

Whitby Corporation Limited

Minutes of the Annual General Meeting of Whitby Corporation Limited held on 25 March 2015 at the Baptist Church, Buick Street, Petone commencing 3.00pm.

The Chairman (Mr A S Loveday) opened the meeting of the company by welcoming all shareholders to the meeting.

Directors in attendance: Mr A.S.Loveday, Mr P.Tiedemann, Mr R.Hudson (Secretary)

Apologies: Apologies were received from Mr J Austad, Mr G Pickering, Mrs A Morris, Mr C Ellis, Mr S Soulsby, Mr A Thorburn and Mrs S Sturman

Proxies: The Secretary read the proxies

Minutes of Previous Meeting: The Chairman reviewed the minutes from the previous meeting. There were no matters arising.

The Chairman proposed that the minutes be accepted.

Seconded: Mr R Redington

Passed

Silverwood Land Partnership:

Mr Tiedemann addressed the meeting on the progress of the development. The directors had visited the site prior to the meeting with interested shareholders.

Mr Tiedemann provided an overview of the development work at the subdivision. Key issues he covered were as follows:

- negotiations were being continued with the Porirua City Council and NZTA around the Silverwood land to be used for feeder roads. Transit had started building the motorway but compensation for the land taken from SLP was still being negotiated
- The key issue involved was the amount of compensation to be paid to SLP for the land taken to provide the feeder roads. The battle for compensation continues and the outcome is uncertain
- The development was proceeding well and sales of Lot 2 were for the first time ahead of budget.
- Mr Tiedemann commented that Lot 1 North had been sold and Lot 1 South of the Waitangarua Link Road would revert to Silverwood. Lot 3, which can be divided into about 60 units, is still to be developed.
- Mr Tiedemann explained that the JV was going well and a loan to Westpac raised in previous years had been fully repaid. The JV was soon to distribute about \$700,000 and Whitby would expect to get a share of this through its interest in SLP

**Financial
Statements/Directors
Report:**

The Chairman tabled the Financial Statements and Directors Report for the year ended 30 September 2014.

The Chairman reviewed the financial statements and noted that the company was in a sound financial position. In a response to a query from the floor the Secretary reviewed the operating expenses with the meeting and explained that expenditure was higher because of accounting costs associated with the proposed restructuring of the company that had occurred during the year.

The Chairman then put to the meeting that the financial statements be approved.

Seconded: Mr M Plimmer

Passed

Directors:

Mr Loveday advised the meeting that Mr Tiedemann was required to stand for re-election by rotation. The Secretary confirmed there were no other nominations for director. Mr Loveday proposed to the meeting that Mr Tiedemann be re-elected for a two year period

Seconded: Mr R Kidd

Passed

Mr Loveday requested that the directors' fees be approved at the following amounts:

- Mr Loveday \$6,300 plus GST (no increase)
- Mr Tiedemann \$4,000 plus GST (an increase of \$1,000)

As in previous years the fees would be paid to companies associated with the directors.

Moved: Mr A Loveday

Seconded: Mr R Kidd

Passed

Auditor:

The Chairman proposed that Mr Terry Bartlett be reappointed as auditor

Seconded: Mr P Quinn

Passed

Dividend

The Chairman discussed proposed changes to the Silverwood Land Partnership necessitated by changes in the law. A paper had been prepared by SLP and this had been circulated to Whitby shareholders. The process for change had been expensive and time consuming but was now reaching its conclusion. A meeting of SLP unit holders was scheduled for 30 March 2015 to approve the transition to a limited Partnership.

Mr Loveday reviewed a letter from a shareholder with the meeting

Mr Loveday then discussed with the meeting that the company pay a dividend to shareholders once the distribution from SLP had been received.

The Secretary explained that the company could no longer repurchase shares from shareholders and that any distributions to shareholders would be taxable unless they were capital distributions made pursuant to the winding up of the company. Mr Loveday explained to the meeting that the winding up of the company would be explored by the directors before the next AGM but some work needs to be done before the directors will be in a position to advise shareholders.

Mr Loveday explained that directors were keen to distribute funds to shareholders as soon as possible hence the proposal to pay a dividend of \$250,000 as soon as possible. This will include \$50,000 of the funds presently held on deposit by the company. Dividend withholding tax will need to be deducted from the payments to shareholders. Shareholders on lower tax rates may be able to claim back the difference in tax between 33% and their tax rate.

There was discussion around this matter and some shareholders expressed the view that the funds should be retained in the company and not paid out as a dividend

The following proposal was put to the meeting:

That the company pay a taxable dividend to shareholders of \$250,000. The actual payment date of the dividend is to be agreed by the directors but is expected to be in April 2015 following receipt of a cash distribution from SLP.

Moved : Mr Plimmer

Seconded: Mrs P Noldan

Dissenting Shareholders: Mr Kidd and Mr Sturman

All other shareholders approved the resolution and it was passed

General Business

There being no further business the meeting closed at about 4.15pm