

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 directly 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, a key staff member or a contracted party is a Licensed 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”):

- 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.

Shareholders may operate as a single trading entity or a group of entities as long as all entities in a group have the same ultimate shareholders with the same relative shareholding.

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