



Many Investors, One Voice

**ANNUAL REPORT AND SUPPORTING DOCUMENTS FOR THE ANNUAL GENERAL
MEETING**

OF THE

NEW ZEALAND SHAREHOLDERS' ASSOCIATION INCORPORATED

FOR THE YEAR ENDED 31 MARCH 2010

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**AGENDA FOR THE ANNUAL GENERAL MEETING
of the
New Zealand Shareholders Association Inc.**

The Annual General Meeting will be held on the 29nd of July 2010 at The Novotel Hotel, Greenlane commencing 11.45 am.

1. Apologies
2. Approval of the previous Annual General Meeting minutes.
3. The NZSA in retrospect
4. Chairman elect address.
5. Election of Board Members
6. Presentation and adoption of the Annual Report including Chairman's Report and Annual Accounts.
7. Re-appointment of the Members Accounts Review Team.
8. General Business.

DIRECTORY

Organisation	New Zealand Shareholders' Association Incorporated	
Registered Office	4th Floor Smith and Caughey Building Wellesley Street Auckland, New Zealand	
Contact details	Phone number 0800-697-2747 Web site http://www.nzshareholders.co.nz PO Box 6310 Auckland 1141 New Zealand.	
Date Incorporated	7 May 2001	
IRD Number	80-281-811	
Banker	The National Bank of New Zealand Limited	
Directors	Bruce Sheppard	(Chairman)
	Alan Best	(Education development)
	Chris Curlett	(Secretary and Treasurer)
	John Hawkins	(Chairman elect)
	Des Hunt	(Corporate Liaison)
	Kevin McCaffrey	(Resigned 2010)
	Grant Diggle	(Co-opted member)
Members' Annual Accounts Review Committee.	Bryan Phippen Trevor Baron (retired 2010)	

PREVIOUS MEETING MINUTES

Minutes of the Annual General meeting of the New Zealand Shareholders' Association held on July 24th, 2009 at Grand Chancellor Hotel, Wellington commencing at 1150 hours.

Attendance B Sheppard (Chairman), A Best, C Curlett, K McCaffrey, J Hawkins, J Staley, P Flynn plus a total of 95 members.

Apologies Ten apologies were received.

Previous Minutes Proposed (Saint) and seconded (Hawkins) these be adopted. ***Passed unanimously.***

Introduction Sheppard introduced the National Board and General Manager, outlining their duties and responsibilities. It was advised two members were retiring by rotation (Sheppard and Curlett) and one person was standing for election to the Board (Hawkins).

Margaret Murray (Canterbury Branch) asked the Chairman to clarify a number of points on Governance;

- Rotation. The view was expressed there was no clear policy over the length of time a member could remain on the board, or the rotation policy. Sheppard commented the rotation policy was as stated in the Rules of the NZSA. Regarding Branch representation this was actively sought by the Board and had happened in the past. The Board actively sought participation and had sought members externally. McCaffrey commented that when the board had actively sought members there had been a number of replies, however these dwindled to nothing when it was found there was no remuneration.
- Board review of performance. Sheppard advised the board had reviewed its performance and the result had been positive and negative. McCaffrey had undertaken this prior to joining the Board in the previous year and as a result the board had endeavoured to improve its performance however improvements were still required.
- Board membership. This needed to improve to assist in the work load and performance. Ideally the board should be made up to eight members and this was still the objective of the board members.

New Member Competition

The results of this competition were

- The Branch with the largest increase was Wellington
- Biggest introducer of new Members was Robert Johnson
- The random draw was Graham Blackeley.

Glob and Beacon Award.

Neil Parker outlined the competition guidelines on behalf of Howard Zingel and the nomination forms were left for completion

The AGM broke for lunch at 1230 and the AGM then reconvened at 1315

Adoption of Financial statements

It was proposed (Sheppard) and seconded (Curlett) the Financial Statements be accepted.

There was some discussion on these and the following comments made –

Expenses had exceeded Subscriptions for the year and without sponsorship the position would be peccaries. Sheppard commented some of the sponsors had signed on for three years and others for varying periods around this. The Board were aware of their exposure to this and monitored it constantly.

Administration costs. These had increased over the two years and there should be more detail on these. Curlett commented these had increased primarily due to the Association making a decision to have a part time General Manager.

Consultants. Further detail was asked for on these. Curlett commented this was mainly the Secretarial / Treasurer role performed by him.

Accounts Receivable. Curlett confirmed there was an outstanding sponsorship however the Board were satisfied this would be collected.

Curlett thanked the meeting for their comments, especially Ms Murray many of whose suggestions would be incorporated into the following year's accounts.

The proposal that the Financial Statement be accepted was put to the meeting and it was passed unanimously

Chairman's address.

Sheppard referred to his report and took it as read.

Sheppard outlined the activities of the National Board in relation to FLOW and Education along with the advocacy action recently

undertaken with Dorchester and Geneva. It was proposed and Seconded the Chairman's report be adopted.

Passed unanimously

Reappointment of Financial Review Team.

Sheppard gave a brief history of the teams appointment and it was proposed (Saint) and seconded (Brian) that the existing Financial Review Team be reappointed. Pippen briefly addressed the meeting and the proposal was put. ***Passed unanimously***

General Business

Sheppard advised that an upgrade of the MYOB accounting package was under way to include the facility to allow direct payment of subscriptions. He also noted that 45% of member subscriptions had been collected in the first month of the new financial year.

Pippen addressed the meeting and provided a brief commentary on the developments within Mainfreight including the treatment of Goodwill.

Election of Officers It was proposed (Best) and Seconded (Hunt) that Sheppard, Hawkins and Curlett be appointed to the board. ***Passed unanimously.***

Meeting closure at 1345

Signed as a true and correct record on _____ 2010

Chairman

Secretary/Treasurer

ELECTION OF BOARD MEMBERS

Board Members retired by rotation are Des Hunt and Alan Best who offer themselves for re-election. Grant Diggle has offered himself as a new board member. The following synopsis have been supplied.

Grant Diggle:

Grant is a Director of Governance Advisors Ltd, providing governance advice to both the commercial and not for profit sectors. He is also Board Secretary of The Royal New Zealand Foundation for the Blind, Secretary/Treasurer of The Parkinsonism Society Auckland and a member of the Board of the British New Zealand Business Association. He was formerly Chief Executive of Chartered Secretaries New Zealand a Division of ICSA International, a leading global governance body.

He has worked as a senior executive in both international and local corporations in the manufacturing and retail sectors and also in public practise as a Chartered Accountant in the UK.

He has a particular interest in the generational transfer of both management and governance from the baby boomers to generation X and Y.

Grant is a Chartered Accountant, Chartered Secretary, a member of the Institute of Directors and a member of the Institute of Management.

He is married to Glennis and has two adult children Samantha and Hayden.
Grant follows most sports, in particular motorsport, and has an interest in classic cars.

Alan Best:

Alan has been the editor of our in-house journal, The Scrip, over the past three years. He brings to the board a wide experience of writing and editing, and over 40 years experience in share investing in New Zealand and overseas. In listed NZ companies Alan rose from marketing and general management to CEO, and then ran his own small business in Auckland. Alan has also taught business subjects in Wellington and Auckland University of Technology. If re-elected, Alan aims to contribute to the board in its advocacy amongst companies, reporting to members via The Scrip, and is involved in the Members' education programme, as well as trustee of FLOW Trust.

Des Hunt:

Over the years I have been actively involved in all aspects of business. For ten years at Tru-Test I was responsible for sales and marketing worldwide. In my later years there, I was involved with Strategic Planning, Acquisitions, Budgeting, Intellectual Property, and Human Resource Management.

I have also been involved in a number of start-up and early stage ventures. For example, Radio Spares,

Currently I am Corporate Liaison Director of the NZ Shareholders' Association, Member of the Council of the Auckland Division of the New Zealand Institute of Management (NZIM) from 1986 to 1995 and current Fellow of the NZIM, Fellow of the Institute of Directors.(FInstD) and over the years I have written a number of articles as well as presented papers on Management, Marketing, Exporting, Strategic Planning, Budgeting, Intellectual Property, and Distribution to organizations such as the NZIM, Export Institute, and The University of Auckland Business School.

CHAIRMAN'S OVERVIEW 2009 - 2010

Introduction.

2010 was a year in which we substantially changed direction. You may recall that in the last term of the Labour government I told you that the greatest threat to shareholder wellbeing was politicians, not directors. Thus for a period I changed direction to attack them relentlessly over stupid policies in tax, and stupid actions in asset confiscation. I found that politicians had the thickest skins of any group of people I have ever met and so I determined during 2009 to change direction and ignore them. Certainly I used my profile, such as it was, to actively advocate a defeat of Aunty Helen and Uncle Michael. Some of you will have found this level of electioneering offensive and it may well have cost us some membership. Regardless a new government was elected. Thus my instinct was to not engage in various talk feasts which seemed to be a waste of time and resource and endeavoured to refocus us on shareholder education.

The NZSA as a lobby group in 2009/10.

The Board, and in particular John Hawkins, convinced me that we should give the National politicians a chance, and that we should change tack substantially and endeavour to constructively engage based on sound principles backed up by detailed research.

As a result John Hawkins drafted a submission to the CMDT that was thorough and principled. He proved his worth as a member of our executive team that hit out hard following detailed preparation.

When this task force reported, following a number of meetings with me and our entire board, most of what we talked about was adopted in the final recommendation to government. The only point of difference was in respect of timing. It was our view that a new super regulator was needed fast, not in three years time.

In December 2009 I managed to procure a meeting with Simon Power to discuss the CMDT report and our submission. I had met Simon before and rated him as an intelligent and well respected politician in his caucus. However, in arranging this December meeting it was uncertain what traction we would get for urgent attention to the amalgamation and empowering of a new super regulator.

John and I attended this meeting where Simon Power gave us an unprecedented hour and a bit of his time. It is rare to have slots of more than 30 minutes with a Minister. He had read our paper, and in fact had read much of what we and I have written on capital markets over the previous two years. His questions were insightful and he got that we needed reform, and quickly.

Post Christmas we meet him again several times to discuss what is now fully before all participants in the market, Your Association was involved in the initial thinking and formulation of the ideas that have now resulted in the proposed establishment of a new regulator, The Financial Markets Authority(FMA).

Capital Markets and the rights of investors are now at the forefront of government policy, and you can be proud of the role the NZSA has played in making this a reality.

It has been a hard slog, but finally the NZSA has become a respected and forceful voice in business, and economic policy.

The establishment of the FMA will be the most important piece of work to be conducted in a generation and as you will all be aware I have been invited to participate as a member of the Establishment Board of the new FMA. It is both humbling and an honour to be invited to serve and it is testament to the work that both I and the NZSA have completed over the last 10 years.

Changes to the NZSA board.

While the Minister does not necessarily see my role in the NZSA as a conflict with a role in the establishment of the FMA, as it is likely this process will be relatively open and bodies like the NZSA may be called upon to have input. The conflict to both myself and your board was obvious. I have thus resigned as Chairman with effect from the close of this AGM, but will remain as a board member until the next AGM. However between now and when the FMA is finally established I have accepted the NZSA board's offer of a leave of absence.

In June this year the NZSA board elected John Hawkins to succeed me, I am proud of both the speed and cohesion of the board in making the choice that they have made, and I am sure he will be a Hawk were I have been a Shepherd! While John will bring a different leadership style to the Association, I can tell you from my time with him as a board member, he will be no less robust in matters than I have been for the last 10 years.

A reflection on a decade.

This is the tenth general meeting of this association that I have chaired, if you include the meeting at the Royal New Zealand Yacht Squadron club rooms organised by our other longest serving board member Chris Curlett.

The first two years were full of out bound energy from a large number of members. We marshalled groups of up to 20 people to attack boards from the floor of AGM's. These challenges were unprecedented in NZ corporate history. We proposed notices of motion to AGMs that were circulated to all shareholders at Telecom and Millennium and Copthorne.

Some of these were with hindsight misguided, but they did spark debate and heralded a new age in which shareholders understood that they could raise business on notice.

The focus of these first years was to challenge malfeasance and humiliate the perpetrators and we were good at it, and still are if necessary.

Then we moved into investor education. Graeme Wilson wrote a number of courses which are still the backbone of what we do today. Graeme is a shining light of the level of commitment the vision of the NZSA inspires in intelligent people. Even in his last months he ran courses for new investors. His commitment to the NZSA was uplifting.

Progressively as boards began to fear what we might do next they choose to engage with us and wanted to understand more of what we were about. We published a number of quite timeless position pieces that are now used by universities and others as the start point of understanding corporate governance, capital markets and remuneration principles. We then appointed Des Hunt into the corporate liaison role, and he built bridges to business leaders who not only wanted to understand what we were about, but absorbed some of our thinking into the way they practised their task as directors. We spoke at industry groups and at meetings of directors, as well as at teaching institutions, and these continue on to this day.

By 2006 it was clear to us that mostly boards got our message and more importantly cared what we thought, but were cautious to engage with us proactively. None the less the day was won and the level of stupidity and conflicts of interest began to decline.

The political engagement while labour was at the helm was largely ineffective. It started in response to the unbundling of Telecom and I wrote a thought piece - Vision Leadership and Governance. It too is on our website.

Much of what was discussed in that thought piece is being progressively adopted by National so it has had some pervasive effect on public policy. John Key was the only Member of Parliament to respond by meeting with me after receiving it, and perhaps his mantra of an aspiration society was in part formulated following this document.

While engaging with Politician's and writing submissions on public policy that affected our members, we went quiet on AGM's, and boards became a bit complacent. Then last year we wrote to 19 companies that we thought had too much debt and created a storm of denial. Michael Stiasney and I meet and he informed me that he was surprised at the level of hatred that I engendered for having the temerity to write such letters.

Now this year we are respectable. We have procured recognition from the Crown through my appointment to the FMA. We have won the support of intelligent business leaders who are now openly endorsing us publically and privately, and we have developed the capacity to contribute on a wide range of business issues, while preserving a branch network that delivers exceptional value to our members. In addition we have now re launched Graeme Wilson's education programme and supported the launch of the Flow Trust.

All in all I am proud of the last 10 years and will miss the NZSA very much, but it is time for a change, time for the child to become a teenager and an adult.

Now to the business of the Association.

Membership.

Membership is stable, but has not grown over the last 12 months. The attrition rate is fairly constant, but the slowing growth in membership has meant that as of the end of March we have stabilised with just under 1100 members, only fractionally up on last year.

We should not beat ourselves up too much as the ASA has also seen its membership plateau at around 7700.

Finance.

We are obviously in a sound financial position. Going forward we have corporate sponsorship of around \$40k pa for a further two years. Our reserves remain adequate.

Operations.

1. Company analysis is still an issue, and we have been unable to develop a membership based research capacity.
2. We are now developing a member's only section on our website to improve services to members and this will include some standardised summary data on our top 50 companies over time. We intend to develop this further to create a measure of risk relative to return as a guidance tool.
3. Likely this base data which has some simple performance matrixes will be useful to members and we have resolved to support this by engaging students to load and maintain the data if necessary. The sample of summary data will be on the free to air section of the website as a teaser to sell further memberships. Over time we intend to introduce a soft survey on governance practises and test the correlation between governance and performance.
4. Advocacy continues to be conducted on regulatory and major structural issues by myself with support from Alan Best John Hawkins and Des Hunt. We certainly continue to miss Ross Dillon, but even if he was still on the board I doubt he could have stopped me getting into hot water with Hanover.

5. Kevin McCaffrey has resigned from our board to focus on his role in Flow where he Ross Dillon and Alan Best continue to strive to improve the financial literacy of all NZers.
6. Alan Best is the Editor of the Scrip. We produced 6 newsletters of exceptional quality this year with a wide range of contributors from all over NZ. It is a credit to all of you, and the organisation as a whole.
7. Jacquie Staley has coordinated our proxy service and has organised representation at more meetings than ever before in our history, and this in turn has contributed to the richness of the script.
8. Grant Diggle will be elected at the AGM to the Board. Grant is immediate past CEO of the Chartered Institute of Secretaries,
9. The administration continues to be well served by Chris Curlett,
10. Patrick Flynn remains as our part time National Manager

Research Scholarships.

The main challenge with this project, surprisingly is finding suitable students. There is no change from a year ago. We still have only one appointed by AUT with two vacancies, one at Massey University and one at Auckland University.

Education.

We have completely re-worked and relaunched two of Graeme Wilson's courses and these are now available through the branch network and selected community colleges.

Achievements this year:

- ***Education now re-launched through the branches successfully.***
- ***Successful lobbying with government that has resulted in an early establishment of a new Super regulator.***
- ***The abandonment by NZX of the 20 minute rule which enabled some to be pre informed of market information.***
- ***The successful transition of leadership to John Hawkins.***

- *The full scoping of a members only section which will deal with base level company research data to assist members.*
- *The attracting of good leaders to our board and the recognition of the association as a surviving and valued force in NZ business.*

Disappointments:

Failure to sustain strong membership growth and failure to establish a new branch

I look forward to seeing you at what will be my final AGM as Chairman, but I leave the association in a strong position, and in good hands.

B R Sheppard
Chairman.

ANNUAL ACCOUNTS AND ACCOUNTS REVIEW REPORT

NEW ZEALAND SHAREHOLDERS' ASSOCIATION INC.

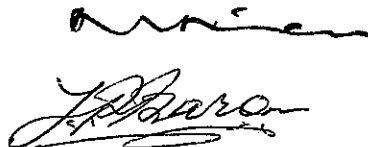
Report from the Members' Annual Financial Statements Review Committee concerning
the 2009/10 Annual Financial Statements

We have jointly reviewed the Annual Financial Statements and supporting documents including ledger accounts and bank statement entries with the relevant year end accruals and are satisfied the truth and fairness of the Financial Statements submitted herewith to be presented to the 2010 Annual General Meeting of the above named Association.

Our instructions concerned the completion of a review and consequent report on that – and accordingly no formal audit has been undertaken.

We hereby state that, in our opinion, the financial position shown, fairly reflects the financial status of the Association as at 31 March 2010 and that the statement of Income and Expenditure properly reflects the summarised transactions for the year ended on that date.

B Pippen and
T Baron

The image shows two handwritten signatures in black ink. The top signature is a cursive signature that appears to be 'B Pippen'. The bottom signature is a more stylized cursive signature that appears to be 'T Baron'.

per

New Zealand Shareholders' Association Inc.
Balance Sheet
As at 31 March 2010

<u>2009</u> NZ\$	Note		<u>2010</u> NZ\$
<u>ACCUMULATED MEMBERS FUNDS</u>			
10,700		Equity at the start of the year	49,395
38,695		Add this years Operating Surpluss	16,693
<u>49,395</u>		TOTAL MEMBERS FUNDS	<u>66,088</u>
This is represented by:-			
<u>NON-CURRENT ASSETS</u>			
2,997	4	Investments (shares at cost) 3,072	
26,066	5	FLOW Charatable Trust (Education) 28,515	
12,010		Fixed Assets at book value 12,266	
<u>41,073</u>		TOTAL NON-CURRENT ASSETS 43,853	
<u>CURRENT ASSETS</u>			
Bank			
10,606		Cheque account 6,813	
2,784		Other accounts <u>10,295</u> 17,108	
6,857		GST refund due 238	
11,250		Accounts receivable <u>22,802</u>	
31,497		TOTAL CURRENT ASSETS 40,148	
<u>72,570</u>		TOTAL ASSETS 84,001	
<u>LESS CURRENT LIABILITIES</u>			
6,625		Accounts Payable 4,483	
15,997		Prepayments 12,123	
552		Branch accounts Balance <u>1,306</u>	
<u>23,174</u>		TOTAL NET CURRENT LIABILITIES 17,912	
<u>49,395</u>		TOTAL NET ASSETS	<u>66,088</u>



Chairman

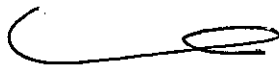


Secretary/Treasurer

These accounts must be read in conjunction with the Notes to the Accounts

New Zealand Shareholders' Association Inc.
Statement of Income and Expenditure
For the year ended 31 March 2010

<u>2009</u>			<u>2010</u>
NZ\$		Note	NZ\$
<u>INCOME</u>			
3,411	Bank interest		480
102	Dividends received		68
2,989	Donations		16,948
-	Education income		1,131
78,781	Subscriptions	8	82,676
51,286	Sponsorships received		30,000
56	Other income		-
136,625	Total Income		131,303
<u>EXPENSES</u>			
54,067	Administration costs	1	63,656
8,720	Advocacy Action	2	3,903
7,080	AGM costs - 2009		11,497
1,012	Awards Presentation Costs		1,558
2,884	Branch Subsidies		3,740
391	Branch and Conference Expenses		1,188
-	Computer software		66
1,356	Credit card fees		1,933
400	Directors meeting costs		645
2,165	Education expenses		1,772
-	Membership promotion costs		1,122
7,168	Newsletters		7,995
3,250	NZSA Financial Accounts annual review costs	3	3,750
2,904	Webb site maintenance		5,345
7	Other expenses		402
91,404	Total Expenses		108,572
45,221	Operating Result before Depreciation		22,731
<u>LESS NON CASH EXPENSES</u>			
6,526	Depreciation as calculated		6,038
38,695	Operating Profit		16,693



Chairman



Secretary/Treasurer

These accounts must be read in conjunction with the Notes to the Accounts

Notes to the Accounts of the New Zealand Shareholders' Association Inc.

Statement of Accounting Policies

Financial Reporting Period

The financial statements are for the year ending 31 March 2010.

Statutory Base.

The New Zealand Shareholders' Association Inc is a non-profit making Incorporated Society registered as such with the Inland Revenue Department.

Measurement Base.

These financial statements have been prepared on a historical cost basis with accruals for amounts receivable and payable at year end.

Equipment Summary including Depreciation Data.

Asset class	Cost	Opening Book value	Additions this year	Disposals	Depreciation	Closing Book value	Depreciation Rate used
Operating s/w	\$2,232	\$74	\$995	-	\$167	\$902	48%
Web site s/w	\$27,469	\$8,707	\$5,300	-	\$5,063	\$8,944	48%
Stands	\$9,522	\$2,606	-	-	\$651	\$1,955	25%
Awards	\$1,968	\$623	-	-	\$157	\$466	25%
	\$41,191	\$12,010	\$6,295	-	\$6,038	\$12,267	

Whilst NZSA has been, and remains, operating as a going concern the closing book values above may not be realisable for the amounts stated.

Goods and Services. All amounts stated in the financial statements exclude Goods and Services Tax other than in respect of Accounts Receivable and Accounts Payable items which include GST and the GST ledger account balance.

Notes to the Annual Accounts

- 1 Administration Costs.** A number of Expense items have been combined into this category. A comparison between the two years is;

	<u>2009-10</u>	<u>2008-09</u>
Administration Costs	36,000	28,215
Accommodation	3,000	750
Consultants	18,000	18,000
Insurance	1,479	1,464
R and M	146	-
Parking	286	116
Postage	2,729	1,460
Stationery and Printing	1,169	3,283
Telephone	847	779
	<u>63,049</u>	<u>54,067</u>

- 2 Advocacy Action over \$1,000**

	<u>2009-10</u>	<u>2008-09</u>
Dorchester Pacific Limited	-	\$4,323
Geneva Finance Limited	-	\$4,397
Hanover	\$3,000	-

- 3 NZSA Financial Accounts annual review costs**

A Members Committee (consisting of two members - both chartered accountants) was instituted in 2005/06 to report to members concerning the Annual Financial Statements produced by the Secretary / Treasurer.

Their report, concerning the Financial Statements for the 2009/10 year, is attached as part of the 2009/10 Annual Report.

The cost of their report (accrued as \$3,750) has been included in the Statement of Income and Expenditure (2009 \$3,250).

- 4 Investments.**

The book value of these investments at 31 March 2010 was \$3,072 (2009 \$2,996). Shares in listed companies held by the Association are only for representation purposes and may not be realisable for the amounts stated in the accounts.

5 FLOW.

FLOW is a Charitable Trust established to deliver Education Programs in the Work Place. The NZSA agreed to advance FLOW up to \$30,000 in seed funds to enable it to be established and develop interactive teaching programs. The Trustees of FLOW have acknowledged the Trusts responsibility to repay the seed funds advanced by the NZSA as cash flow allows. The seed funds are not secured by any Guarantees from the Trust or Trustees although the NZSA retains rights over the interactive teaching programs developed until the seed funds are repaid. There is no interest payable on the seed funds advanced.

6 Donations received in kind

Telecom paid the costs associated with the 0800 phone number used by the NZSA during the year.

7 Declaration of interest

NZSA National office Directors had the following interests in transactions over \$1,000

Chris Curlett. Administration via secretarial work undertaken by his family.

Bruce Sheppard. Office space and related services have been provided to the Association.

8 Subscriptions

In January 2010 a new subscription policy was introduced. The subscriptions remained at \$110 p.a. (incl. GST) however they changed from a common renewal date of 1st April annually, to a joining anniversary date. The existing member's renewal date remained at 1st April annually, however any new members renew on the anniversary date of their joining. All new members now automatically become a member of the nearest branch and the branch fee is included in the \$110.

This will have the effect of smoothing the cash flow and also alleviate some perceived issues with members who had previously joined late in the year and received a renewal notice three or four months after.

PROXY FORM

The Secretary
New Zealand Shareholders Association Inc.
C/- PO Box 42-139
Orakei
Auckland. 1745
NEW ZEALAND

OR FAX TO +64-9-3095260

NOTE TO BE A VALID PROXY IT MUST BE RECEIVED BY THE ASSOCIATION NO LATER THAN 48 HOURS PRIOR TO THE MEETING

Dear Sir

I _____ of _____
(Please print your name)

being a member of the New Zealand Shareholders' Association Incorporated hereby

appoint _____ of _____
(Please print their name)

or failing them _____ of _____
(Please print their name)

as my proxy to vote for me on my behalf at the Annual General Meeting of the Association to be held on the 22th July 2010 and at any adjournment thereof. My proxy holder is instructed to vote as follows

	For.	Against.	Proxy holder to decide.	Abstain.
A Appointment of Board members				
Grant Diggle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alan Best	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Des Hunt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C Adoption of the Annual Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D Appointment of Accounts Review Team	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed by the member of the Association _____