



ORDINARY SHAREHOLDER DEFINITION

The following classes of applicants may apply to become ordinary shareholders of NZPM Group Limited:

- a) An individual who is a certifying plumber, gasfitter or drainlayer; or
- b) If the applicant is a company, then the owner (or part owner) of that company must be a certifying plumber, gasfitter or drainlayer; or
- c) If the applicant is a company, then that company must employ a certifying plumber, gasfitter or drainlayer; or
- d) The applicant must work predominantly (at least 60%) in a business that is related to plumbing (such as roofing, mechanical services); or
- e) Subject to the restrictions listed below, an individual or company that undertakes residential construction where the individual or a key staff member is a Licenced Building Practitioner; or
- f) Subject to the restrictions listed below, an individual or company that undertakes non-residential construction activity where the individual or a key staff member is suitably qualified and competent to undertake the business activity.

Restrictions on applicants who undertake residential construction and non-residential construction (together “builders”):

- Applications will be accepted from 1 October 2016;
- The total number of ordinary shareholders designated as builders cannot exceed 20% of the total number of ordinary shareholders;
- Franchisors of building companies are not eligible to be an ordinary shareholder, however, the individual franchisees undertaking the building activities are individually eligible to become ordinary shareholders;
- Builders who operate as a single trading entity with multiple branches and/or sales areas are eligible for a rebate on their single trade account or if they operate multiple trade accounts, on a single designated trade account with Plumbing World.

In every case, each applicant will be treaded on its merits by the Board in making their decision to accept or reject the application.

This policy updated the previous policy (7 Feb 2011) as part of the NZPM Group Limited value proposition (24 November 2015).