

# **NORTHPOWER ELECTRIC POWER TRUST**

## **ANNUAL PLAN 1 April 2011 to 31 March 2012**

The Trustees will carry out their responsibilities in accordance with the Trust Deed and the law and will specifically:

1. **PROTECT THE VALUE OF THE TRUST ASSETS AND ACT AS PRUDENT TRUSTEES**
  - 1.1 Seek a fair commercial return from the Trustees' investment in Northpower Ltd.
  - 1.2 Seek to minimise the risk of the Trustees' investments in Northpower Ltd.
  - 1.3 Manage cash assets including dividends received in a way that maximises the benefit to Trust beneficiaries.
2. **NORTHPOWER LTD**
  - 2.1 Exercise the rights and responsibilities of diligent shareholders in Northpower Ltd for the benefit of the Trust Fund and with due regard to the objective of Northpower Ltd to be a successful business. In doing so, take proper account of the growth of Northpower and the impact of the changing economy.
  - 2.2 Monitor the performance of Directors.
  - 2.3 Advertise publicly that Trustees seek prospective directors for Northpower Ltd in accordance with 9.1 of the Trust Deed and the Constitution of the Company.
  - 2.4 Appoint directors in accordance with the provisions of the Trust Deed and the Company's Constitution.
  - 2.5 Agree on the Northpower Statement of Corporate Intent with the directors of Northpower Ltd and make the completed SCI available to the public.
  - 2.6 Meet with the Board or its representatives of Northpower Ltd at least four times a year to consider the performance of Northpower Ltd in relation to the Statement of Corporate Intent and other matters of ownership.
  - 2.7 Attend the Annual Meeting of Northpower Ltd and exercise the rights and responsibilities of shareholders at that meeting and at any other general meeting of the company.
3. **INCOME**
  - 3.1 Receive dividends from Northpower Ltd.
  - 3.2 Hold and invest dividends from Northpower Ltd for at least six months before distribution to satisfy clause 5.3 of the Trust Deed.
  - 3.3 Distribute substantially all remaining income received from Northpower Ltd for the benefit of consumers as provided in the Trust Deed.

4. **CHAIRPERSON**

The Trustees have elected Eric Angelo as Chairperson in accordance with the Trust Deed for a three year term ending in November 2013.

5. **DEPUTY CHAIRPERSON**

The trustees have elected Richard Drake in accordance with the Trust Deed for a three year term ending in November 2013.

6. **SECRETARY**

The Trustees have appointed Plus Chartered Accountants to provide secretarial and accounting services to the Trust.

7. **SECURITY OF ELECTRICITY SUPPLY**

**Transmission and generation**

The Trustees will cooperate with the company and with ETNZ to encourage appropriate grid and network improvements and adequate generation capacity to service Northpower consumers' needs.

8. **ETNZ**

The Northpower Electricity Trust is a member of the Energy Trusts of New Zealand Inc. The Northpower Electricity Trustees will seek efficiency in the ETNZ in its objectives of facilitating the operations of Energy Trusts as significant owners of Energy Companies and in supporting trusteeship of Energy Trusts.

9. **COMMUNICATION**

The Trustees will inform consumers of Trust activities through the news media and through newsletters as appropriate.

The Trustees will also maintain a free call telephone number 0800 434 100 and an email address [trustees@northpower.com](mailto:trustees@northpower.com) for the benefit of consumers who wish to contact the Trust.

10. **CODE OF PRACTICE**

The Trustees have developed and published a 'Code of Practice' that describes the way Trustees will provide accountability to, and access to information for the Trust's beneficiaries. This was first presented for confirmation at the AGM in July 2003, and will be reviewed at each AGM.

11. **OWNERSHIP REVIEW**

As required under Clause 4 of the Trust Deed, within five years of the last review, Trustees shall require the directors of Northpower Ltd to prepare a report considering proposals and options for the future ownership of the Shares in the Company and the Trustees must then undertake public consultation as described in Schedule 2 of the Trust Deed.

It is planned to commence this review early in 2012.