

Information on how to transfer shares to a Permitted Transferee

This factsheet provides a high-level outline of the application process for a ceased supplying shareholder or secondary shareholder to apply to transfer their Co-Op Shares to a Permitted Transferee and what you will need in preparation for completing the form.

For information on the rules and an easy way to figure out if who can become a permitted transferee, check out our online guide at fonterra.com/flexibleshareholding.

Who can apply?

- A Supplying Shareholder or Secondary Shareholder who has ceased supply and their application to cease supply has been accepted by the Co-op.
- Applications **must be** made within the first complete season of ceasing supply.

How it works

Minimum shareholding	No minimum shareholding requirement. However, limited to no more than 5 permitted transferees.
Maximum shareholding	No further purchases can be acquired.
Voting	Shares don't have an entitlement to vote
Sharing down after ending	Same length of time as the ceased shareholder who transferred them

Who can be a Permitted Transferee?

If the ceased entity is an...

Individual /sole trader, you can transfer to:	Company, limited partnership or other body corporate they can transfer to:	Trust or partnership they can transfer to:
<ul style="list-style-type: none"> • your relatives; or • any entity or trust controlled by you or your relatives, as long as it remains controlled by you or your relatives. • In these Rules, "relatives" means: • your spouse, civil union partner or de facto partner; • a parent, child, grandchild, brother or sister of you or your spouse/partner; or • a nominee or trustee for any such person. 	<ul style="list-style-type: none"> • An entity that is 50% or more ultimately owned by the same owners that own 50% or more of you; • any entity or trust controlled by a person that controls you, as long as it remains controlled by that person; or • your direct or indirect shareholders, limited partners or other owners that have 25% or more ultimate ownership 	<ul style="list-style-type: none"> • a settlor or beneficiary of the trust; or • a member of the partnership and if any member is an individual or a body corporate controlled by an individual (provided it remains controlled by that individual), then: <ul style="list-style-type: none"> • any relative of that individual; or • any entity or trust controlled by that individual or their relatives, provided that it remains controlled by such persons.

How to apply

Applications can be made online. The application may take up to a week to process.



Application Forms
nzfarmsource.co.nz/shareholdingforms

Setting up Fonterra Trading Account



Trading Options and Tools
nzfarmsource.co.nz/trading

For more information

You can visit our website at Fonterra.com/flexibleshareholding or scan the QR code below to go to the page you need.



Flexible Shareholding



Copy of the rules

What you need before you apply?

Information required	Details	Tick
For each proposed Permitted Transferee(s), you'll need:		
	<ul style="list-style-type: none"> the number of Shares you want to transfer to each 	<input type="checkbox"/>
	<ul style="list-style-type: none"> their full name, email address and mobile phone number. 	<input type="checkbox"/>
	<ul style="list-style-type: none"> evidence of your relationship to them, including the certifications from a Justice of the Peace, lawyer or chartered accountant. An evidence of relationship template is available at nzfarmsource.co.nz/shareholdingforms. This needs to be uploaded as a PDF. 	<input type="checkbox"/>

Customer Due Diligence (CDD) Requirement:

We are required to complete Customer Due Diligence (CDD) on all shareholders, any beneficial owners of our shareholders, and any persons acting on behalf of our shareholders. As part of the CDD, you will need to provide information about yourself including:

- proof of your identity (such as a NZ Driver's License or Passport)
- full names, date of birth, address, email, mobile and country of birth of all the individuals associated with you (your entity);
- if you are a trust, a copy of your trust deed and any amendments
- if you are a partnership, a copy of your partnership agreement if you have one

Each individual associated with you will be sent a text after you submit your application with a link to a secure website (Green ID) to verify their identity – you should let them know in advance to expect this text. The text is only valid for 5 days.

Information required	Details	Tick
CDD requirement: Individuals, sole traders or partnership, company, or trust	<ul style="list-style-type: none"> NZBN Number. 	<input type="checkbox"/>
	<ul style="list-style-type: none"> If you have a New Zealand Business Number and provide this to us in the application, we might be able to retrieve the names of the individuals associated with you, making the process a bit easier. 	<input type="checkbox"/>
	<ul style="list-style-type: none"> GST number and bank account details for your entity 	<input type="checkbox"/>
	<ul style="list-style-type: none"> Individual/partners/directors/trustees/beneficiaries details: full name, date of birth, mobile number, and residential address (supporting documents to confirm address must be no older than the months) for each. 	<input type="checkbox"/>
	<ul style="list-style-type: none"> AML pdf supplementary form (link to form is on the online form) 	<input type="checkbox"/>
Additional info:		
	<ul style="list-style-type: none"> Partnership Trust 	<input type="checkbox"/> <input type="checkbox"/>

What should I expect after I have applied?

<p>1.</p> <p>Apply and submit an application.</p>	<p>2.</p> <p>Application is received by Fonterra and reviewed. If more information is needed, someone will be in touch with you within 48 hours.</p>	<p>3.</p> <p>You and your nominated Permitted Transferees will then receive an email to complete the process and e-sign the application via DocuSign. For Permitted Transferees, this process also includes setting up a Fonterra Share Trading Account.</p>
<p>4.</p> <p>Once all signatures have been received, any related individuals to the application for each of the permitted transferees will receive a text message to complete the individual CDD verification process. The text message link is only valid for 5 days.</p>	<p>5.</p> <p>Each permitted transferee will then receive an email confirmation with their CSN number</p>	<p>6.</p> <p>You will also receive an activation email from Sharesies to set up your Sharesies Fonterra Share Trading Account.</p> <p>Find more info on the different trading options and tools on the Farm Source website.</p>

If you need any support with this application, please contact your Co-operative Services Area Manager or call the Farmer Support Team on **0800 65 65 68**

