delegations**

- (a) Any specific delegations from the Board (including in Board-approved Corporate Policies) and any powers of attorney granted by SWL prevail over anything inconsistent in the Delegations.
- (b) Expenditure in the form of personal expenses (e.g. accommodation, meals, and personal memberships) is to be referred to the Board.

### 3.3 **Sub-delegation**

- (a) All authority delegated in the Delegations may be sub-delegated, including by sub-delegates. However:
  - (i) any sub-delegation to a person who is not an SWL employee or secondee must be approved by the Board; and
  - (ii) a delegate or sub-delegate should not sub-delegate his or her entire authority unless it is necessary to do so to cover an absence. As a general rule, for operating expenditure a maximum of 75% (by value) of a financial authority should be sub-delegated on a standing basis. A non-financial authority should not be sub-delegated on a standing basis at all.

### 3.4 **Legal advice**

- (a) Subject to any express requirement in the Delegations, personnel must exercise their judgement about whether to seek internal legal advice on a contract before executing it for SWL. In exercising their judgement personnel must take into account the face value and nature of the contract, including the risk it represents to SWL.
- (b) A contract that is on SWL's standard terms is less likely to require legal input.
- (c) A contract under which SWL grants another party an indemnity is more likely to require legal input.

### 3.5 **Compliance**

- (a) All employees are responsible for ensuring the Delegations and any sub-delegations under them are not exceeded. An employee's breach of delegated authority may be serious misconduct and result in disciplinary action.

- (b) As well as having sufficient delegated authority to authorise a transaction, personnel must comply with all relevant Corporate Policies when they commit SWL to the transaction.
- (c) In the first instance, personnel should contact the [Financial Controller] if they are in any doubt as to the correct application of the Delegations.

### 3.6 **Financial Delegations principles**

- (a) All authority above the CEO's delegation limits in the Financial Delegations is reserved to the SWL Board. This includes authorising capital and operating expenditure outside the business plan total for the relevant area of responsibility.
- (b) Except where stated otherwise in the Financial Delegations, and subject to the next principle, delegations of authority in the Financial Delegations to the "GM (in area of responsibility)" are to the General Manager of the SWL division that holds the budget or responsibility for the relevant transaction or project.
- (c) Any delegation of authority to the CEO or CFO in the Financial Delegations is for all areas of responsibility.
- (d) All delegation limits in the Financial Delegations are exclusive of GST and relate to the face value of the relevant transaction or project (in nominal dollars).
- (e) Transactions and projects must not be arbitrarily segmented in order to stay below the delegation limits in the Financial Delegations.
- (f) A framework contract should be authorised by a person who would have a sufficient delegation to authorise a typical transaction under it if the financial face value of the framework contract is less than that.

### 3.7 **Non-financial Delegations principles**

All authority delegated in the Non-financial Delegations may be exercised by any Management level above the recorded delegation level. For example, all authority delegated to a GM may be exercised by the CEO (but is not required to be).

## 4. Financial Delegations

| Delegation code | Authority delegated   | Delegation level and limit (U/L means unlimited) |  | Comments and qualifications  |
|-----------------|---|--|--|--|
|                 |   | CEO (for all areas of responsibility)            | GM (in area of responsibility)           |  |
| <b>RV</b>       | <b>Revenue</b>  |  |  |  |
| <b>RV1</b>      | Authorise revenue other than fixed asset sales  | [\$●]  | [\$●]                                    | Delegations DW4 and DW5 apply to fixed asset sales   |
| <b>RV2</b>      | Authorise reversal of incorrect charges   | [\$●]  | [\$●]                                    |  |
| <b>RV3</b>      | Authorise credit notes and revenue write-offs other than for reversing incorrect charges                                  | [\$●]  | [\$●]                                    | Limit is per credit note/write-off CFO or delegate must review (not authorise) all credit notes/write-offs with a face value over [\$●] and all credit notes.<br>Delegation RV2 applies to reversing incorrect charges |
| <b>SR</b>       | <b>Statutory and regulatory payments</b>  |  |  |  |
| <b>SR1</b>      | Authorise statutory and regulatory payments   | U/L  | -  |  |
| <b>OE</b>       | <b>Operating expenditure</b>  |  |  | Excludes statutory and regulatory payments (covered by SR delegations)   |
| <b>OE1</b>      | Authorise operating expenditure where total operating expenditure remains within business plan for area of responsibility | [\$●] per annum<br>[\$●] per transaction         | [\$●] per annum<br>[\$●] per transaction | Transaction must come within both limits   |

| <b>CE</b>   | <b>Capital expenditure</b>   |       |       | Includes all land purchases<br>Excludes minor capital expenditure<br>(covered by MCE delegations)   |
|-------------|--|-------|-------|---|
| <b>CE1</b>  | Authorise capital project business case where total capital expenditure remains within business plan for area of responsibility  | [\$●] | [\$●] | Limit is total budgeted capital expenditure per business case<br>Includes approving business case, budget and budget adjustments<br>Includes authorising capital expenditure within business case budget (which may be sub-delegated) |
| <b>CE2</b>  | Authorise capital expenditure before approval of capital project business case where total capital expenditure remains within business plan for area of responsibility | [\$●] | [\$●] | Limit is per capital project  |
| <b>MCE</b>  | <b>Minor capital expenditure</b>   |       |       | As determined by the CFO or delegate if there is doubt  |
| <b>MCE1</b> | Authorise motor vehicle capital expenditure where total expenditure remains within business plan for area of responsibility  | U/L   | [\$●] |   |
| <b>DW</b>   | <b>Dismantling, disposal and capital write-offs</b>  |       |       |   |
| <b>DW1</b>  | Authorise dismantling project business case  | [\$●] | N/A   |   |
| <b>DW2</b>  | Authorise capital work-in-progress write-off   | [\$●] | N/A   |   |
| <b>DW3</b>  | Authorise fixed asset value write-off  | [\$●] | N/A   |   |

|            |  |                |                            |  |
|------------|--|----------------|----------------------------|--|
| <b>DW4</b> | Authorise sale of fixed assets in service  | \$(●)          | \$(●)                      | Limit is total net book value of assets per transaction<br>CFO or delegate must review (not authorise) sale of a fixed asset with a net book value over \$(●)  |
| <b>DW5</b> | Authorise sale of fixed assets not in service, including land  | \$(●)          | CFO \$(●)<br>Other GMs N/A | Limit is total net book value of assets per transaction  |
| <b>D</b>   | <b>Disputes</b>  |                |                            |  |
| <b>D1</b>  | Authorise commencement, joining or settlement of litigation or binding alternative dispute resolution relating to customer matter        | U/L            | N/A                        | GM delegations are for all areas of responsibility   |
| <b>D2</b>  | Authorise commencement, joining or settlement of litigation or binding alternative dispute resolution relating to an employment matter   | \$(●)          | N/A                        | Limit is total recovery sought or defended by [Company] per proceeding, or total [Company] cost or revenue per settlement<br>Both GMs must authorise<br>GM delegations are for all areas of responsibility |
| <b>D3</b>  | Authorise commencement, joining or settlement of litigation or binding alternative dispute resolution not covered by delegation D1 or D2 | Board reserved |                            |  |

## 5. Non-Financial Delegations

The italicised delegation codes are the corresponding delegation codes (if any) in the immediately preceding issue of the Delegated Authority Policy.

| Delegation code | Authority delegated   | Delegation level | Comments and qualifications   |
|-----------------|---|------------------|---|
| <b>CT</b>       | <b>Contracts</b>  |                  | General Counsel or delegate must review (not authorise) all templates, contracts and variations covered by these CT delegations |
| <b>CT1</b>      | Approve template customer contracts and material variations to them   | CEO              |   |
| <b>CT2</b>      | Approve Transitional Services Agreement, Operational Delivery Agreement and Working Capital Facility Agreement and material variations to any of them | Board reserved   |   |
| <b>CT3</b>      | Approve agreements other than as described at CT2 and material variations to them   | CEO              | Financial delegation limits must also be observed   |
| <b>CT4</b>      | Approve template employment contracts and material variations to them   | Board reserved   | Individual employment contracts must be approved in accordance with applicable P delegations, if any                            |
| <b>R</b>        | <b>Regulation</b>   |                  |   |
| <b>R1</b>       | Approve submissions to Department of Internal Affairs relating to Water Services Delivery Plan and transition of water services                       | CEO              |   |
| <b>R2</b>       | Approve submissions to Commerce Commission relating to water services regulation  | Board reserved   |   |
| <b>R3</b>       | Approve submissions to Taumata Arawai relating to water services regulation   | CEO              |   |
| <b>R4</b>       | Approve submission of other documents to regulators   | Board reserved   |   |

|            |  |                |  |
|------------|--|----------------|--|
|            |  |                |  |
| <b>P</b>   | <b>People</b>  |                |  |
| <b>P1</b>  | Approve appointment, employment terms and termination of CEO and direct reports to CEO, other than administrative staff      | Board reserved |  |
| <b>P2</b>  | Approve creation of new positions that are direct reports to CEO, other than administrative staff                            | Board reserved |  |
| <b>P3</b>  | Approve creation of new positions below direct reports to CEO, and administrative staff reporting direct to CEO              | CEO            |  |
| <b>P4</b>  | Approve termination below direct reports to CEO, and administrative staff reporting direct to CEO                            | CEO            |  |
| <b>FI</b>  | <b>Finance and insurance</b>   |                |  |
| <b>FI1</b> | Approve opening of new bank accounts   | CEO and CFO    | Both CEO and CFO must approve  |
| <b>FI2</b> | Approve material variations to accounting policies   | Board reserved |  |
| <b>FI3</b> | Approve annual insurance programme   | Board reserved |  |
| <b>FI4</b> | Approve appointment of insurance brokers   | CEO            |  |
| <b>FI5</b> | Approve SWL guarantee of the obligations of another person   | Board reserved | General Counsel or delegate must review (not approve) all guarantees |
| <b>CM</b>  | <b>Corporate matters</b>   |                |  |
| <b>CM1</b> | Approve activity requiring consultation with shareholder under Statement of Corporate Intent or Statement of Expectations    | Board reserved |  |
| <b>CM2</b> | Approve acquisition, disposal or winding up of subsidiary or business, or entry into or exit of joint venture or partnership | Board reserved |  |

|            |  |                |   |
|------------|--|----------------|---|
| <b>CM3</b> | Approve annual internal audit programme and auditors to carry it out             | Board reserved | Subject to Auditor-General directions   |
| <b>CM4</b> | Approve Corporate Policies   | Board reserved |   |
| <b>CM5</b> | Approve non-material changes to Corporate Policies referred to in delegation CM4 | CEO            |   |
| <b>CM6</b> | Approve guidance notes relating to Corporate Policies                            | CEO            |   |
| <b>CM7</b> | Approve changes to delegation limits for GMs in Financial Delegations            | CEO            | GM delegation limits must not be increased above the CEO delegation limits from the Board |

**SELWYN WATER LIMITED**  
**NZBN: 9429052861987**

(the **Company**)

**WRITTEN RESOLUTIONS OF THE BOARD**

**PROPOSED TRANSACTIONS**

It is proposed that the Company enter into certain transactions contemplated by the Documents (as defined below), and do all such things and enter into such other transactions as may be considered necessary to give effect to the transactions or which may be considered necessary, advisable or expedient in connection with, or incidental to, these transactions, (together, the **Transactions**).

**PROPOSED DOCUMENTS**

The Company is required to enter into the following documents in connection with the Transactions:

1. The document entitled "Working Capital Facility Agreement" dated on or about the date of these resolution, between Selwyn District Council as lender and the Company as borrower; and
2. any other document contemplated by, or considered necessary, advisable or expedient in connection with, or incidental to, the above documents or the Transactions,

(together, the **Documents**).

**NOTED**

1. One or more of the directors of the Company is, or may be, "interested" (as that term is defined in section 139 of the Companies Act 1993 (the **Act**)) in the Transactions. The Board has sought the agreement of all entitled persons of the Company in accordance with section 107(3) of the Act to the entry into of the Documents and the Transactions by the Company.
2. The Documents and the Transactions constitute a major transaction (as defined in section 129 of the Act). Accordingly, the Company's entry into the Documents and the Transactions has been or will be approved by a special resolution of the Company's shareholders.

**RESOLVED that:**

1. The entry into, and performance of, the Documents and the Transactions are approved.
2. After due consideration and taking into account all relevant factors:
  - (a) the entry into and performance of the Documents and the Transactions is in the best interests of the Company;
  - (b) the Company is receiving or will receive fair value from its entry into, and performance of, the Documents and the Transactions; and

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DOCUMENT: 8**

- (c) the director has acted for a proper purpose in approving the Transactions and the Documents.
3. The Documents in their final form be executed by the Company in any of the manners authorised in the Company's constitution or section 180(1) of the Act and section 13 of the Property Law Act 2007, and, where the Documents are deeds, executed and delivered in accordance with section 9 of the Property Law Act 2007.
4. The Board is not aware of any formal step having been taken to appoint a receiver to the Company, nor of any liquidation or voluntary administration proceedings that have been commenced by any person against the Company, or that are intended or anticipated by the Company.
5. Having taken into account all relevant factors, the value of the consideration or benefit received, or to be received, by the Company is not less than the value of the consideration provided, or to be provided, by the Company.
6. The Company:
- (a) is able to pay its due debts;
  - (b) is not about to incur debts beyond its ability to pay;
  - (c) will not become unable to pay its due debts as a result of the Documents and the Transactions;
  - (d) is not engaged, or about to engage, in a business or transaction for which the remaining assets of the Company are unreasonably small, given the nature of the business or transaction; and
  - (e) has, by entering into the Documents and the Transactions, no intention to prejudice a creditor (within the meaning of subpart 6 of Part 6 of the Property Law Act 2007).
7. Each person named in Part A of the second schedule to the director's certificate dated on or about the date of these resolutions given by the Company and addressed to Selwyn District Council and Simpson Grierson (the **Director's Certificate**) is authorised (any one of them acting alone) and each person named in Part B of the second schedule to the Director's Certificate is authorised (any two of them acting together) to give any notices and other communications under or in connection with the Documents on behalf of the Company, including authorising additional persons to give notices and other communications under the Documents (each, an **Authorised Signatory**).
8. An Authorised Signatory is authorised to:
- (a) give any notices and other communications under or in connection with the Documents on behalf of the Company including authorising additional persons to give notices and other communications under the Documents;
  - (b) negotiate, approve, make, agree and/or execute any amendments, supplements and variations to any Document as that Authorised Signatory may (in his, her or their (as applicable) absolute discretion) think fit, the execution of any Document by an Authorised Signatory being conclusive evidence of the due authorisation by the Company of the execution (and, where appropriate, delivery) on the Company's behalf, of that Document, as amended;

**EXECUTION VERSION  
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- (c) take such action and make such filings as are required under applicable law;
- (d) authorise the Company's accountants, solicitors and other professional advisers to enter final details and dates into the Documents; and
- (e) do all other acts and things as he, she or they (as applicable) may consider necessary or desirable in connection with the Transactions contemplated by the Documents.

These resolutions may be signed by the directors of the Company in as many counterparts (by facsimile or otherwise) as may be necessary, each of which will be deemed to be an original, and such counterparts together will constitute one and the same instrument.

**DATED:**

**SIGNED BY ALL OF THE DIRECTORS OF THE COMPANY**

\_\_\_\_\_  
Murray Strong, Director

**SELWYN WATER LIMITED**  
**NZBN: 9429052861987**(the **Company**)**SHAREHOLDER'S WRITTEN RESOLUTIONS AND ENTITLED PERSON'S WRITTEN  
CONSENT PASSED IN ACCORDANCE WITH SECTIONS 122 AND 107 OF THE  
COMPANIES ACT 1993****PROPOSED TRANSACTIONS**

It is proposed that the Company enter into certain transactions contemplated by the Documents (as defined below) and do all such things and enter into such other transactions as may be considered necessary to give effect to the transactions or which may be considered necessary, advisable or expedient in connection with, or incidental to, these transactions, (together, the **Transactions**).

**PROPOSED DOCUMENTS**

The Company is required to enter into the following documents in connection with the Transactions:

1. The document entitled "Working Capital Facility Agreement" dated on or about the date of these resolutions, between Selwyn District Council as lender and the Company as borrower; and
2. any other document contemplated by, or considered necessary, advisable or expedient in connection with, or incidental to, the above documents or the Transactions,

(together, the **Documents**).

**NOTED**

1. One or more of the directors of the Company may be "interested" (as that term is defined in section 139 of the Companies Act 1993 (the **Act**)) in the Transactions contemplated by the Documents. Accordingly, the Board has sought the agreement of all entitled persons of the Company in accordance with section 107(3) of the Act to the entry into the Documents and the Transactions by the Company.
2. Because the Transactions constitute a major transaction for the purpose of section 129 of the Act, the Company's entry into the Documents and the Transactions requires approval by a special resolution of the Company's shareholders.

**RESOLVED** by the sole shareholder as a special resolution in writing in accordance with section 122 of the Act that:

1. The Documents and the Transactions are approved.
2. The resolutions of the board of directors of the Company approving the Documents and the Transactions are confirmed, approved and ratified.
3. The entry into the Documents and the Transactions by the Company is in the best interests of the Company.
4. The director has acted for a proper purpose in approving the Transactions and the Documents.

5. For the purposes of section 129 of the Act, the Transactions are approved as a “major transaction” of the Company.

**ENTITLED PERSON’S CONSENT**

Selwyn District Council, being the only entitled person of the Company as that term is defined in section 2(1) of the Act, agree(s) for the purposes of sections 107(1)(e) and 107(3) of the Act, to the Company entering into and performing its obligations under the Documents and the Transactions.

**DATED**

**SIGNED** for and on behalf of

**SELWYN DISTRICT COUNCIL**

by:

---

**DIRECTOR'S CERTIFICATE**

**To:** Selwyn District Council (**Lender**)

**and:** Simpson Grierson

I, Murray Strong, sole director of Selwyn Water Limited, NZBN 9429052861987 (the **Company**) certify as follows:

**1. Board resolutions**

- 1.1 The board of directors of the Company (the **Board**) has passed all necessary resolutions (the **Resolutions**):
- (a) approving the transactions (the **Transactions**) contemplated by the documents listed in the first schedule (the **Documents**) and the Documents themselves; and
  - (b) authorising execution of the Documents by the Company in the manner in which they have actually been executed; and
  - (c) authorising the persons specified in the second schedule to give any notices and other communications under or in connection with the Documents on behalf of the Company, including authorising additional persons to give notices and other communications under the Documents.
- 1.2 The Resolutions were duly passed in writing and signed by all of the directors of the Company entitled to receive notice of a meeting of the Board.
- 1.3 The Resolutions remain in full force and effect and have not been superseded or revoked.

**2. Director's self interested transactions**

- 2.1 To the best of my knowledge and belief and having made due enquiry of the sole director (as defined in section 126 of the Companies Act 1993 (the **Act**)) of the Company, it has been determined that the sole director of the Company is, or may be, interested (as that term is defined in section 139 of the Act), in the Transactions.
- 2.2 All of the Company's entitled persons have agreed in writing (under section 107(3) of the Act) to the Company's entry into and performance of the Documents and the Transactions (so that nothing in sections 140 and 141 of the Act shall apply to the Transactions).
- 2.3 In approving the Documents and the Transactions, after taking into account all relevant factors, I consider that the Company is receiving or will receive fair value from its entry into, and performance of, the Documents and the Transactions.

**3. Corporate Benefit**

In approving the Documents and the Transactions the Board has, after due consideration and taking into account all relevant factors, resolved that the Company's entry into and performance of the Documents and the Transactions is in the best interests of the Company.

#### 4. Shareholder Action

- 4.1 The shareholder of the Company has unanimously confirmed, ratified and approved the resolutions of the Board after full disclosure by the sole director of the Company of all relevant interests.
- 4.2 It has been determined that the Documents and the Transactions constitute a “major transaction” (as defined in section 129 of the Act). Accordingly, the Company’s entry into the Documents and the Transactions has been approved by a special resolution of the Company’s shareholder.
- 4.3 The shareholder’s special resolution remains in full force and effect and has not been superseded or revoked.

#### 5. Financial Assistance

The Transactions do not include or involve any provision by the Company (directly or indirectly) of financial assistance in connection with the purchase of a share issued or to be issued by the Company or the Company’s holding company.

#### 6. Due Execution

Each of the Documents has been properly executed by the Company in compliance with its constitution and section 180(1) of the Act, section 13 of the Property Law Act 2007 and, where executed electronically, the Contract and Commercial Law Act 2017. Each Document that is a deed has been properly executed and delivered in accordance with section 9 of the Property Law Act 2007.

#### 7. Solvency

- 7.1 I am not aware of any formal step having been taken to appoint a receiver to the Company, nor of any liquidation or voluntary administration proceedings that have been commenced by any person against the Company, or that are intended or anticipated by the Company.
- 7.2 Having taken into account all relevant factors, the Board is satisfied that the value of the consideration or benefit received, or to be received, by the Company is not less than the value of the consideration provided, or to be provided, by the Company.
- 7.3 The Company:
- (a) is able to pay its due debts;
  - (b) is not about to incur debts beyond its ability to pay;
  - (c) will not become unable to pay its due debts as a result of the Documents and the Transactions;
  - (d) is not engaged, or about to engage, in a business or transaction for which the remaining assets of the Company are unreasonably small, given the nature of the business or transaction; and
  - (e) has, by entering into the Documents and the Transactions, no intention to prejudice a creditor (within the meaning of subpart 6 of Part 6 of the Property Law Act 2007).

## 8. **Authorised Signatories**

Attached as Part A of the second schedule are the true signatures of the persons who have been authorised (any one of them acting alone) and attached as Part B of the second schedule are the true signatures of the persons who have been authorised (any two of them acting together), to:

- (a) give any notices and other communications under or in connection with the Documents on behalf of the Company including authorising additional persons to give notices and other communications under the Documents;
- (b) negotiate, approve, make, agree and/or execute any amendments, supplements and variations to any Document as that Authorised Signatory may (in his or her absolute discretion) think fit, the execution of any Document by an Authorised Signatory being conclusive evidence of the due authorisation by the Company of the execution (and, where appropriate, delivery) on the Company's behalf, of that Document, as amended;
- (c) take such action and make such filings as are required under applicable law;
- (d) authorise the Company's accountants, solicitors and other professional advisers to enter final details and dates into the Documents; and
- (e) do all other acts and things as he or she may consider necessary or desirable in connection with the Transactions contemplated by the Documents.

## 9. **Consents**

All consents and approvals required by the Company in connection with the entry into, execution and performance of the Documents and the Transactions have been obtained on an unconditional and unqualified basis.

## 10. **Proper Purpose**

The sole director has acted for a proper purpose in approving the Transactions and the Documents.

## 11. **Constitutional Documents**

The copy of the Certificate of Incorporation and the Constitution of the Company (incorporating all amendments) held on its records as maintained at the relevant office of the Registrar of Companies in New Zealand as at the date of this certificate is complete, correct and includes all alterations to date.

Signed by \_\_\_\_\_  
Murray Strong, Director

Date:

### **Schedule of Documents**

1. The document entitled "Working Capital Facility Agreement" dated 19 June 2025 between the Lender and the Company; and
2. any other document contemplated by, or considered necessary, advisable or expedient in connection with, or incidental to, the above documents or the Transactions.

**Schedule of Authorised Signatories**

| Name             | Position                  | Date of Birth | Specimen signatures |
|------------------|---------------------------|---------------|---------------------|
| <b>Part A</b>    |                           |               |                     |
| Murray W. Strong | Director                  |               |                     |
| Alex Cabrera     | Chief Executive designate |               |                     |
| <b>Part B</b>    |                           |               |                     |
|                  |                           |               |                     |

# **Deed of Access, Indemnity and Insurance**

**relating to**

Selwyn Water Limited

**Date**

This **Deed of Access, Indemnity and Insurance** is made on

2025

## Introduction

- A. The Company wishes to indemnify, and effect and maintain insurance for, each Indemnified Person to the maximum extent permitted by its constitution, the Companies Act 1993 and any other applicable laws, subject to the terms and conditions set out in this Deed. The purpose of indemnifying the Indemnified Person is to help ensure that the Company performs its functions and acts consistently with its objectives as a Water Organisation under the Local Government Act 2002, the Local Government (Water Services Preliminary Arrangements) Act 2024, the Companies Act 1993 and the Local Government (Water Services) Bill (in the form as enacted).
- B. The Company also wishes to provide each Indemnified Person with access to documents of the Company, both during the time the Indemnified Person holds office as a director of the Company and, in certain circumstances, after the Indemnified Person ceases to hold office as a director of the Company.
- C. The Company wishes to record in this Deed the terms on which the indemnity, insurance and the right to access documents will be provided or effected (as the case may be) to each Indemnified Person.

## It is agreed

### 1. Interpretation

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#### 1.1 Definitions

In this Deed, unless the context otherwise requires:

**Board** means the board of directors of the Company;

**Board Papers** means any board or committee paper, or minutes (including any document tabled at a meeting) provided by the Company to the board of directors of the Company or to a board committee while the relevant Indemnified Person holds office as a director (whether or not the Indemnified Person is a member of the committee concerned);

**Business Day** means a day on which all registered banks are open for business generally in Christchurch, New Zealand;

**Claim** means any actual or threatened action, proceeding, claim or demand;

**Company** means Selwyn Water Limited;

**Deed** means this deed of access, indemnity and insurance;

**Final Determination Date** means the earlier of:

- (a) the date on which the time for any appeal or review of any Judgment has passed; and
- (b) the date all rights of appeal in relation to any Judgment have been exhausted;

**Government Agency** means:

- (a) a government or government department or other body;
- (b) a governmental, semi-governmental or judicial person including a statutory corporation; or
- (c) a person (whether autonomous or not) who is charged with the administration of law;

**GST** means goods and services tax payable under the Goods and Services Tax Act 1985;

**Indemnified Person** means each person who, at or after the date of this Deed, is a director of the Company;

**indemnify** includes relieve or excuse from liability, whether before or after the liability arises, and **indemnity** has a similar meaning;

**Judgment** means a final judgment or order given or made by a Court in any civil or criminal proceedings; and

**Period** means the period commencing on the date on which the Indemnified Person became a director of the Company and ending on the date that is seven years after the date the Indemnified Person ceased to be a director.

## 1.2 General references

In this Deed, unless the context otherwise requires:

- (a) a reference to a clause is a reference to a clause of this Deed;
- (b) a reference to this Deed or another instrument includes any variation or replacement of either of them;
- (c) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before or after the date of this Deed);
- (d) the singular includes the plural and vice versa;
- (e) the word person includes an individual, a body corporate, an association of persons (whether corporate or not), a trust, a state and an agency of state, in each case, whether or not having a separate legal personality;
- (f) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and permitted assigns;
- (g) a reference to \$ or dollars is a reference to the lawful currency of New Zealand; and
- (h) words importing one gender include the other genders.

## 1.3 Headings

Ignore headings in construing this Deed.

## 2. Indemnity for costs in proceedings

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Subject to clauses 6 and 7 and to compliance by the relevant Indemnified Person with any commitments or undertakings given by that Indemnified Person in accordance with clauses 6 and 11, the Company will indemnify each Indemnified Person against any costs (inclusive of GST, if applicable) which the Indemnified Person incurs in any proceeding:

- (a) that relates to liability for any act or omission of the Indemnified Person in the Indemnified Person's capacity as a director of the Company; and
- (b) in which the Indemnified Person is acquitted, or has Judgment given in the Indemnified Person's favour, or which is discontinued with respect to the Indemnified Person.

## 3. Indemnity for liabilities incurred

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Subject to clauses 6 and 7 and to compliance by the relevant Indemnified Person with any commitments or undertakings given by that Indemnified Person in accordance with clauses 6 and 11, the Company will indemnify each Indemnified Person against:

- (a) any liability that the Indemnified Person incurs to any person, other than the Company, for any act done or omission made in the Indemnified Person's capacity as a director of the Company; and
- (b) all costs (inclusive of GST, if applicable) that the Indemnified Person incurs in defending or settling any claim or proceeding relating to such liability.

## 4. Limitations on indemnity

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The indemnities under this Deed do not extend to:

- (a) any liability of an Indemnified Person arising out of, or in connection with, the Indemnified Person's wilful default or fraud;
- (b) in the case of the indemnity under clause 3 only, criminal liability of an Indemnified Person;
- (c) in the case of the indemnity under clause 3 only and in respect of a director of the Company only, liability for breach of section 131 of the Companies Act 1993;
- (d) the settlement or admission by the Indemnified Person of any Claim without the prior written consent of the Company (as provided in this Deed), which would (in the reasonable opinion of the Company) prejudice the successful defence of the Claim by the Company; or
- (e) any other liability of an Indemnified Person for which the giving of an indemnity is prohibited by law.

## 5. Insurance

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### 5.1 Insurance cover

- (a) Subject to compliance with any commitments or undertakings given by the relevant Indemnified Person in accordance with clause 6, the Company will, to the extent it has not already done so, effect, and maintain, at its cost, insurance cover throughout the Period with a reputable insurer for such amount as is reasonably available to the Company (having regard to cost), for each Indemnified Person in respect of:
- (i) liability, not being criminal liability, for any act done or omission made in the Indemnified Person's capacity as a director of the Company;
  - (ii) costs that the Indemnified Person incurs in defending or settling any claim or proceeding relating to any liability described in paragraph (i) above; and
  - (iii) costs that the Indemnified Person incurs in defending any criminal proceedings:
    - (A) that have been brought against the Indemnified Person in relation to any act done or omission made in the Indemnified Person's capacity as a director of the Company; and
    - (B) in which the Indemnified Person is acquitted.
- (b) The insurance cover in respect of clauses 5.1(a)(ii) and 5.1(a)(iii) (**Costs Policy**) will be provided by the Company pursuant to a separate policy to that obtained by the Company in respect of clause 5.1(a)(i) (**Liability Policy**), and the Company will ensure that any limit on the amount of cover under the Liability Policy will not affect the amount of cover under the Costs Policy.
- (c) The Company must notify each Indemnified Person immediately, if for any reason, any insurance policy arranged under clause 5.1(a) is cancelled and not immediately replaced by a new insurance policy in accordance with this Deed.

## 5.2 Co-operation by Indemnified Person

An Indemnified Person shall take such steps as the Company may reasonably request to enable it to take out and maintain the insurance cover contemplated by clause 5.1.

## 5.3 Policy details

The Company shall on request by the Indemnified Person advise the Indemnified Person of details of the insurance held by the Company at any time and provide a copy of the policy documents to the Indemnified Person.

## 5.4 Repayment

The Indemnified Person must repay to the Company any amount paid by the Company under this Deed to the extent that the Indemnified Person receives payment under an insurance policy in respect of the matter for which the Company made payment or to the extent that the insurer makes a payment directly in respect of that matter.

## 6. Claims

### 6.1 Notification required

If any Claim is brought or threatened to be brought against the Indemnified Person, as a result of which the Indemnified Person may seek to have recourse to this indemnity, the Indemnified Person shall:

- (a) unless the Company is already aware of the Claim, as soon as practicable after the Indemnified Person becomes aware of the Claim, notify the Company in writing of the existence of the Claim;
- (b) on request provide the Company or its authorised representatives with all such information as may reasonably be requested in respect of the Claim and the actual or alleged act or omission which has given rise to such Claim; and
- (c) not admit any liability for, or settle any action connected with, the Claim without the Company's prior written consent (such consent not to be unreasonably withheld or delayed).

## 6.2 Control of Claim by Company

If an Indemnified Person notifies the Company of a Claim under clause 6.1(a) and the Company:

- (a) accepts that it is or, depending on whether that Indemnified Person is acquitted, may be, liable to indemnify in full the Indemnified Person under clause 2 or clause 3; and
- (b) has, if requested by the Indemnified Person, obtained legal advice from senior legal counsel experienced in the relevant area that there is a reasonable prospect of successfully defending the Claim and provided such counsel remains of that view,

then the Company may require, as a condition to such acceptance of actual or potential liability, that it has the right to:

- (c) assume on behalf of that Indemnified Person, the conduct of defending such Claim under the Company's sole management and control and at its cost;
- (d) institute legal proceedings in that Indemnified Person's name as part of that defence; and
- (e) settle the Claim or any related legal proceedings on behalf of that Indemnified Person with that Indemnified Person's prior written consent (such consent not to be unreasonably withheld or delayed),

provided the Company must:

- (f) advise the Indemnified Person as soon as practicable after being notified of the Claim whether or not it intends to assume the defence of the Claim;
- (g) consult with the relevant Indemnified Person in relation to the selection of lawyers to represent the Indemnified Person and the Company, and agree to instruct its lawyers on behalf of both the Company and that Indemnified Person;
- (h) keep the Indemnified Person informed on a timely basis of any material development in relation to the Claim; and
- (i) ensure as far as possible that any client legal privilege attaches to any document produced by those lawyers, for the benefit of both the Company and that Indemnified Person.

The Company must, in conducting any defence of any Claim, act reasonably having regard to the interests of the relevant Indemnified Person and the Company.

### 6.3 **Dispute as to application**

Where the Company has assumed the defence of any Claim brought against the Indemnified Person pursuant to clause 6.2, if the Company intends (whether by reason of fact or matter which is asserted or proven in such proceedings or otherwise) to assert that the indemnities contained in clauses 2 or 3 do not apply:

- (a) the Company shall immediately notify the Indemnified Person of such intention;
- (b) the Indemnified Person shall be entitled to resume the conduct of such parts of such Claim as relate to the matters for which the Company disputes its liability to indemnify the Indemnified Person;
- (c) both parties shall, as soon as reasonably practicable, take appropriate steps to determine whether the indemnities contained in clauses 2 and 3 apply; and
- (d) neither party shall compromise or settle any such Claim until such matter is agreed or determined.

Any adjudication of a Claim prior to agreement or determination as to whether the indemnities in clauses 2 or 3 do or do not apply, shall not prejudice the right of an Indemnified Person or the Company to assert that the indemnities do or do not apply.

### 6.4 **Undertakings by Indemnified Person**

If the Company assumes control of the conduct of any defence to a Claim under clause 6.2, the Indemnified Person shall:

- (a) take all reasonable steps in relation to the Claim (including, without limitation, providing full information on the actual or alleged act done or omission made which has given rise to the Claim) that the Company reasonably requires;
- (b) take all reasonable steps to assist the Company to the best of the Indemnified Person's abilities in any action the Company may take to avoid, dispute, defend or appeal any legal action connected with the Claim;
- (c) not admit any liability for, or settle any action connected with, the Claim without the Company's prior written consent (such consent not to be unreasonably withheld or delayed); and
- (d) not incur any legal or other defence costs for which an indemnity will be sought from the Company without first obtaining the Company's written consent (which may not be unreasonably withheld or delayed) unless there is an actual or potential conflict of interest between the Company and the Indemnified Person of a nature likely to prejudice the conduct of the defence of the Indemnified Person by counsel acting under the control of the Company.

### 6.5 **Consultation by Indemnified Person**

If the Company does not assume control of the conduct of any defence to a Claim under clause 6.2, the Indemnified Person shall consult with the Company in relation to the steps to be taken, if any, in defending such Claim to the extent that is reasonable having regard to the interests of the Indemnified Person and the Company.

### 6.6 **Waiver of indemnity**

An Indemnified Person may, by written notice to the Company, at any time assume the unrestricted conduct of the defence of any Claim on the basis that the Indemnified Person irrevocably waives all rights to an indemnity from the Company in relation to the Claim.

## 6.7 Co-operation by Indemnified Person

For the purposes of this clause 6 and clause 7, where the Company may incur a liability to an Indemnified Person under this Deed, or where an Indemnified Person may be entitled to claim under a policy or policies of insurance insuring an Indemnified Person or the Company against all or any of the liability and costs incurred by an Indemnified Person, it will be a condition of such indemnity and/or insurance that the Indemnified Person commits to the Company to assist and co-operate with the Company, with the insurers providing such insurance and with their respective representatives (including legal representatives) to the extent that is reasonable having regard to the interests of that Indemnified Person, the Company and the insurers (including, without limitation, providing full information on the actual or alleged act done or omission made which has given rise to the liability).

## 6.8 Limitation

An Indemnified Person is not required to provide any information under this clause 6 to the extent that it would require the Indemnified Person to waive legal professional privilege, provided that if the provision of any information would, in the reasonable opinion of the legal advisers to the Indemnified Person, lead to a loss of legal professional privilege, the Indemnified Person must notify the Company of that fact and take all reasonable steps to provide any information in a manner which would not result in the loss of any legal professional privilege. In such circumstances, the Company must, and must procure that its officers and legal advisers, take all reasonable steps to utilise such information in a manner that seeks to preserve that legal professional privilege.

## 7. Compromises of Claims

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The Company may refuse to indemnify an Indemnified Person under clauses 2 and 3 and/or to effect or maintain insurance for an Indemnified Person under clause 5, if that Indemnified Person settles or compromises any Claim for which that Indemnified Person may be entitled to indemnity under clause 2 or clause 3 unless the Company has given its prior written consent to the proposed settlement or compromise (such consent not to be unreasonably withheld or delayed).

## 8. Defence costs and payments

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### 8.1 Defence costs

If an Indemnified Person notifies the Company of a Claim which the Indemnified Person reasonably believes he or she is entitled to be indemnified for under clause 2 or clause 3, the Company will, subject to clause 8.2, pay the costs (inclusive of GST, if applicable) incurred by that Indemnified Person in relation to that Claim, as those costs are incurred, within 14 days of that Indemnified Person notifying the Company of those costs (or such earlier period as may be reasonably required in order to pay third party costs).

### 8.2 Advances and repayment by Indemnified Person

- (a) If an Indemnified Person's entitlement to be indemnified for costs for which payment is to be made by the Company under clause 8.1 is dependent on the outcome of the Claim or a Judgment, payment for those costs made by the Company under clause 8.1 will be treated as a loan for such amounts from the Company to the

Indemnified Person. The Company may after consultation with the Indemnified Person, require the Indemnified Person to provide security if reasonable in the circumstances having regard to the likely amount of the loans and the financial position of the Indemnified Person. No interest will be payable on any amounts advanced to the Indemnified Person under this clause 8.2.

- (b) If, on the Final Determination Date following a Judgment:
- (i) the Indemnified Person is not entitled to be indemnified for costs advanced by the Company under this clause 8.2(b), the Indemnified Person must repay all amounts advanced under this clause 8.2(b) within 28 days after receiving written notice from the Company; and
  - (ii) the Indemnified Person is entitled to be indemnified for costs advanced by the Company under this clause 8.2(b), all amounts advanced under this clause 8.2(b) to the Indemnified Person will be deemed to have been paid pursuant to the Company's indemnity under clause 2 and the Indemnified Person will be under no obligation to repay such amounts.

### 8.3 Repayment

Where the Company has made any payment or advance pursuant to this Deed, and it is subsequently established that the Company was not liable to make that payment, or that a lesser amount was actually payable by way of indemnity, then the Indemnified Person must promptly repay and reimburse the Company for any such amounts that should not have been paid.

### 8.4 Payment in cleared funds

All payments to be made under this Deed will be made on the due date in cleared funds.

## 9. Access to documents

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### 9.1 Access to documents

- (a) While an Indemnified Person holds office as a director of the Company, the Company must, at no cost to that Indemnified Person, throughout the Period, allow the Indemnified Person to inspect and copy Board Papers or any other record of the Company in its possession, custody or control that the Indemnified Person reasonably requires:
  - (i) for any proper purpose concerning the exercise of powers and discharge of duties as a director; or
  - (ii) for purposes of reviewing and monitoring any Claim made against the Indemnified Person and complying with its his or her obligations under this Deed.
- (b) After an Indemnified Person ceases to hold office as a director of the Company, the Company must, at no cost to the Indemnified Person, throughout the Period allow the Indemnified Person to inspect and copy, on reasonable notice, Board Papers or any other record of the Company in its possession, custody or control that the Indemnified Person reasonably requires for purposes of reviewing and monitoring any Claim made against the Indemnified Person and complying with his or her obligations under this Deed.

**9.2 Access may be refused**

The Company may, on the instructions of the Board, refuse access to a document if:

- (a) access is inconsistent with the relevant Indemnified Person's obligations under this Deed; or
- (b) allowing the Indemnified Person to inspect or copy a document would, in the opinion of the Board, waive privilege in respect of the document.

In the case of clause 9.2(b), before the Company denies access to the Indemnified Person, the Company will take all reasonable steps to provide access to the relevant document in a manner that seeks to preserve privilege.

**9.3 Confidentiality**

The Indemnified Person must keep any documents or information provided to it under clause 9.1 or otherwise under this Deed confidential and not use them or disclose their contents except for purposes of defending or dealing with any Claim in accordance with this Deed. If requested by the Company, the Indemnified Person shall return all documents in its possession or control which the Indemnified Person no longer requires for the purposes stated in clause 9.1.

**9.4 Privilege to be preserved**

If the Company has any right (including a right it has jointly or in common with an Indemnified Person or with an Indemnified Person and others) to privilege, such as legal professional privilege, in respect of any document which an Indemnified Person inspects, copies or uses under this Deed or under the Companies Act 1993 or under the general law rights of a director:

- (a) by permitting such inspection, copying or use to that Indemnified Person, the Company does not waive any privilege; and
- (b) in so inspecting, copying or using such a document, that Indemnified Person must take all reasonable steps to ensure that any such right to privilege is not lost or waived.

**9.5 Privilege of the Company and an Indemnified Person**

Nothing in this Deed or done pursuant to this Deed prevents the Company from relying on privilege in proceedings between an Indemnified Person and the Company (including in respect of a Board Paper or other record of the Company which the Company has disclosed to the Indemnified Person outside those proceedings).

**10. Retention of Company records**

- (a) Where the Company is aware, whether by notice from an Indemnified Person or otherwise, that:
  - (i) a Claim has been made or there is evidence to suggest a Claim may be made against that Indemnified Person by any person; or

- (ii) a Government Agency has commenced, or there is evidence to suggest a Government Agency will commence, any investigation or inquiry into events that occurred;

in relation to any act done or omission made in the Indemnified Person's capacity as a director of the Company, the Company will retain all relevant papers indefinitely.

- (b) Subject to paragraph (a) above, the Company will retain the records specified in section 189 of the Companies Act 1993 for at least seven years.

## 11. Subrogation

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The Company may require, as a condition to acceptance by the Company that it is or may be liable to indemnify an Indemnified Person under clause 2 or clause 3 in relation to a Claim, that the Indemnified Person commit to the Company that if the Company makes any payment under this Deed in respect of any costs or liability for which the Indemnified Person is entitled to indemnification, then the Company is to be subrogated to the Indemnified Person's rights (including, without limitation, any rights of recovery under insurance or otherwise) to the extent of such payment in relation to or arising out of the act or omission which gave rise to the Indemnified Person's right of indemnification under this Deed.

## 12. Term and termination

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### 12.1 Term

The Company acknowledges that the Indemnities under clause 2 or clause 3 remain in full force and effect in relation to any act or omission occurring or arising prior to the termination of this Deed and while an Indemnified Person held office as a director of the Company even if that Indemnified Person has ceased to be a director before any claim is made under this Deed.

### 12.2 Termination

The Company may terminate this Deed in respect of an Indemnified Person on giving that Indemnified Person at least 30 days' written notice or, if not terminated by notice, then this Deed will terminate without notice upon termination (for any reason) of the Indemnified Person's appointment as director of the Company.

### 12.3 Rights not affected

A termination of this Deed under clause 12.2 will not affect:

- (a) an Indemnified Person's right to be indemnified under clause 2 or clause 3 in relation to costs or liabilities incurred for any act done or omission made as a director of the Company before the date of termination;
- (b) the Company's obligation to maintain run-off insurance cover for the Period (to the extent not already in place); or
- (c) clause 9 of this Deed.

## 13. No discharge

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The Company is not to be discharged nor are its obligations to be affected by any matter or thing which, but for this clause, would or might have discharged the Company or affected its obligations, including:

- (a) the giving or time, credit or other indulgence or concession to the Company or any other person;
- (b) anything done or omitted to be done by an Indemnified Person in the exercise or non-exercise of his or her rights and powers;
- (c) any release, discharge, compromise or other arrangement given to or made with the Company or any other person; and
- (d) any other indemnity or other agreement not having been provided, or being void, defective or informal, or being released or discharged (in whole or in part).

## 14. Notices

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### 14.1 Form of notice

Each notice or other communication under this Deed is to be in writing, is to be made by email, personal delivery or by post to the addressee at the address, and is to be marked for the attention of the person or office holder (if any), from time to time designated for the purpose by the addressee to the other party. The email address, address and relevant person or office holder of each party shall be as notified by each party to the other from time to time.

### 14.2 Notice effective

No communication is to be effective until received. A communication is to be deemed to be received by the addressee:

- (a) if sent by email, on the date and time at which it enters the addressee's information system unless a delivery failure notice has been received by the sender, in which case the notice will be deemed not to have been given;
- (b) in the case of personal delivery, when delivered; and
- (c) in the case of a letter, on the third Business Day after posting by fastpost or by airmail.

## 15. Severability

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Any provision of this Deed which is prohibited or unenforceable in any jurisdiction in part or in whole will be ineffective as to such jurisdiction to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Deed or affecting the validity or unenforceability of such provision in any other jurisdiction.

## 16. **Third party rights**

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For the purposes of subpart 1 of Part 2 of the Contract and Commercial Law Act 2017, the Company acknowledges that this Deed is intended to confer legally enforceable benefits on each Indemnified Person in accordance with, and subject to, its terms.

## 17. **Amendments**

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The Company may amend this Deed at any time in writing provided that:

- (a) such amendment will not affect any rights and entitlements of Indemnified Persons under this Deed that have accrued in relation to acts or omissions occurring prior to the date of any such amendment; and
- (b) the Company will notify all then-current Indemnified Persons of any amendment that materially affects the Indemnified Persons' rights under this Deed,

but otherwise without any obligation to provide notice to any Indemnified Person.

## 18. **Assignment**

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### 18.1 **No assignment by Indemnified Person**

No Indemnified Person may assign or transfer all or part of his or her rights under this Deed.

### 18.2 **Company may assign**

The Company may, with the prior written approval of the relevant Indemnified Person (acting reasonably), assign or transfer its rights and obligations in relation to that Indemnified Person under this Deed.

## 19. **Governing law and jurisdiction**

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This Deed shall be governed by and construed in accordance with New Zealand law and each party submits to the exclusive jurisdiction of the courts of New Zealand.



## Execution

**Executed and delivered** as a deed.

For and on behalf of **Selwyn Water Limited** by:

in the presence of:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Name of Witness

\_\_\_\_\_  
Address

\_\_\_\_\_  
Occupation



# Board Health & Safety and Wellbeing Charter

## 1. Health and Safety Charter Statement

Selwyn Water Ltd, as a Person Conducting a Business and Undertaking (PCBU) as defined by the Health & Safety at Work Act 2015 in New Zealand aims to maintain an effective governance framework in accordance with relevant legislative requirements and published good practice principles, to ensure effective Health, Safety and Wellbeing Management process and performance is in place across its scope of operating activities.

This governance framework once implemented, will be routinely monitored by the Board of Directors and Chief Executive (CE) to ensure that the Company is continuously acting in accordance with good practice governance principles and managing its business Health, Safety & Wellbeing risks effectively.

We aim to develop and maintain a CULTURE throughout the business which focuses on the Health, Safety & Wellbeing of our people, our contractors and others to whom we are responsible.

## 2. Objectives

The key objectives of this Charter are:

- To recognise that company CULTURE (Vision & Values) is key to driving both business and Health, Safety and Wellbeing success.
- To have the governance principles recognised as an integral component of Selwyn Water Ltd activities and decision-making.
- Ensure those principles are integrated into organisational philosophies, culture, practices and company plans through greater understanding of requirements.
- Recognise that the governance function is a component of the Health & Safety Management System and executive management responsibility.
- Outline the duties for Directors and the Chief Executive (CE).

## 3. Vision & Values

Our Vision and Values underpin our Health, Safety and Wellbeing CULTURE and are critical to keeping our people safe. These are defined as;

|   |  |
|---|--|
| <p>Be Brave –<br/>Think<br/>Differently</p> | <p>We are brave and think outside the square to find and assess risks to our people that work remotely, alone, or in isolated areas. We find new and different ways to protect our people.</p> |
| <p>Be a Good<br/>Human</p>                  | <p>We listen to our people and hear their concerns. We do as much as we can to keep them safe.</p>   |
| <p>Better<br/>together</p>                  | <p>We work as one team to find appropriate solutions.</p>  |
| <p>Make it<br/>Happen for<br/>Selwyn</p>    | <p>We aim to make Selwyn a safer place for our people working in the field.</p>  |

## Health & Safety and Wellbeing Management Charter

### 4. Scope

This Board Health Safety & Wellbeing Charter applies to all Selwyn Water Ltd controlled activities. This includes all workplaces, workers and contractors where Selwyn Water Ltd acts as the primary Person Conducting a Business or Undertaking (PCBU) in New Zealand.

### 5. Expectations for Workplace Health & Safety

Specific expectations for Health, Safety and Wellbeing performance are set and approved by the Board. Selwyn Water Ltd maintains critical Health & Safety and Wellbeing documents such as Health and Safety Policy Statements and Management Plans that shape our strategy, detail and demonstrate how we manage our specific risks, confirm our obligation and commitment to legislation and form the underlying foundations of our Health & Safety and Wellbeing Management System (HSWMS).

The framework is outlined in the HSWMS and includes:

1. Board Health, Safety and Wellbeing Charter
2. Health & Safety and Wellbeing Policy
3. Detailing our Key Beliefs and Values
4. The whole of company Broad Brush Risk Assessment that identifies our key risks
5. The Health, Safety and Wellbeing Management Plan (operational)

### 6. Health, Safety and Wellbeing Policy

As part of the executive management commitment to workplace Health, Safety and Wellbeing the company has developed a H&S Policy Statement which is contained in its operational Health, Safety and Wellbeing Management System.

Key aspects include but are not limited to:

- Recognising compliance with legislation as a business risk and outlining our intent to move beyond compliance
- Ensuring effective worker participation
- Understanding and managing the business's specific risks and ensuring risk assessment and management is part of our business
- Maintaining a safe workplace, safe equipment and workers' Health & Wellbeing
- Reporting and investigation of incidents as part of the learning and continuous improvement process
- Having effective assurance functions to provide oversight of business operations

The policy is signed and approved by the CE and reviewed at least annually. Directors are made aware of this policy statement as part of their induction.

### 7. Principles of Health and Safety Governance

The fundamental principle underlying the Board's role in Health, Safety and Wellbeing management is leadership. The Board will create expectations and exercise due diligence by holding management accountable for meeting them. This approach requires Directors to lead Health, Safety and Wellbeing by:

#### Policy and Planning

- Ensuring that critical risks are identified and that a process is in place to verify these are being controlled, monitored and measured effectively.

## **Health & Safety and Wellbeing Management Charter**

- Ensuring that all new directors receive an induction which includes Health, Safety and Wellbeing including but not limited to review of the strategic plan and policy.
- Maintaining a company CULTURE that lives our values, embraces diversity, celebrates success and values the individual so that they may thrive.
- Maintaining the Directors' & CE's commitment to implement, maintain and review the management of Health & Safety and Wellbeing for the company via this Board Health, Safety and Wellbeing Charter.
- Ensuring the adaption of an effective high-level Health, Safety & Wellbeing strategy and policy for the organisation.
- Specifying targets to be monitored that will enable the Board to track the company's performance in implementing Board strategy and policy as well as operational performance.
- Receiving and considering advice from the CE and other Senior Management or external advisors with the intent that organisational Health, Safety and Wellbeing performance will be that of good practice for workplace health and safety in New Zealand.

### **Delivery**

- Undertaking training where required to ensure a good understanding of Health, Safety and Wellbeing matters.
- Laying down a clear expectation for the company to have a fit-for-purpose Health, Safety and Wellbeing Management System including reporting systems from operational management to the Board.
- Exercising due diligence to ensure that the system is fit-for-purpose, being effectively implemented, regularly reviewed and continuously improved.
- Being sufficiently informed about the company risks, to know whether the Health, Safety and Wellbeing Management System is fit-for-purpose, and being effectively implemented.
- Ensuring the CE is provided sufficient resources for the development, implementation and maintenance of the system.
- Ensuring the CE updates the Board at every Board meeting on Health, Safety and Wellbeing performance.

### **Monitor**

- Conducting routine workplace visits in order to provide visible leadership in the workplace and ensure that the extent of work and the related risks are known and that any opportunities for improvement are discussed with workers and also that safe work is acknowledged. Ensuring that KPIs are set for visit frequency for Directors.
- Outlining clear expectations on what should be reported to the Board from Management and in what timeframes (including a range of leading performance indicators and high potential events). Being inquisitive and asking questions concerning performance to provide the right level of rigour concerning results.
- Monitoring the Health, Safety and Wellbeing performance, particularly against agreed leading and lagging indicator targets, strategic objectives, major change that could impact upon workplace Health, Safety and Wellbeing.
- Monitoring critical risk areas (including critical risk controls) to ensure controls are effective and identifying opportunities for improvement.
- Ensuring Health, Safety and Wellbeing is discussed at each Board meeting and making themselves familiar with key business risks and processes such as audit, risk assessment, incident investigation.
- Nominating a member of the Board to receive basic training in incident investigation methodology to ensure that they can be satisfied with management responses to serious incidents including serious near misses, incidents and non-compliance.
- Seeking independent expert advice when required to gain the required degree of assurance.

## Health & Safety and Wellbeing Management Charter

### Review

- Conducting a periodic formal review of the Health, Safety and Wellbeing system to determine its effectiveness via Critical Risk Control Verifications.
- Ensuring the Board considers an annual external review is required for an independent opinion.
- Ensuring a review of Health, Safety and Wellbeing Management System documentation is conducted including:
  - Board Health, Safety and Wellbeing Charter
  - Health, Safety and Wellbeing Management Plan
  - Health, Safety and Wellbeing Strategic Plan
  - Business Risk Register

Directors should review these principles regularly to ensure they are achieving their responsibilities.

### 8. Responsibility for the Health & Safety Management System

Health, Safety and Wellbeing is the responsibility of everyone in the business, at every location, at all times. All workers have the responsibility and the authority to act to prevent unsafe actions or practices by themselves or others.

The governance and due diligence responsibilities sit with the Officers of the PCBU (Directors and CE). Operationally, the CE is assigned to execute Health, Safety and Wellbeing management throughout the business, assisted by the Executive Leadership Team.

### 9. Board Health and Safety Meetings Terms of Reference

Board meetings shall discuss Health, Safety and Wellbeing performance and improvement opportunities. The Health and Safety component of Board meeting is the highest formal Health, Safety and Wellbeing meeting and the report template is available in the Health, Safety & Wellbeing Management Plan.

### 10. Approval

**All Board Members accept the requirements of this Board Charter:**

Name: \_\_\_\_\_ Position: Chairman Date: \_\_\_\_\_

Name: \_\_\_\_\_ Position: CE Date: \_\_\_\_\_

Name: \_\_\_\_\_ Position: Director Date: \_\_\_\_\_

Name: \_\_\_\_\_ Position: Director Date: \_\_\_\_\_

Name: \_\_\_\_\_ Position: Director Date: \_\_\_\_\_

Name: \_\_\_\_\_ Position: Director Date: \_\_\_\_\_

**END OF DOCUMENT**

**To: Chairman, Selwyn Water Limited**  
**From: Alex Cabrera – Programme Director.**  
**Date: 30 June 2025**  
**Subject: Working Capital Facility Agreement – Shareholder position and path forward**

This memo provides an update to the Board on the Working Capital Facility Agreement (WCFA), following correspondence from the Chief Financial Officer of Selwyn District Council (SDC), and outlines a proposed path forward in line with the shareholder's stated position.

### Shareholder Position

SDC has confirmed that the WCFA was approved as a bridging facility, structured as a shareholder loan to support Selwyn Water Limited (SWL) during its establishment phase and until such time as it secures long-term financing through the Local Government Funding Agency (LGFA). The WCFA is scheduled to expire on 30 June 2026, with the transition to LGFA funding anticipated to occur prior to that date.

While the shareholder prefers not to provide a formal letter of comfort or underwriting for the repayment of the WCFA, the CFO has reiterated key commitments:

- SDC **intends to issue uncalled capital** to back SWL's future LGFA borrowing, providing a long-term financial guarantee consistent with sector expectations.
- SDC is **committed to ensuring SWL remains financially solvent**, and in the event that LGFA financing is not secured in time, it will work with SWL to ensure obligations are met as they fall due.
- As SWL's finances are **consolidated into SDC's accounts**, there is a shared interest in the ongoing financial health and operational stability of the company.

The WCFA is provided by SDC, who is also the party that has made the commitment of support as described above. To the extent that SDC does not follow through with that commitment, the party adversely affected will be SDC. As a result of the Board's strong engagement with SDC on the topic of shareholder support, SDC has a full understanding that repayment to it could rely on its own support. The fact that third parties are not expected to suffer any shortfall is relevant to the Board's consideration of the reasonableness of support provided and the form in which it is given.

### Path Forward

The following actions are proposed to align with the shareholder's position and maintain progress on SWL's financial development:

- **Advance LGFA readiness**  
SWL will prioritise actions necessary to meet LGFA borrowing requirements, including financial, legal, and governance workstreams.
- **Transfer drinking water assets**  
SWL will pursue the transfer of drinking water assets and revenue streams from SDC promptly, and the sufficient capitalisation of SWL as part of that transfer. The Council public position on this transfer, and the legislative regime that is expected to come into force well before the maturity date of the WCF supports the view that this asset and revenue transfer is reasonably expected to occur.

- **Maintain financial oversight**  
The WCFA will continue to be managed prudently, ensuring alignment with forecasted needs and maintaining transparency with the shareholder.
- **Engage on capital support**  
SWL will work with SDC to formalise the shareholder's intent to provide uncalled capital backing for LGFA borrowing, including obtaining relevant Council approvals.

### Recommendation

It is recommended that the Board **note the contents of this memo and the advice provided**, and that this be formally recorded in the minutes of the next Board meeting.

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### Context – Council Resolutions and Shareholder Intent

On 21 May 2025, Selwyn District Council formally resolved to establish Selwyn Water Limited (SWL) as a sole-owned Council-Controlled Organisation (CCO), adopting its constitution, appointing an initial director, and delegating execution authority to the Chief Executive. These actions reflect Council's intent to transfer water service responsibilities to SWL with a robust governance and financial framework.

As part of the Local Water Done Well reform, Council has identified asset transfer—particularly complex and mixed-use assets—as a critical path activity. This underpins SWL's operational readiness and long-term viability.

To support SWL's establishment, Council has approved a Working Capital Facility Agreement (WCFA) and is advancing broader financial planning, including engagement with the Department of Internal Affairs (DIA) and the Local Government Funding Agency (LGFA). Council has signalled its willingness to either advance funds or convert loans to equity, if necessary, to maintain solvency.

Council has also committed to ongoing engagement on capital needs and will use the planned August 2025 workshop to review future expectations around equity and financial structure. This phased, responsive approach supports SWL's financial sustainability and provides the confidence needed for sound governance and directorship.

The list of SDC Council resolutions relating to this subject area are included as Appendix 1.

# Appendix 1

## Local Water Done Well SDC Council resolutions 13 November 2024 to 18 June 2025

### REPORT

**TO:** Chief Executive Officer  
**FOR:** Council Meeting – 13 November 2024  
**FROM:** Executive Director Infrastructure and Property – Tim Mason  
**DATE:** 8 November 2024  
**SUBJECT:** **CCO IMPLEMENTATION**

### RECOMMENDATION

*That Council:*

- (a) agrees to progress with and fund preliminary investigations and steps toward the establishment of a Council Controlled Organisation for water services with an expectation that the model is consulted on next year and decision paper brought to Council post consultation.*
- (b) notes the requirements for Selwyn District Council from Local Water Done Well legislation, including delivery of a Water Services Delivery Plan and changes to requirements for water services delivery*
- (c) agrees to fund the development of the Water Services Delivery Plan and proposed establishment of the CCO up to \$2 million in line with this paper, as required by legislation;*
- (d) agrees to delegate oversight of the activities referred to in (a) and (b) to the Local Water Done Well subcommittee; and*
- (e) agrees that Council can hire a CCO establishment Board chair.*

**COUNCIL PUBLIC REPORT**

**TO:** Council  
**FOR:** Extraordinary Council Meeting (Local Water Done Well) – 2 April 2025  
**FROM:** **Tim Mason** - Executive Director Infrastructure and Property  
**DATE:** 28 March 2025  
**SUBJECT:** **LOCAL WATER DONE WELL DELIVERY MODEL**

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**RECOMMENDATION**

*That Council:*

a) **Resolves** that its water services delivery model is:

- i) *a Council Controlled Organisation fully owned by Selwyn District Council for drinking water and wastewater delivery (WSCCO); and*
- ii) *continued in-house delivery for stormwater services.*

*This resolution is made pursuant to the Local Government (Water Services Preliminary Arrangements) Act 2024 and these models are directed for inclusion in Council's Water Services Delivery Plan and implementation.*

b) **Directs** that Council prepares and executes an implementation plan for the establishment of a WSCCO and to achieve completion of the transition of drinking and wastewater services from Council to a WSCCO by 20 December 2025.'

**COUNCIL PUBLIC REPORT**

**TO:** Council

**FOR:** Council Meeting – 21 May 2025

**FROM:** Tim Mason – Executive Director Infrastructure and Property, Julie Hands  
– Head of Legal and Risk

**DATE:** 14 May 2025

**SUBJECT:** **Local Water Done Well – Incorporation of CCO**

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**RECOMMENDATION**

*That Council:*

- a) **Resolves** that a council-controlled organisation (with Council as sole shareholder) to deliver waste and drinking water services be incorporated under the Companies Act 1993 and registered as Selwyn Water Limited (**SWL**);
- b) **Approves** the adoption of a constitution for SWL in the form appended to this paper;
- c) **Appoints** Murray Strong as initial director of SWL for an initial term of three years; and
- d) **Delegates** to the Chief Executive the power to execute any documentation necessary to give effect to the above resolutions.
- e) **Notes** that Officer's will hold a workshop with Council on amendments to the Constitution and the statement of expectations for SWL (anticipated August 2025)

**COUNCIL PUBLIC REPORT**

**TO:** Council

**FOR:** Council Meeting – 18 June 2025

**FROM:** Tim Mason – Executive Director Infrastructure and Property  
Alex Cabera – Programme Director – Water

**DATE:** 12 June 2025

**SUBJECT:** **Local Water Done Well – Establishment decisions**

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**RECOMMENDATION**

*'That Council:*

- a) **Notes** establishment costs and on-going funding requirements of Selwyn Water Limited;
- b) **Notes** that Council will provide interim funding to Selwyn Water Limited on the basis of a pass-through Working Capital Facility;
- c) **Approves** the entry into the Operational Delivery Agreement, Transitional Services Agreement and Working Capital Facility Agreement each in the final form appended to this paper;
- d) **Delegates** to the Chief Executive the power to execute the Operational Delivery Agreement, Transitional Services Agreement and Working Capital Facility Agreement to give effect to the above resolutions; and
- e) **Resolves** to disestablish the Local Water Done Well Subcommittee with effect from the day of this Council meeting, being 18 June 2025.'