

DNZ
Property Fund

Dividend
Reinvestment
Plan 2012

One entity **One vision** 

Dividend Reinvestment Plan

This document is important.

If you do not understand it or are in any doubt as to how to act, you should consult your financial or other professional adviser immediately.

This is not investment advice and does not take into account the investment objectives, financial situation or particular needs of an investor. You should consult with your financial or other professional adviser prior to making a decision whether or not to invest in the Dividend Reinvestment Plan (DRP).

DNZ PROPERTY FUND LIMITED DIVIDEND REINVESTMENT PLAN CONTENTS

4	Key Features
8	Terms and Conditions
14	Glossary
19	Directory

Key Features

SHARES INSTEAD OF DIVIDENDS

The DRP provides eligible Shareholders in DNZ Property Fund Limited (**DNZ**) with the opportunity to reinvest dividends on all or any of their Shares and receive additional Shares instead of cash. This provides Shareholders with the benefit of being able to acquire additional Shares without the payment of any transaction fees or brokerage.

SHARES AT MARKET PRICE

Shares issued under the DRP will be issued at a price based on the trading price of the Shares, with a discount (if any) as determined by the Board. For a full explanation of the price at which the Shares will be issued under the DRP, refer to paragraph 10 of the DRP Terms and Conditions.

ELIGIBILITY

Participation in the DRP is open to all Shareholders who have a registered address in New Zealand. The Board, in its discretion, has elected not to offer participation under the DRP to Shareholders whose registered address is outside New Zealand. Shareholders outside New Zealand have been excluded to avoid a risk of breaching the laws of other countries.

FLEXIBLE JOINING, VARIATION AND WITHDRAWAL ARRANGEMENTS

Eligible Shareholders can join the DRP, vary their participation, or withdraw from the DRP at any time by forwarding a completed DRP Participation Form to the Share Registrar. DRP Participation Forms are available from the Share Registrar upon request, and on DNZ's website at www.dnzproperty.com. Any participation, variation or withdrawal will be effective from the first Record Date after the properly completed DRP Participation Form is received by the Share Registrar.

DATE OF ISSUE OF SHARES

Shares will be issued on or about the date that the relevant dividend for the quarter is paid in cash and will rank equally in all respects with all other Shares issued by DNZ.

HOW TO PARTICIPATE

Participation in the DRP is optional. If you do not wish to participate in the DRP, you are not required to do anything and you will continue to receive your dividends paid in cash as normal. If you wish to participate in the DRP, you should refer to the DRP Terms and Conditions and complete and return a DRP Participation Form. If you have more than one separate shareholding, you will need to lodge a DRP Participation Form for each shareholding and you must correctly identify the shareholding on the DRP Participation Form.

FULL OR PARTIAL PARTICIPATION

If you wish to participate in the DRP, you may choose one of the following options for participation:

- **Full participation**, which means that all of your Shares (held both now and in the future) will participate, including additional Shares acquired and Shares issued under the DRP.

- **Partial participation**, which means either:

specifying the exact number of your Shares which are to participate, in which case only that number of Shares specified will be Participating Shares irrespective of subsequent acquisitions by the Shareholder;

or

specifying the percentage of your Shareholding which is to participate, in which case that percentage of Shares held, including that percentage of Shares subsequently acquired, will be Participating Shares.

If partial participation is elected, those Shares that are not participating will receive the usual Cash Dividend.

- **Non-participation**, which means you wish to receive Cash Dividends. You are not required to do anything.

WHEN PARTICIPATION BECOMES EFFECTIVE

A properly completed Participation Form will need to have been received by the Share Registrar prior to 5.00pm on a Record Date in order for participation to be effective as to dividends payable in relation to that Record Date.

YOUR PLAN ENTITLEMENT

Your entitlement to additional shares under the DRP will be calculated in accordance with the following formula:

$$\frac{\text{Participating Shares} \times \text{net Cash Dividend payable per Share}}{\text{Share price (less any discount)}}$$

Shares issued under the DRP will be issued at a Share price based on the weighted average trading price of the Shares, with a discount (if any) as determined by the Board but not to exceed 5%. This is only a summary of the calculation. For a full explanation of the price at which the Shares will be issued under the DRP, refer to paragraph 10.1 of the DRP Terms and Conditions.

HOLDING STATEMENTS

A holding statement will be sent to each Participant in the DRP providing details of the Participant's total dividend entitlement and the number of additional shares allocated to them under the DRP as soon as practicable after each dividend is paid.

NZX LIMITED

The Shares to be issued under the DRP have been accepted for listing by NZX and will be quoted on the NZSX market upon completion of allotment procedures. However, NZX accepts no responsibility for any statement in this document. The NZSX is a registered market under the Securities Markets Act 1988.

TAXATION

DNZ cannot provide taxation advice to Shareholders and does not accept responsibility for any interpretation of, or application by, Shareholders of the general information set out below or for any taxation liabilities of Shareholders who participate in the DRP. We recommend that Shareholders obtain independent professional taxation advice concerning their taxation position and the tax consequences of participating in the DRP.

Dividend Derived

Shareholders will be treated as receiving a dividend which is then applied to purchase or subscribe for additional Shares. Any available New Zealand imputation credits may be attached to the dividend which is reinvested in additional Shares.

Natural Person and Trustee Shareholders

The dividend will be excluded income (i.e. not taxable) for New Zealand tax resident Shareholders who are natural persons or trustees, unless the Shareholder chooses to include the dividend in an income tax return.

If an election is made to include the dividend in a tax return, then the imputed portion of that dividend will be taxable to the Shareholder with a credit allowed for any attached imputation credits. The unimputed portion will remain excluded income.

It may be beneficial for a Shareholder to include the imputed portion of the dividends in their income tax return if their marginal tax rate is less than 28%. In that case, any excess imputation credits may be used to offset income tax payable on other income and to the extent not so used, either carried forward to the following year if the Shareholder is an individual or converted to a tax loss to be carried forward if the Shareholder is a trustee.

Other New Zealand Shareholders

For all other New Zealand tax resident Shareholders, it is not optional to exclude the imputed portion of the dividend from the Shareholder's income tax return. The imputed portion of the dividend will be taxable and the unimputed portion will be excluded income (i.e. non-taxable). The imputation credits attached to the taxable portion of the dividend can be offset against the Shareholders' tax liability and to the extent not offset either converted to a loss to be carried forward if the Shareholder is a company (other than a life insurer) or a Maori authority.

Sale of Shares Acquired Under the DRP

Shareholders should not be subject to New Zealand tax on the sale of their additional Shares unless they acquire the Shares for the purpose of resale or carry on a business which includes dealing in Shares. If a Shareholder is taxable on the sale of their additional shares, the amount of the dividend entitlement reinvested in the Shares should be available as a deduction when the Shares are sold.

Overseas Shareholders

Shareholders holding less than 10% of the ordinary shares who are not tax resident in New Zealand will be subject to non-resident withholding tax on the imputed portion of the dividend, generally at 15%. This non-resident withholding tax may be paid out of a supplementary dividend under the foreign investor tax credit regime so that no further New Zealand tax is paid by the Shareholder. The unimputed portion of the dividend is not subject to non-resident withholding tax. The tax position of non-resident Shareholders in their country of residence will depend on the tax laws in that country. Accordingly, no comment can be made and we recommend that independent professional taxation advice be obtained.

CHANGES DNZ MAY MAKE TO THE DRP

DNZ may at any time and from time to time decide:

- that participation in the DRP shall not apply in whole or in part to any dividend; or
- that the DRP be suspended or terminated; or
- that a DRP Participation Form shall cease to be of any effect; or
- that a discount be applied to the trading price of Shares for the purpose of determining entitlements; or
- that the DRP be modified.

Notification of any modification of the DRP will be given to all Shareholders via announcement through NZX. A decision that a DRP Participation Form shall cease to be of any effect will be notified to the Shareholder concerned.

FURTHER INFORMATION

If you have any enquiries or require further information about the DRP, please contact DNZ Property Fund Limited. Copies of the most recent financial statements complying with the Financial Reporting Act 1993 and the annual report of DNZ are available to Shareholders on request and free of charge, or on DNZ's website at www.dnzproperty.com.

DNZ Property Fund Limited
Level 2, 80 Greys Avenue
Auckland 1010
PO Box 6320
Wellesley Street
Auckland 1141

Phone: +64 9 912 2690 or 0800 436 977
Fax: +64 9 912 2693
Email: investor@dnzproperty.com
www.dnzproperty.com

For registry enquiries, contact:
Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland 1142

Phone: +64 9 488 8777
Email: dnz@computershare.co.nz

Terms and Conditions

1. Introduction

- 1.1 The following Dividend Reinvestment Plan (**DRP**) Terms and Conditions are dated 16 July 2012 and are for the DNZ Property Fund Limited (**DNZ**) **DRP** under which Shareholders of DNZ may elect to receive Shares instead of Cash Dividends on all or any Shares held by them.
- 1.2 These Terms and Conditions replace the previous terms and conditions dated 15 June 2009. These Terms and Conditions and the offer under the **DRP** are issued in compliance with the Securities Act (Dividend Reinvestment) Exemption Notice 1998 (or any exemption notice amending or replacing it) (the **Exemption Notice**). As a result of the application of that Exemption Notice, no prospectus or investment statement is required in respect of the **DRP**.

2. Interpretation

- 2.1 In the Terms and Conditions, unless a contrary intention appears, capitalised terms are defined in the Glossary at the end of this document.
- 2.2 Subject to Paragraph 5.14, for the purposes of the Terms and Conditions, a **DRP Participation Form** shall be taken to indicate full participation in respect of Shares held by a Shareholder when it indicates that all of those Shares are to participate.
- 2.3 Subject to Paragraph 5.14, for the purposes of the Terms and Conditions, a **DRP Participation Form** shall be taken to indicate partial participation in respect of Shares held by a Shareholder when it nominates a specified number of those Shares (being less than the total number held by the Shareholder) for participation in the **DRP**, or it nominates a specified percentage of a Shareholder's holding for participation in the **DRP**, being less than 100 percent.

3. Participation

- 3.1 All Shareholders are eligible to participate in the **DRP** except for Shareholders who are resident outside New Zealand. The Board considers that to offer participation

under the **DRP** to Shareholders who are resident outside New Zealand would be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with. Participation is optional.

- 3.2 Any Shareholder that is an Eligible Shareholder may participate in the **DRP**. Shareholders that are not Eligible Shareholders are excluded. This document does not constitute an offer, invitation or recommendation to participate in the **DRP**, and neither this document nor anything contained in it shall form the basis of any contract or commitment.
- 3.3 Any Shares issued to a Shareholder under the **DRP** shall be issued on the terms disclosed in these Terms and Conditions and be subject to the same rights as Shares acquired by all other Shareholders who participate in the **DRP**.
- 3.4 Every Eligible Shareholder who may participate in the **DRP** shall be given a reasonable opportunity to do so.
- 3.5 The holders of Shares registered in a name other than their own (for example, in the name of a broker, bank or other nominee) may not participate in the **DRP** directly but may be able to make arrangements whereby the registered owner of the Shares participates in the **DRP** on their behalf.
- 3.6 Shareholders who are not resident in New Zealand and who hold their Shares through a New Zealand resident nominee should not allow their nominee to participate in the **DRP** if participation in respect of their Shares would be contrary to the laws of their country of residence.
- 3.7 Any person residing outside New Zealand who participates in the **DRP** through a New Zealand resident nominee will be deemed to represent and warrant to the Company that they can lawfully participate through their nominee. The Company accepts no responsibility for determining whether a Shareholder is able to participate in the **DRP** under laws applicable outside New Zealand.
- 3.8 Shares held by a Shareholder that participate at any time in the **DRP** are called Participating Shares.

4. Ascertaining Participating Shares

- 4.1 Subject to Paragraph 5.14, the Shares held by a Shareholder which, at a particular time, participate in the DRP shall be determined by reference to the DRP Participation Form received from the Shareholder in accordance with Paragraph 5 which is in force at the relevant time.
- 4.2 Subject to Paragraph 5.14, if a Shareholder has specified the number of Shares which are to participate in the DRP as a percentage of that Shareholder's holding, the number of Shares which are to participate will be that percentage of the total number of Shares held by that Shareholder, rounded to the nearest whole number. If the fraction is one half, the number will be rounded up to the next whole number.

5. Lodgement and Effect of a DRP Participation Form

- 5.1 A DRP Participation Form must be in a written form prescribed or approved by DNZ.
- 5.2 Every DRP Participation Form must:
- a) contain sufficient details to enable the Shares to which it relates to be identified;
  - b) be executed by or on behalf of the Shareholder by whom the relevant Shares are held or in such other manner as DNZ may from time to time prescribe or approve;
  - c) be received by the Share Registrar; and
  - d) comply with the Terms and Conditions.
- 5.3 If a DRP Participation Form specifies full participation, all Shares held by the Shareholder, including those subsequently acquired by the Shareholder, whether under the DRP or otherwise, will be Participating Shares.
- 5.4 Subject to Paragraph 5.14, if a DRP Participation Form specifies partial participation:
- a) by specifying the exact number of Shares which are to participate, only that number of Shares specified will be Participating Shares irrespective of subsequent acquisitions by the Shareholder; and
  - b) by specifying the percentage of the Shareholder's holding which is to participate, that percentage of Shares held, including that percentage of Shares subsequently acquired by the Shareholder, will be Participating Shares.
- 5.5 If a DRP Participation Form specifies a number of Shares that is greater than the total number of Shares held by the Shareholder on the Record Date, the Shareholder shall be deemed to have elected full participation.
- 5.6 If a DRP Participation Form purports to elect both full participation and partial participation at the same time, or makes no election, the relevant Shareholder shall be deemed to have elected full participation.
- 5.7 A DRP Participation Form comes into force when it is approved by DNZ and, until then, creates no rights or liabilities.
- 5.8 Except as provided for in Paragraph 5.11, approval of a DRP Participation Form terminating participation in the DRP shall not be withheld by DNZ.
- 5.9 Except as provided in Paragraph 5.8, approval of a DRP Participation Form may be withheld by DNZ in any case at the absolute discretion of DNZ. DNZ shall not be bound to state any reason for the withholding of the approval.
- 5.10 Approval of a DRP Participation Form shall be withheld by DNZ in any case where, in the opinion of DNZ, approval of it would prejudice the effective operation of the DRP, would result in a breach of any law, or would be contrary to the interests of DNZ as determined by the Board.
- 5.11 DNZ may decline to recognise a DRP Participation Form if the form is not accompanied by such evidence as DNZ may reasonably require to show the right of the person executing the form to do so.
- 5.12 Where approval of a DRP Participation Form is withheld pursuant to Paragraphs 5.9, 5.10 or 5.11, DNZ shall so inform in writing the Shareholder from whom the DRP Participation Form was received.
- 5.13 Unless a DRP Participation Form is received by Computershare before 5.00pm on the Record Date for a Dividend, the DRP Participation Form shall not take effect in respect of that Dividend.

- 5.14 If a DRP Participation Form purports to elect partial participation and the Shareholder concerned holds less than a Minimum Parcel, that Shareholder shall be deemed to have elected full participation. If a Shareholder has a DRP Participation Form in force and ceases to hold a Minimum Parcel, the Shareholder shall be deemed to have executed a replacement DRP Participation Form electing full participation.
- 5.15 Each Eligible Shareholder participating in the DRP is deemed to have directed the Company to apply any Cash Dividend that is available for payment in respect of their Participating Shares at the relevant Record Date as payment for the Shares to be issued or transferred under the DRP.
- 5.16 The Company will, on the day that an Eligible Shareholder participating in the Plan would otherwise have been paid a dividend in cash, either issue new Shares or arrange the transfer of existing Shares to that Eligible Shareholder.

6. Variation and Termination of Participation

- 6.1 Variation of participation may only be effected by lodgement of a new DRP Participation Form in substitution for the DRP Participation Form in force at the time of lodgement.
- 6.2 A Shareholder who has lodged a DRP Participation Form may withdraw their participation in the DRP by lodging a DRP Participation Form requesting that they no longer participate in the DRP. When that DRP Participation Form comes into force, all of the Shares held by the Shareholder shall cease to be Participating Shares.
- 6.3 If the circumstances of a Shareholder change such that the Shareholder is no longer an Eligible Shareholder, the Shareholder must notify DNZ of the change as soon as possible. The Shareholder will be deemed to have given notice of termination of participation in the DRP effective from the date of receipt by DNZ of that notice.

7. Shares Subject to Lien

- 7.1 The fact that a Share is also a Participating Share shall not affect any ability DNZ may have to sell that Share for the purposes of enforcing a lien. Any Shares sold by DNZ for the purposes of enforcing a lien that are also Participating Shares shall, on registration of the transfer, cease to have that character. If DNZ has a lien over any Participating Shares of a Shareholder, DNZ shall be entitled to execute a DRP Participation Form terminating participation in the DRP on behalf of the Shareholder.

8. Reduction or Termination of Participation where No Notice Given

Dispositions where partial participation

- 8.1 Where an Eligible Shareholder who is participating in the DRP in respect of some but not all of its Shares disposes of some of its Shares then, unless the Eligible Shareholder notifies the Company otherwise in writing:
- a) the Eligible Shareholder will be deemed to have disposed of Shares which are not Participating Shares if the total number of non-Participating Shares held by the Eligible Shareholder is greater than the number of Shares being disposed of by the Eligible Shareholder; and
  - b) if the number of Shares disposed of is greater than the number of the Eligible Shareholder's Shares which are not Participating Shares, the Eligible Shareholder will be deemed to have disposed of all of the Eligible Shareholder's non-Participating Shares, first, followed by Participating Shares.

Partial dispositions where full participation

- 8.2 If an Eligible Shareholder with full participation disposes of part of its holding of Shares without giving the Company written notice terminating the Eligible Shareholder's participation in the DRP, the Eligible Shareholder will be deemed to have terminated their participation in the DRP with respect to the Shares disposed of from the date the Company registers a transfer of those Shares.

Disposition of all Shares

- 8.3 If an Eligible Shareholder disposes of all of their holding of Shares without giving the Company written notice terminating the Eligible Shareholder's participation in the DRP, the Shareholder will be deemed to have terminated participation in the DRP from the date the Company registers a transfer of those Shares.

9. Transfers of Shares

- 9.1 On transfer of all the Shares held by a Shareholder, those Shares that are Participating Shares will, on registration of the transfer, automatically cease to be Participating Shares.
- 9.2 For the purposes of this Paragraph 9, transfer includes a valid application for registration by transmission.

10. Calculation of Entitlement to Additional Shares

- 10.1 Each Participating Shareholder's entitlement to Additional Shares (AS) to be issued on any particular Cash Dividend payment date shall be calculated in accordance with the following formula:

$$AS = \frac{(S \times D)}{(P \times (1-E))}$$

Where:

'S' is the number of the Participating Shareholder's Participating Shares.

'D' is the net Cash Dividend (expressed in cents and fractions of cents) per Share (including any supplementary dividend and excluding the amount of any imputation credits attached to that dividend) which is payable on the Participating Shares held by the Participating Shareholder.

'P' is the average of the volume weighted average prices (expressed in cents and fractions of cents) at which Shares in the Company were sold through NZSX (excluding, at the discretion of the Board, sales which the Board determines are unusual, unrealistic or outside the course of normal market trading) on each of the 5 Business Days immediately succeeding the Record Date for the relevant dividend. For clarity, that volume weighted average price shall be determined for each of the Business Days separately, and the averages determined for each of those days shall then be averaged.

'E' is the percentage discount determined by the Board from time to time (if any) in its absolute discretion, provided that such percentage discount (if any) shall not exceed 5% (5/100).

- 10.2 The price of Additional Shares shall be advised to the NZSX immediately following its determination by the Board.
- 10.3 Where the number of Additional Shares calculated in accordance with the formula set out in paragraph 10.1 includes a fraction, then the number of Additional Shares to be issued will be rounded to the nearest whole number. If the fraction is one half, the number will be rounded up to the next whole number.
- 10.4 In accordance with the Exemption Notice, at the time the price of Additional Shares is set, DNZ must not have any information that is not publicly available and that would, or would be likely to, have a material adverse effect on the realisable price of Shares, if the information was publicly available.

11. Statement to Participating Shareholders

- 11.1 Within 5 Business Days of the allotment of any Additional Shares, a statement will be sent to DRP participants detailing:
- a) the number of Participating Shares they held at the Record Date;
  - b) the amount of the Dividend to which the Shareholder was entitled and which the Shareholder would have received in cash if the Participating Shares had not participated in the DRP;
  - c) the effective price at which the Additional Shares were issued;
  - d) the number of those Additional Shares issued;
  - e) any estimated taxable components of the Dividend;
  - f) such information, if any, as is required by law to be included in such a statement or to be given to the recipient of the statement; and
  - g) such other information as the Board considers necessary.
- 11.2 All Additional Shares allotted to a Shareholder will be recorded on DNZ's Share register.

12. Source of Additional Shares

- 12.1 Additional Shares to be acquired by participants under the DRP may, at the Board's discretion, be:
- a) new Shares issued by the Company;
  - b) existing Shares acquired by the Company or a nominee or agent of the Company; or
  - c) any combination of (a) and (b) above.

13. Ranking and Listing

- 13.1 All Additional Shares shall, from the date of their issue, rank *pari passu* with all other fully paid ordinary Shares, excluding Treasury Stock.
- 13.2 The Shares to be issued under the DRP have been accepted for listing by NZX and will be quoted on the NZSX market upon completion of allotment procedures. However, NZX accepts no responsibility for any statement in this document. The NZSX is a registered market under the Securities Markets Act 1988.

14. Death of Participant

- 14.1 Where the Shareholder of any Shares in respect of which a DRP Participation Form is for the time being in force dies, participation of any Shares held by that Shareholder in the DRP shall:
- a) where such Shareholder is the sole Shareholder, be deemed to be withdrawn on receipt by DNZ or Computershare of express notice of death; and
  - b) where the Shareholder is a joint Shareholder, not be affected by the death.
- 14.2 In the case of such death, DNZ will recognise as competent to lodge a DRP Participation Form, any person whom it is bound to recognise as competent to transfer the Shares.

15. Persons in Other Countries

- 15.1 Nothing in the Terms and Conditions requires DNZ to take any action under any laws in force outside New Zealand which affect or regulate the issue of Shares pursuant to the DRP or the right or entitlement of a Shareholder subject to those laws to participate in the DRP.
- 15.2 Responsibility to comply with any laws of the kind mentioned in Paragraph 15.1 is not accepted by DNZ. To avoid the risk of breaching any such law, DNZ shall be entitled to decline to accept or disregard any DRP Participation Form lodged by any such Shareholder. DNZ shall be entitled to execute a DRP Participation Form terminating participation in the DRP on behalf of any Shareholder who holds any Participating Shares that ceases to be an Eligible Shareholder.
- 15.3 Without limiting the generality of Paragraph 16.1 (but subject to Paragraph 16.2) DNZ may alter or add to the Terms and Conditions in any way which causes:
- a) provisions different from those generally applying, to apply in relation to participation in the DRP by Shareholders other than Eligible Shareholders where DNZ is of the opinion that to do so is necessary or desirable to enable participation by those Shareholders; or

- b) Shares held by or on behalf of Shareholders other than Eligible Shareholders to be incapable of participating in the DRP where DNZ is of the opinion that it is neither practicable nor desirable to extend participation to Shares so held.

16. Variation of the DRP

- 16.1 Subject to Paragraph 16.2, DNZ may at any time alter or add to the Terms and Conditions as it thinks fit. DNZ will describe any such alteration or addition in an announcement to NZX. DNZ is not required to provide notice to any Shareholder of any alteration or addition.
- 16.2 No alteration of, or addition to, the Terms and Conditions shall be made by DNZ if the alteration or addition:
  - a) removes or varies a right to receive Additional Shares that has already crystallised by reason of the payment of the relevant Dividend; or
  - b) imposes on a Shareholder who holds Participating Shares any obligation to pay money.
- 16.3 Neither a determination by the Board of a rate of discount for the purposes of Paragraph 10 nor a suspension or termination (in whole or in part) of the DRP pursuant to Paragraph 17 amounts to an alteration of or addition to the Terms and Conditions.

17. Suspension and Termination of the DRP

- 17.1 The Board may, at any time, suspend the operation of the DRP either for a fixed period or until further notice. DNZ will announce any suspension or subsequent reinstatement to NZX.
- 17.2 The Board may at any time terminate the DRP by announcement to NZX. On termination of the DRP, the Shares held by the Shareholder which are Participating Shares shall automatically cease to have that character.
- 17.3 Without limiting its obligations to make announcements to NZX in accordance with Paragraphs 17.1 and 17.2, DNZ shall not be required to provide notice to any Shareholder of any suspension, reinstatement or termination of the DRP.

18. Available information

- 18.1 A copy of DNZ's most recent annual report and financial statements complying with the Financial Reporting Act 1993 are available free of charge on request from DNZ (please refer to the contact details at the end of this document) or from DNZ's website at www.dnzproperty.com.

19. Brokerage and Commission

- 19.1 No brokerage or commission costs will be payable by a participating Eligible Shareholder in respect of the acquisition of Additional Shares under the DRP.

20. Notices and Governing Law

- 20.1 Unless the Terms and Conditions otherwise require in a particular case, a notice or other communication to be given to DNZ under or for the purposes of the Terms and Conditions shall be in writing and shall be given by lodging it with Computershare.
- 20.2 Unless the Terms and Conditions otherwise require in a particular case, a notice or other communication to be given by DNZ under or for the purposes of the Terms and Conditions shall be in writing and shall be given in any manner provided for in the Constitution for the giving of notices to Shareholders.
- 20.3 The Terms and Conditions shall be governed by and construed in accordance with the laws of New Zealand.

Glossary

In this document, unless the context otherwise requires, the following terms bear the following meanings:

Additional Shares means Shares to be issued in respect of Participating Shares under Paragraph 10.1.

Board means the board of directors of DNZ.

Business Day means a day on which the NZSX is open for trading.

Cash Dividend means an amount paid in cash by DNZ to Shareholders in respect of Shares.

Company means DNZ Property Fund Limited.

Computershare means Computershare Investor Services Limited, DNZ's Share Registrar for the time being.

Constitution means the constitution of DNZ (as modified or adopted from time to time).

DRP means the Dividend Reinvestment Plan.

DRP Participation Form means a document, the purpose of which is either to cause Shares to participate in the DRP or to vary the basis of such participation or to withdraw participation in the DRP.

Eligible Shareholder means a Shareholder that has its registered address in New Zealand.

Exemption Notice has the meaning given to that term in Paragraph 1.2.

Minimum Parcel means 500 Shares where the price exceeds 50 cents but does not exceed \$1.00, 200 Shares where the price exceeds \$1.00 but does not exceed \$2.00, and 100 Shares where the Share price exceeds \$2.00 but does not exceed \$5.00. Minimum Parcels outside this range can be found in Appendix 2 of the Listing Rules.

NZSX means the main board equity security market operated by NZX.

NZX means NZX Limited, its successors and assigns and as the context permits includes any duly authorised delegate of NZX (including the NZ Markets Disciplinary Tribunal).

Participating Shareholder means an Eligible Shareholder who completes and returns to DNZ (and has not withdrawn) a Participation Notice and whose participation is approved by DNZ.

Participating Shares has the meaning given to that expression by Paragraph 3.8.

Record Date means the date on which the Share register closes to determine the entitlement to the Cash Dividend.

Share Registrar means the Share Registrar of DNZ, Computershare Investor Services Limited or any replacement share registrar.

Share means ordinary shares issued by DNZ.

Shareholder means a person registered as the holder of a Share on DNZ's register of Shareholders.

Terms and Conditions means these Terms and Conditions of the DRP.

Trading Day means a day on which the NZX is open for trading.

Treasury Stock means Shares owned by DNZ.

DIVIDEND REINVESTMENT PLAN (DRP) PARTICIPATION FORM

DO NOT COMPLETE THIS FORM IF YOU WISH TO RECEIVE IN CASH ALL DIVIDENDS DECLARED

Name and Address

CSN/Holder No.

Shares Held

Registered Holder(s)

PART A – DRP PARTICIPATION

The DNZ Property Fund Limited (**DNZ**) Dividend Reinvestment Plan (**DRP**) allows you to elect to forgo your right to receive Cash Dividends on all or any of your fully paid ordinary shares in DNZ, and instead to reinvest all or part of the net proceeds of your Cash Dividends in fully paid ordinary shares in DNZ. Full details of the DRP are set out in DNZ's current Dividend Reinvestment Plan Document (**DRP Document**).

If you wish to participate in the DRP, please complete this DRP Participation Form, fold where indicated and tape, and post to DNZ's Share Registrar at your earliest convenience. There is no postage charge if posted in New Zealand.

CHOOSE ONE ALTERNATIVE ONLY

I/We elect to participate in the DRP at the level of participation nominated below and elect to renounce my/our right to have Cash Dividends in respect of Participating Shares accordingly:

Full Participation – Include all fully paid ordinary shares from time to time registered in my/our name(s).

For full participation please tick (✓) here: ☐

OR

Partial Participation – Include the number of fully paid ordinary shares registered in my/our name(s) shown below.

For partial participation please tick (✓) here: ☐

Insert the number of shares to participate: **OR** Insert the percentage of your shareholding to participate: %

Note: If you do not complete the above in relation to full participation or partial participation, you will be deemed to have elected full participation.

PART B – DRP VARIATION (Complete only if varying or terminating your participation in the DRP)

CHOOSE ONE ALTERNATIVE ONLY

I/We elect to vary our participation in the DRP at the level of participation nominated below and elect to renounce my/our right to have Cash Dividends in respect of participating shares accordingly:

Partial Participation to Full Participation please tick (✓) here: ☐

I no longer wish to participate in the DRP please tick (✓) here: ☐

Full Participation to Partial Participation please tick (✓) here: ☐

Indicate the number of shares you wish to participate in the partial participation:

OR

Insert the percentage of your shareholding to participate: %

PART C – EXECUTION

I/We acknowledge I/we have received and read a copy of the DRP Document.

I/We agree to be bound by the Terms and Conditions of the DRP as set out in the DRP Document.

I/We acknowledge that this election will continue to apply in respect of any Cash Dividend that DNZ determines the DRP will apply to until varied or withdrawn by correctly completing a replacement DRP Participation Form in accordance with the terms and conditions of the DRP.

Signature(s): _____

Date (DD/MM/YYYY): ____ / ____ / ____

This DRP Participation Form must be duly completed and signed. Joint holders must each sign. Companies must execute by an authorised officer or attorney. If signed by an attorney, the power of attorney must either have been previously produced to DNZ or must accompany this Participation Form and a certificate of non-revocation of the power of attorney needs to be enclosed. Unless DNZ's Share Registrar receives your Participation Form by 5:00 pm on the Record Date for a dividend, your participation or variation to your participation in the DRP will not become effective until the next dividend. Participation applies automatically to all subsequent dividends until you terminate your participation in the DRP by delivering a Participation Form to DNZ's Share Registrar, provided that any Participation Form received between a Record Date and the corresponding payment date will take effect on the following such payment date. DNZ reserves the right to treat any Participation Form as valid or to decline any application under a Participation Form in accordance with the Terms and Conditions set out in the DRP Document.

FOLD HERE

FOLD HERE

FreePost Authority Number 139404



SHARE REGISTRAR
Computershare Investor Services Limited
Private Bag 92119
Auckland 1142

NO POSTAGE REQUIRED
IF POSTED IN NEW ZEALAND

FOLD HERE

FOLD HERE

DIVIDEND REINVESTMENT PLAN (DRP) PARTICIPATION FORM

DO NOT COMPLETE THIS FORM IF YOU WISH TO RECEIVE IN CASH ALL DIVIDENDS DECLARED

Name and Address

CSN/Holder No.

Shares Held

Registered Holder(s)

PART A – DRP PARTICIPATION

The DNZ Property Fund Limited (**DNZ**) Dividend Reinvestment Plan (**DRP**) allows you to elect to forgo your right to receive Cash Dividends on all or any of your fully paid ordinary shares in DNZ, and instead to reinvest all or part of the net proceeds of your Cash Dividends in fully paid ordinary shares in DNZ. Full details of the DRP are set out in DNZ's current Dividend Reinvestment Plan Document (**DRP Document**).

If you wish to participate in the DRP, please complete this DRP Participation Form, fold where indicated and tape, and post to DNZ's Share Registrar at your earliest convenience. There is no postage charge if posted in New Zealand.

CHOOSE ONE ALTERNATIVE ONLY

I/We elect to participate in the DRP at the level of participation nominated below and elect to renounce my/our right to have Cash Dividends in respect of Participating Shares accordingly:

Full Participation – Include all fully paid ordinary shares from time to time registered in my/our name(s).

For full participation please tick (✓) here: ☐

OR

Partial Participation – Include the number of fully paid ordinary shares registered in my/our name(s) shown below.

For partial participation please tick (✓) here: ☐

Insert the number of shares to participate: **OR** Insert the percentage of your shareholding to participate: %

Note: If you do not complete the above in relation to full participation or partial participation, you will be deemed to have elected full participation.

PART B – DRP VARIATION (Complete only if varying or terminating your participation in the DRP)

CHOOSE ONE ALTERNATIVE ONLY

I/We elect to vary our participation in the DRP at the level of participation nominated below and elect to renounce my/our right to have Cash Dividends in respect of participating shares accordingly:

Partial Participation to Full Participation please tick (✓) here: ☐

I no longer wish to participate in the DRP please tick (✓) here: ☐

Full Participation to Partial Participation please tick (✓) here: ☐

Indicate the number of shares you wish to participate in the partial participation:

OR

Insert the percentage of your shareholding to participate: %

PART C – EXECUTION

I/We acknowledge I/we have received and read a copy of the DRP Document.

I/We agree to be bound by the Terms and Conditions of the DRP as set out in the DRP Document.

I/We acknowledge that this election will continue to apply in respect of any Cash Dividend that DNZ determines the DRP will apply to until varied or withdrawn by correctly completing a replacement DRP Participation Form in accordance with the terms and conditions of the DRP.

Signature(s): _____

Date (DD/MM/YYYY): ____ / ____ / ____

This DRP Participation Form must be duly completed and signed. Joint holders must each sign. Companies must execute by an authorised officer or attorney. If signed by an attorney, the power of attorney must either have been previously produced to DNZ or must accompany this Participation Form and a certificate of non-revocation of the power of attorney needs to be enclosed. Unless DNZ's Share Registrar receives your Participation Form by 5:00 pm on the Record Date for a dividend, your participation or variation to your participation in the DRP will not become effective until the next dividend. Participation applies automatically to all subsequent dividends until you terminate your participation in the DRP by delivering a Participation Form to DNZ's Share Registrar, provided that any Participation Form received between a Record Date and the corresponding payment date will take effect on the following such payment date. DNZ reserves the right to treat any Participation Form as valid or to decline any application under a Participation Form in accordance with the Terms and Conditions set out in the DRP Document.

FOLD HERE

FOLD HERE

FreePost Authority Number 139404



SHARE REGISTRAR
Computershare Investor Services Limited
Private Bag 92119
Auckland 1142

NO POSTAGE REQUIRED
IF POSTED IN NEW ZEALAND

FOLD HERE

FOLD HERE

Directory

BOARD OF DIRECTORS

Tim Storey
Paul Duffy
John Harvey
Michael Stiasny
David van Schaardenburg

REGISTERED OFFICE

DNZ Property Fund Limited
Level 2, 80 Greys Avenue
AUCKLAND 1010
PO Box 6320
Wellesley Street
AUCKLAND 1141

Telephone: +64 9 912 2690
Facsimile: +64 9 912 2693
www.dnzproperty.com

REGISTRAR

Computershare Investor Services Limited
Level 2
159 Hurstmere Road
Takapuna
Private Bag 92119
AUCKLAND 1142

Telephone: +64 9 488 8777
Facsimile: +64 9 488 8787
Email: dnz@computershare.co.nz

SOLICITORS

Bell Gully
Level 21, Vero Centre
48 Shortland Street
PO Box 4199
AUCKLAND 1140

Level 21
171 Featherston Street
PO Box 1291
WELLINGTON 6140

AUDITORS

PricewaterhouseCoopers
PricewaterhouseCoopers Tower
188 Quay Street
Private Bag 92162
AUCKLAND 1142

BANKERS

ANZ National Bank Limited
Commonwealth Bank of Australia
Bank of New Zealand

Disclaimer This Dividend Reinvestment Plan document has been prepared by DNZ Property Fund Limited for general information purposes and whilst every care has been taken in relation to its accuracy, no warranty is given or implied. Further, Shareholders should consider obtaining their own independent advice before making any decision that relies on this information. Personal information provided by you in completing the DRP Participation Form will be held by DNZ. The information will be used by DNZ for administration purposes relating to your holding of Shares. You have a right of access to, and correction of, the personal information held about you. The address of DNZ is set out in the Directory. All values are expressed in New Zealand currency unless otherwise stated.



DNZ

Property Fund

DNZ Property Fund Limited

Level 2, 80 Greys Avenue
Auckland 1010
PO Box 6320
Wellesley Street
Auckland 1141
New Zealand

Telephone +64 9 912 2690
Facsimile +64 9 912 2693
www.dnzproperty.com

One entity **One vision** 