

Share Transfer Form



Dairy for life

This Form should be completed to transfer Shares. The purchaser may also be required to complete an Application to Supply form (refer to Fonterra Share Registry).

FAX: 09 374 9451

Before completing this Form, please refer to the information set out on the reverse.

Need Assistance?

If you need assistance you may call us on 0800 65 65 68 and

- Speak to our Supplier Services Team
- Ask for your local Area Manager
- Contact the Shares & Payments Specialists

Vendor (Transferor Details)

Supply Number:

Party Number:

Supplier Name (this is the trading name under which you supply Fonterra):

If this Transfer relates to a farm sale, tick this box to authorise disclosure of Production Information to the purchaser

Purchaser (Transferee Details)

Supply Number:

Party Number:

Supplier Name (this is the trading name under which you supply Fonterra):

Transfer of Co-operative Shares

The Vendor transfers to the Purchaser the number of Shares specified below.

Number of Co-operative Shares transferred

(Please enter "ALL" or the specified number of shares to be transferred.)

Signatures

By signing below, the Purchaser (Transferee) agrees to accept the transfer of the above Co-operative Shares and to be bound by the terms and conditions set out in the Constitution and the terms and conditions of supply as set out in the Suppliers' Handbook, copies of which are available from the Company.

By signing this Form, I/we represent and warrant that I am/we are authorised to sign on behalf of the Supplier Entity named above.

VENDOR

Signature(s)

Full Name(s) of Signatory(s)

<input type="text"/>	<input type="text"/>
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Date: / /

PURCHASER

Signature(s)

Full Name(s) of Signatory(s)

<input type="text"/>	<input type="text"/>
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Date: / /

INTERNAL USE ONLY

Entered by:

On:

Batch No.:

<input type="text"/>	<input type="text"/>	<input type="text"/>
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IMPORTANT: This information is provided to assist you in completing the Share Transfer Form. You should obtain your own accounting, taxation and legal advice (as appropriate).



Share Standard

The Fonterra Share Standard is one Co-operative Share for each kilogram of Milksolids supplied, excluding Milk supplied on Contract and Milk elected to be covered by Unshared Supply (if available).

Registration of Transfer

For farm sales:

- An Application to Supply must be submitted by the Purchaser and accepted by Fonterra, and
- The Share Transfer Form must be received no later than the last working day of the month when the Purchaser will commence supply so that an agreement for payment of milk can be set up in our systems and the shares can be transferred from the existing shareholder to the Purchaser.

The Share Transfer will be registered after (as applicable):

- the commencement date specified in your Application to Supply (if your farm purchase settles and you would like the transfer of shares registered before this date, please advise us in writing to this effect at the time you send in the Share Transfer Form);
- any End of Season adjustments and End of Season elections have been processed;
- any payments due to Fonterra by the Vendor have been paid; and
- any Lender's Interest recorded against this Supply Number has been released by the Lender.

Shareholding Requirement – Farm Sales

The Purchaser will be required to hold Shares and Contract to support the recent or expected level of production on the farm, less any production covered by the Vendor's Unshared Supply election (if any).

If the Vendor transfers some Shares to the Purchaser, but less than the Minimum Required Shares, then Fonterra will issue the shortfall number of Shares to the Purchaser at the fair value share price for the season. The Purchaser can acquire Additional Shares from the Vendor or from Fonterra*. Any Shares that the Vendor is left holding will be surrendered. The proceeds may, in some circumstances not be paid to the Vendor until July of the following season.

*It is envisaged that Fonterra will allow Shareholders to purchase Additional Shares from June to September each season.

End of Season Adjustments

The Shareholder registered on the Fonterra Share Register as at 5:00 p.m. on 31 May will go through the End of Season adjustment process, be sent the End of Season Movements Statement and have the right to make End of Season elections (if any).

1 June Farm Sales

In the case of 1 June (or later) farm sales, the transfer of Shares will occur after End of Season adjustments and elections, and any new season transactions (Application to Increase or Decrease Shareholding that have been accepted during the Application Period), have been processed. This may impact on the number of Shares available for transfer.

Restrictions on Transfer

No Co-operative Shares may be transferred by a shareholder to:

(a) any person who is not:

- (i) a Shareholder; or
- (ii) a person whose application to become a Shareholder has been accepted in writing by the Company in accordance with clause 2.3 of the Constitution; or

(b) a Shareholder, who following the transfer, would hold more Shares than are permitted to be held under clause 3.1(b) of the Constitution; or

(c) any other person if that Share is subject to a resolution of the Board requiring its surrender.

(Constitution, clause 30.3).

Additional Shares can only be transferred if both the Vendor and the Purchaser meet the Share Standard after the transfer.

120% Shareholder Limit

All shareholders may acquire and hold shares up to 120% of their recent or expected production. There will be an opportunity from June to September each season to purchase Additional Shares.

Dividend

Shareholders will receive any Dividend on all of the shares they hold on a Dividend record date. It is the shares (and shareholders) on the Fonterra Share Register on that date which participate in the Dividend. The proposed record date for Fonterra's interim Dividend each financial year is 31 March with any Dividend paid by 20 April. The proposed record date for each final Dividend is 31 May (consistent with end of season) with any Dividend paid by 20 October.