

DRAFT CONSTITUTION FOR SCOOP PUBLISHING LIMITED UNDER THE COMPANIES ACT 1993

1. Definitions and interpretation

1.1. This Company has been established primarily to carry out activities for the Scoop Foundation for Public Interest Journalism. This constitution should be read in the light of and consistently with the terms of the deed establishing that trust. 1.2. In this Constitution, unless the context otherwise requires, the following words and expressions have the meanings given to them in this clause:

"Act" means the Companies Act 1993.

"Board" means the Directors numbering not less than the required quorum acting as the board of directors of the Company.

"Company" means Scoop Publishing Limited.

"Constitution" means this constitution of the Company and all amendments to it from time to time.

"Director" means a person appointed and continuing in office for the time being, in accordance with this Constitution, as a director of the Company.

"Editorial Convenor" means the Convenor of the Editorial Panel appointed under clause 13.1.

"Editorial Panel" means the panel established under clause 13.

"Register" means the register of Shareholders maintained by the Company.

"Shareholder" means a person who is:

(a) registered in the Register as the owner of one or more shares; or

(b) until the person's name is entered in the Register, a person named as a shareholder in the application for registration of the Company at the time of registration of the Company; or

(c) until the person's name is entered in the Register, a person who is entitled to have that person's name entered in the Register under a registered amalgamation proposal as a shareholder in an amalgamated company.

Where trustees of a trust hold shares, those trustees collectively will constitute one shareholder.

"Trust" means the Scoop Foundation for Public Interest Journalism.

"The Trustees" means the Board of Trustees of the Trust.

1.3. A reference to a clause is to that clause in this Constitution.

1.4. Headings are inserted for convenience only and must be ignored in deciding the meaning of this Constitution.

1.5. Words or phrases defined in the Act have the same meaning in this Constitution unless the context requires otherwise.

1.6. If the Act is changed in a way that would, but for this clause, cause section 31 of the Act to apply to any clause then that clause must be treated as if it had been changed in the same way as the change in the Act, so that the Constitution does not contravene or become inconsistent with the Act.

1.7. In this constitution unless the context otherwise requires:

(a) “written” and “in writing” includes any means of reproducing words, figures or symbols:

i) in a tangible and visible form in any medium; or

ii) in a visible form in any medium by electronic means that enables them to be stored in permanent form and be retrieved and read; and

(b) “signature” includes, in relation to a document in electronic form, an electronic signature created by a method which identifies the signatory and indicates the signatory’s approval of the information contained in the document.

1.8. Where a legal requirement under the Act is reproduced in this constitution, the provision of this constitution which reproduces that legal requirement may be met by using electronic means in accordance with the Electronic Transactions Act 2002 in the same manner as is required by the Electronic Transactions Act 2002 to meet the legal requirement under the Act. In this clause the term “legal requirement” has the meaning given to it by the Electronic Transactions Act 2002.

1.9. For the purposes of s 11 of the Electronic Transactions Act 2002, a document under this constitution, which is sent in electronic form and via an electronic communication, is taken to be received:

(a) if sent by the company, on the working day it is sent or the next working day if sent outside normal business hours, provided that the electronic communication was correctly addressed to the address provided by the addressee for the receipt of electronic communications and no error message was received by the information systems used by the company to send the electronic communication;

(b) if sent to the company, at the time the electronic communication comes to the attention of the addressee or such other time as the sender and company agree.

To avoid doubt, any document so sent may be in any widely used electronic form.

2. Issue of shares

2.1. Initial shares

(a) As at the date of this Constitution the number of initial shares and their class, to be issued pursuant to section 41(a) of the Act, are those specified in the application for registration of the Company.

(b) The consideration for the issue of the initial shares is \$1.00 for each share issued. Such consideration is payable in cash forthwith after the initial shares are issued by the Board. 2.2. Board may issue shares

(a) Subject to the Act and this Constitution and the terms of issue of any existing shares, the Board may issue additional shares (and rights or options to acquire shares) of any class (including redeemable shares) at any time, to any person and in such numbers and on such terms as the Board thinks fit.

(b) Unless the terms of issue of any class of shares specifically otherwise provide, the Board may issue shares that rank or would rank (as to voting or distribution rights or both) equally with or prior to existing shares without any requirement that the shares be first offered to existing Shareholders and for the purposes of section 117 of the Act such an issue is not an action affecting the rights attached to the existing shares.

2.3. Amount owing on issue of shares

Where money or other consideration is due at a fixed time to the Company on shares in accordance with their terms of issue, that amount does not comprise a call and no notice is required to be given to the Shareholder (or other person liable under the terms of issue) before the Company may enforce payment of the amount due.

3. Purchase by Company of its shares

3.1. The Company may purchase or otherwise acquire its shares, in accordance with, but subject to the Act.

3.2. The Company may hold shares so acquired in accordance with sections 67A to 67C of the Act.

4. Transfer of shares

4.1. Shares may be transferred by entry of the name of the transferee on the Register, but shares may only be transferred if 75% of the shareholders approve that transfer of shares.

4.2. The form of transfer may be in the form set out in the first schedule to the Securities Transfer Act 1991 or in any usual or common form, or any other form approved by the Board of Directors.

5. Financial assistance on acquisition of shares

The Company may, subject to and in accordance with sections 76 to 80, 107 and 108 of the Act, give financial assistance (whether directly or indirectly) but only to the trustees of a trust for the purpose of, or in connection with, the purchase of shares issued (or to be issued) by the Company.

6. Management review by Shareholders

6.1. A Shareholder may question, discuss, and comment on the management of the Company at a meeting of Shareholders.

6.2. A meeting of Shareholders may pass a resolution relating to the management of the Company, but such resolution is not binding on the Board.

7. Proceedings at meeting of Shareholders

7.1. Meetings of Shareholders must be conducted in accordance with the first schedule to the Act.

8. Directors

8.1. Number of Directors

The number of Directors must not be less than one nor more than five.

8.2. Directors

On registration of the Company under the Act, the Directors are the persons named as the Directors in the application for registration of the Company.

8.3. Majority decisions

A simple majority of those directors who are present and voting will be sufficient for all matters to be decided by the board, except that a shareholder's written resolution or the written approval of at least two-thirds of all of the Directors will be required for the following:

- (a) Appointment or removal of the Editorial Convenor;
- (b) Instructions to the Editorial Convenor but instructions about editorial matters must only be given if those matters have been explicitly drawn to the Directors' attention and deemed by those giving approval to be of such a nature as to constitute a serious danger to the reputation and financial integrity of the company or any shareholder.

8.4. Appointment and removal by notice

- (a) Subject to clauses 8.2 and 8.4, the Directors are the persons appointed from time to time as Directors by a notice in writing signed by the holders of the majority of the ordinary shares and who have not been removed or resigned or disqualified from office under this Constitution.
- (b) A Director may be removed from office at any time by a notice in writing signed by the holders of the majority of the ordinary shares.
- (c) A notice given under clauses 8.3(a) or 8.3(b) takes effect on receipt of it at the registered office of the Company (including the receipt of a facsimile copy) unless the notice specifies a later time at which the notice will take effect. The notice may comprise one or more similar documents separately signed by the Shareholders giving the notice.
- (d) A Director holds office until his or her resignation, disqualification or removal in accordance with this Constitution.

8.5. Appointment and removal of directors by resolution

- (a) In addition to the appointment or removal of Directors under clause 8.3, a Director may be appointed or removed from office by an ordinary resolution.
- (b) A resolution to appoint two or more Directors may be voted on as one resolution without each appointment being voted individually.
- (c) A notice of meeting at which the removal of a Director will be considered must state that the purpose of the meeting is the removal of the Director.

8.6. Disqualification and removal

A person will be disqualified from holding the office of Director if he or she:

- (a) is removed under clauses 8.3 or 8.4; or
- (b) resigns in writing and is not reappointed in accordance with this Constitution; or
- (c) becomes disqualified from being a Director under the Act.

9. Indemnity and insurance

9.1. Indemnity of Directors and employees

- (a) The Board must take all necessary steps to ensure the Company indemnifies each Director or employee of the Company or a related company for costs incurred by him or her in any proceeding:

- (i) that relates to liability for any act or omission in his or her capacity as a Director or employee; and
- (ii) in which judgment is given in his or her favour or in which he or she is acquitted, or which is discontinued.

(b) The Board must take all necessary steps to ensure the Company indemnifies each Director or employee of the Company or a related company in respect of:

- (i) liability to any person other than the Company or a related company for any act or omission in his or her capacity as a Director or employee; or
- (ii) costs incurred by the Director or employee in defending or settling any claim or proceeding relating to any liability under the previous sub-clause;

(c) The previous provisions of this clause 9.1 do not apply to:

- (i) criminal liability; or
- (ii) liability in respect of a breach of section 131 of the Act; or
- (iii) liability for breach of any fiduciary duty owed to the Company or a related company.

9.2. Insurance of Directors and employees

(a) The Board may, subject to section 162 of the Act, cause the Company to effect insurance for Directors and for employees of the Company or a related company in respect of:

- (i) liability, not being criminal liability, for any act or omission in his or her capacity as a Director or employee; or
- (ii) costs incurred by such Directors or employees in defending or settling any claim or proceeding relating to any such liability; or
- (iii) costs incurred by a Director or employee in defending any criminal proceedings that have been brought against the Director or employee in relation to any act or omission in his or her capacity as a Director or employee and in which he or she is acquitted.

(b) The Directors who vote in favour of authorising the effecting of insurance under clause 9.2(a) must sign a certificate stating that, in their opinion, the cost of effecting the insurance is reasonable.

(c) The Board must ensure that particulars of any indemnity given to, or insurance effected for, any Director or employee of the Company or a related company are forthwith entered in the interests register.

(d) For the purpose of this clause 9, "Director" includes a former Director and "employee" includes a former employee.

10. Powers and duties of the Board

10.1. Powers of the Board

(a) Subject to clause 10.1(b) and any restrictions in the Act or this Constitution, the business and affairs of the Company must be managed by or under the direction or supervision of the Board.

(b) The Board has, and may exercise, all the powers necessary for managing, directing and supervising the management of the business and affairs of the Company except to the extent that

this Constitution or the Act expressly requires those powers to be exercised by the Shareholders or any other person.

10.2. Director duties

(a) If the Company is a wholly-owned subsidiary of a trust, a Director may (when exercising powers or performing duties as a Director), act in a manner which that Director believes is conducive to the purposes of that trust even though it may not be in the best interests of the Company.

10.3. Delegation by Board

The Board may delegate to a committee of Directors, a Director, or an employee of the Company or any other person any one or more of its powers, other than the powers referred to in the Second Schedule to the Act.

11. Proceedings of the Board

11.1. The proceedings of the Board must be conducted in accordance with the Third Schedule to the Act

12. Interested Directors

12.1. Except as provided by the Act, a Director is not disqualified by virtue of his or her office from entering into any transaction with the Company. No such Director will be liable to account to the Company for any profit realised by the transaction by reason of the Director holding that office or of the fiduciary relationship established.

13. Editorial Panel

13.1. The Board of Directors must appoint an Editorial Panel. One of the members of the Editorial Panel is to be appointed by the Board of Directors as Editorial Convenor. All such appointments must be approved by the Trustees.

13.2. The Editorial Panel must have at least three members and not more than 15 members.

13.3. Once the Editorial Panel has been established, the trustees and the Board of Directors must consult the Editorial Convenor before members of the Editorial Panel are appointed or removed.

13.4. Only one director may be appointed to the Editorial Panel and all the other members of the panel must not be directors.

13.5. The roles and functions of the Editorial Panel will be decided by the Editorial Convenor from time to time but will include:

- (a) Identification of editorial projects;
- (b) Overseeing of editorial projects;
- (c) News-gathering and investigative journalism;
- (d) Mentoring and editorial direction;
- (e) Mentoring and editorial direction;
- (f) Copy vetting and editing;
- g) Collaboration with publishers and writers of other publications;

(h) External liaison.

13.6. Members of the Editorial Panel should be experienced and reputable journalists, although experts in other fields may be appointed.

13.7. The Directors may at any time

(a) Remove any member of the Editorial Panel on the recommendation of the Editorial Convenor or the Trustees; and

(b) Make and amend editorial codes of ethics and standards of conduct and practice in consultation with the Editorial Convenor.

13.8. Consistent with the principles of editorial independence, directors and trustees must not direct or influence members of the Editorial Panel or anyone contracted or employed on editorial matters except as set out in 8.3(b) above.

13.9. The Editorial Panel may regulate its own activities as it thinks fit but this is subject to the terms of this constitution and any operational rules made by the Company in General Meeting or by shareholder's written resolution.

14. Liquidation

14.1. Distribution of surplus assets on liquidation

Subject to the terms of issue of any shares, upon the liquidation of the Company, any assets of the Company remaining after payment of the debts and liabilities of the Company and the costs of liquidation shall be distributed among the holders of ordinary shares in proportion to their shareholding; provided however, that the holders of shares not fully paid up shall receive only a proportionate share of his or her entitlement being an amount which is in proportion to the amount paid to the Company in satisfaction of the liability of the Shareholder to the Company in respect of the shares.

14.2. Distribution in kind

If the Company is placed in liquidation, the liquidator may, with the sanction of an ordinary resolution and any other sanction required by law, divide amongst the Shareholders in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not). The liquidator may for that purpose set such value as the liquidator deems fair upon any assets to be divided as aforesaid and may determine how the division shall be carried out as between the Shareholders holding different classes of shares. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the Shareholders as the liquidator thinks fit (but so that no Shareholders will be compelled to accept any shares or other securities over which there is any liability).

This document comprising pages numbered from 1 to 7 is certified as the Constitution of Scoop Publishing Limited.

DATED this day of September 2015