

## **Re: Argosy Corporatisation Proposal**

Argosy Unit holders have received documentation about a Meeting to consider changing the Trust to a Corporate (Company) structure. This follows an earlier change, internalising the management of the Trust which the NZSA supported.

NZSA policy supports the proposal for the following reasons:

- Unit holders do not have as much control over the affairs of the company as shareholders. Voting hurdles to effect change may be higher in some cases.
- The Trust structure is more expensive with both trustee and additional audit fees.
- Costs of the separate share in the Manager held externally are no longer payable.
- Most importantly, the provisions of the takeovers code will apply which is not the case for a Unit Trust structure. This greatly increases shareholder protection and the ability to influence the future of the investment.
- The process will complete alignment between the objectives of the shareholders and the people running the investment on their behalf.
- Both motions require approval by 75% of all votes cast.

## **For these reasons the NZSA will vote undirected proxies IN FAVOUR of the proposal**

(Although the instructions are rather vague, people wishing to give us undirected proxies should leave both tick boxes blank. All proxies in our favour must have New Zealand Shareholders Association of Auckland filled in on the top line of the form and be signed at the bottom.)

Unit holders should note that completed proxies must be **received** by Computershare **no later than 3.30pm on 19 February**.