

NZ BOAT SHARE ST41-5 Limited

PRODUCT DISCLOSURE STATEMENT

**Offer of Shares in NZ Boat Share ST41-5 Limited
24 July 2023**

Issued by NZ Boat Share ST41-5 Limited

This Document gives you important information about this investment to help you to decide whether you want to invest. There is other useful information about the Offer on <https://disclose-register.companiesoffice.govt.nz/>. NZ Boat Share ST41-5 Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you make an investment decision.

1. KEY INFORMATION SUMMARY

1.1 WHAT IS THIS?

This is an offer of ordinary shares. Ordinary shares give you a stake in the ownership of NZ Boat Share ST41-5 Limited.

Each share provides you with the right to use the Vessel, coupled with an obligation to contribute proportionately (in accordance with shareholding) to the Vessel's management, maintenance and upkeep.

If NZ Boat Share ST41-5 Limited runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

1.2 ABOUT NZ BOAT SHARE ST41-5 LIMITED

NZ Boat Share ST41-5 Limited ('**NZ Boat Share**') was formed on 14th June 2023^t. Its sole business is the ownership, operation and use of the Vessel in which each Shareholder obtains usage rights, subject to contractual rights and obligations set out in more detail in section 2.1 of this PDS.

NZ Boat Share is not a "managed investment scheme" for the purposes of the Financial Markets Conduct Act 2013 and does not have an FMA-licensed manager or an FMA-licensed independent supervisor to govern its investment activities. Investor rights are set out in its Constitution, which has been registered in accordance with the Companies Act.

You can find more detail about NZ Boat Share in section 2.1, "NZ Boat Share and what it does".

Capitalised terms in this PDS are defined in the Glossary in section 13.

1.3 PURPOSE OF THE OFFER

The purpose of the Offer is to allow persons who purchase Shares in NZ Boat Share to share in the ownership and use of the Vessel on the terms set out in this PDS and the Constitution and to obtain sufficient funds to pay the purchase price for the Vessel and meet the issue costs.

The proceeds from the Offer will be used by NZ Boat Share to purchase the Vessel from 36 Degrees for a purchase price of \$1,412,000 and to meet the issue costs incurred in respect of forming and promoting the Offer. Those issue costs are anticipated to total \$22,000.

You can find more detail about the use of proceeds of the Offer in section 3 (purpose of the offer).

1.4 KEY TERMS OF THE OFFER

Description of the Equity Securities	Fully paid ordinary shares in NZ Boat Share ST41-5 Limited which provide for a share of use of the Vessel and require Shareholders to contribute to the Vessel's maintenance and upkeep and related management costs of NZ Boat Share and the Vessel.
Fixed Price of Each Share	NZ\$239,000
Initial Instalment	\$23,900 per Share, payment of which must accompany (or be made at the same time as) your Application.

Final Instalment	\$215,100 per Share payable on the relevant Issue Date.
Intended Opening Date of the Offer	1 August 2023
Intended Closing Date of the Offer	1 August 2024 or on such earlier date that all 6 Shares are sold and issued.
Number of Shares on Offer	6 Shares, representing all the Shares on issue in NZ Boat Share
Minimum Number of Shares per investor	1
Maximum number of Shares per investor	3
Withdrawal and Cancellation of Offer	<p>NZ Boat Share reserves the right to cancel the Offer at any time prior to the allocation of Shares in which case it will refund the Initial Instalment. Furthermore, if no Shares are sold, then the Offer will end on the Closing Date.</p> <p>If an Applicant defaults in payment of the Final Instalment, NZ Boat Share may charge default interest of 14% per annum calculated on a daily basis on the Final Instalment for the period between the due date for payment of the Final Instalment and the date on which payment is received.</p> <p>Alternatively, NZ Boat Share may cancel the Applicant's Application and charge a brokerage fee equal to 5.5% of the fixed price of the Share plus GST (Brokerage Fee). If NZ Boat Share so cancels an Application, the Initial Instalment less the Brokerage Fee will only be refundable if and when NZ Boat Share secures purchasers for all the Shares the subject of the Offer.</p>
Management Agreement Fees and Charges	The Management Agreement provides for the following fees:
Management Fees	<p>Management Fees are payable to The Yacht Collective by NZ Boat Share for management of the Vessel in terms of the Management Agreement and total \$36,100 per annum. Each holder of a Share must contribute one-sixth of the Management Fee (even if there are less than six Shares on issue) in terms of the Constitution meaning \$6,016.67 per annum must be paid by each holder of a share.</p> <p>For the first month or part month following Issue Date, the initial due date for payment of the Management Fee will be deferred to the second month following the Issue Date at which point each holder will be required to pay a pro-rata charge in respect of the</p>

	Management Fee (in arrears) along with the subsequent monthly charge (in advance).
Operating Levy	<p>The Operational Levy is based on a best practice good faith estimate of all costs and charges that would ordinarily be incurred in a calendar year for normal and foreseeable use of the Vessel in accordance with the Vessel Rules. The Operational Levy payable by NZ Boat Share to The Yacht Collective is estimated to be \$107,300 per annum. Each holder of a Share must contribute one-sixth of the Operational Levy (even if there are less than six Shares on issue) in terms of the Constitution meaning an estimated \$17,883.33 per annum must be paid by each holder of a Share.</p> <p>For the first month or part month following the Issue Date, the initial due date for payment of the Operational Levy will be deferred to the second month following the Issue Date at which point each holder will be required to pay a pro-rata charge in respect of the Operational Levy (in arrears) along with the subsequent monthly charge (in advance).</p>
Monthly Charges Per Share (Management Fee and Operational Levy)	After the first month following the Issue Date each holder of a Share will pay an estimated \$1,991.67 per month in advance, being the payment required to meet both of the Management Fee and Operational Levy set out above.
Additional Charges and Extraordinary Expenses	<p>This may also be payable under the Management Agreement and the Constitution.</p> <p>Additional Charges relate to costs incurred in respect of the Vessel or its management which cannot be reasonably anticipated in advance or are additional to costs normally incurred in reasonable planned use of the Vessel.</p> <p>Extraordinary Expenses relate to unusual costs or charges that may be incurred in respect of the Vessel or its management which are not related or incidental to its reasonable use as contemplated by the Management Agreement and the Vessel Rules and cannot be reasonably estimated or quantified in advance, including any costs incurred due to any change in legislation including but not limited to marine law.</p>

Additional information relating to other payments and charges payable by NZ Boat Share ST41-5 Limited and levied from Shareholders and how they are applied is set out in the Constitution (which contains the Vessel Rules) and the Management Agreement which can be found in the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>.

1.5 HOW YOU CAN GET YOUR MONEY OUT

NZ Boat Share ST41-5 Limited does not intend to quote these Shares on a market licensed in New Zealand and there is no other established market for trading them. This means you may not be able to sell your Shares.

1.6 KEY DRIVERS OF RETURNS

NZ Boat Share has not been established with the intention of making a profit, but rather to provide Shareholders with a share in and the use of the Vessel and the amenity of having the associated management and servicing of that Vessel managed for them.

NZ Boat Share considers that the current and future aspects of NZ Boat Share's business that have, or may have, the most impact on the financial performance of the business relate to the fact that the Vessel is the sole asset of NZ Boat Share and the sale value of the Vessel is highly likely to decrease over time. Additionally, NZ Boat Share is required to pay management costs in respect of the Vessel and these may also increase over time due to a variety of factors including increases over time in the prices of goods or services required to service, manage and maintain the Vessel. Management costs could also increase as the Vessel ages, meaning more repairs, maintenance or refurbishment may need to be undertaken to keep the Vessel in a state of maintenance and repair acceptable to Shareholders.

The key strategies and plans NZ Boat Share has to manage these aspects of the business are:

- (a) The Management Agreement and provisions in the Constitution in respect of management will assist in ensuring that the Vessel is maintained at a high standard and is berthed securely – this seeks to avoid inappropriate maintenance or security of the Vessel which could lead to higher repair and maintenance costs over time. The Management Agreement and Constitution are summarised in more detail in section 2.1 and can be found in the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>;
- (b) The Vessel Rules (incorporated into the Constitution) have been developed to ensure Shareholders and all of their invitees utilise the Vessel appropriately and that there are effective remedies if the Vessel Rules are breached; and
- (c) NZ Boat Share will have appropriate insurance to manage risks associated with damage to, or public liability associated with the use of, the Vessel.

1.7 KEY RISKS AFFECTING THIS INVESTMENT

Investments in shares are risky. You should consider if the degree of uncertainty about NZ Boat Share's future performance and returns is suitable for you. The price of these Shares should reflect the potential returns and the particular risks of these Shares. NZ Boat Share considers that the most significant risk factors that could affect the value of the Shares are:

- (a) The Vessel is the only asset of NZ Boat Share and it will depreciate over time. This means it is very likely that the value of the Shares will likewise decline over time and anyone selling Shares is likely to receive less for the Shares than they paid for them. In addition, if the Vessel is damaged, resulting in time out of the water for repairs, the Shareholder will not be able to its full allocation of days.
- (b) COVID-19 and/or a COVID-19 Event may prevent settlement from occurring under the agreement for the sale and purchase of the Vessel: (i) between Beneteau and 36 Degrees; or (ii) under the Vessel Purchase Agreement. If this occurs the Shareholders would not be able to use the Vessel which could affect the value of the Shares and anyone selling its Shares in NZ Boat Share is likely receive less for the Shares than they paid for.

- (c) The ability to use the Vessel could also be affected by COVID-19 and/or COVID-19 Events. If NZ Boat Share or The Yacht Collective cannot reasonably be required or expected to perform their obligations under the Management Agreement due to such measures, the agreement can be terminated which could also affect the value of the Shares.
- (d) As the Vessel ages, it may require more maintenance, repair or replacement parts, fixtures and fittings, this may increase required Shareholder management and upkeep obligations and this in turn could detrimentally affect the price of the Shares.
- (e) The Yacht Collective has been formed to provide specialised management of the Vessel and has been contracted by NZ Boat Share to provide a high standard of management services in respect of the Vessel under the Management Agreement. NZ Boat Share considers that a great deal of the value and amenity to its Shareholders will be achieved under and is dependent on services provided under the Management Agreement. A replacement of the Manager and/or entry into a management agreement with different persons or with different provisions could lead to loss of value in the Shares or a loss of skill or amenity in respect of the maintenance and use of the Vessel.

This summary does not cover all of the risks of investing in NZ Boat Share. You should also read section 8 "Risks to NZ Boat Share's Business and Plans".

1.8 **WHERE YOU CAN FIND NZ BOAT SHARE'S FINANCIAL INFORMATION**

The financial position and performance of NZ Boat Share are essential to an assessment of the Offer. You should also read section 7 of this PDS *NZ Boat Share's Financial information*.

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Letter From the Board

Dear Investor,

On behalf of the Board of NZ Boat Share ST41-5 Limited (**'NZ Boat Share'**), I am pleased to introduce the Offer of Shares in NZ Boat Share to you.

Based on experiences overseas, particularly in Australia, we saw there was a need for shared vessel ownership in the market for recreational boat users and owners who wanted a luxury vessel, but could not afford one themselves or, if they could, would not utilise that vessel often enough to warrant the expenditure.

By buying shares in NZ Boat Share that are coupled with the ability to use the Vessel for a proportion of the year (based on the number of shares) and cost sharing arrangements with other owners, a prospective boat owner can get the use they desire without incurring the cost of buying or maintaining a whole luxury vessel for themselves.

Further, the NZ Boat Share management agreement is designed to give owners comfort that the Vessel will be securely berthed, insured, managed, serviced, repaired and maintained by experts.

This further takes the time, effort and stress involved with Vessel ownership away from the owners and ensures that they only need to focus on their enjoyment of the Vessel.

Yours faithfully,

Conrad Gair, sole director of NZ Boat Share ST41-5 Limited

2. **NZ BOAT SHARE AND WHAT IT DOES**

2.1 **GENERAL OVERVIEW OF NZ BOAT SHARE**

NZ Boat Share ST41-5 Limited ('NZ Boat Share') was incorporated on 14 June 2023. NZ Boat Share has not yet commenced operations but will do so with the purchase of the Vessel.

NZ Boat Share's sole business is the ownership, operation and use of the Vessel in which each Shareholder obtains usage rights, subject to contractual rights and obligations set out in more detail below.

The Offer has primarily been developed for people and organisations (including their friends, family or invitees) that were likely to use a Vessel for recreational purposes for part of the year and wished to buy Shares in a company that had been carefully and professionally structured to allow for fair and well managed sharing of use, and would help to ensure the maintenance, security and repair and to provide for the operation and management of the Vessel to a high industry standard.

36 Degrees has agreed to purchase the Vessel from a third-party seller. Pursuant to the Vessel Purchase Agreement, NZ Boat Share will then purchase the Vessel from 36 Degrees for \$1,412,000.

The proceeds for the Shares will be utilised to pay 36 Degrees the purchase price for the Vessel under the Vessel Purchase Agreement and meet the issue costs, associated with making the Offer, of \$239,000. Where the Yacht Collective (a subsidiary of 36 Degrees) or 36 Degrees itself has met any of those issue costs, those parties will be entitled to reimbursement by NZ Boat Share.

The Vessel will be managed and maintained by The Yacht Collective in accordance with the Management Agreement.

The Yacht Collective and its personnel are highly experienced in the marine industry. 36 Degrees also has highly specialised knowledge in respect of the Vessel and will make this knowledge and expertise available to The Yacht Collective to assist its management of the Vessel.

NZ Boat Share has:

- (a) Entered into a Vessel Purchase Agreement with 36 Degrees for the purchase of the Vessel. Under the Vessel Purchase Agreement, the purchase price is tranching, such that it becomes payable as and when Shares in NZ Boat Shares are issued.
- (b) Adopted the Constitution that among other things:
 - (i) provides clear governance rules for Shareholders and directors of NZ Boat Share in accordance with the Companies Act;
 - (ii) incorporates clear rules for the sharing of the Vessel between Shareholders;
 - (iii) provides for the levying of a Management Fee and Operational Levy and Additional Charges and Extraordinary Expenses (described in section 1.4 of this PDS) from Shareholders in respect of the initial and ongoing management, maintenance and repair obligations in respect of the Vessel;
 - (iv) sets out how the Manager may be replaced by the Shareholders and how directors may be appointed and removed;
 - (v) annexes the Vessel Rules, which are binding on Shareholders and which seek to ensure all persons using the Vessel adhere to the Vessel Rules – and if they

do not, provides appropriate remedies to manage or remedy a breach of the Vessel Rules; and

- (vi) provides that key provisions of the Constitution relating to the sharing and contribution to the Vessel can only be altered by unanimous assent of the Shareholders, which prevents any risk amenity and from being lost by individual Shareholders.
- (vii) provides that four years following the Delivery Date, NZ Boat Share shall (unless the Shareholders agree by special resolution (as more particularly described below) to extend the arrangement for one more year) sell the Vessel and wind up NZ Boat Share.

The Constitution may only be amended by special resolution, which requires the approval of 81% of the votes of Shareholders entitled to vote and voting on the question. However, each Shareholder agrees, in the Application Form, not to vote to change the Constitution while the Offer remains open. This has been provided for so that all descriptions of the Constitution contained in this PDS remain accurate while the Offer is open.

- (c) Entered into a Management Agreement with The Yacht Collective. The Management Agreement includes provisions relating to:
 - (i) management of all aspects of the Vessel, including ongoing maintenance and repair (The Yacht Collective will utilise a related specialised company, 36 Degrees Services Limited, assist service the Vessel), together with obtaining and maintaining appropriate insurance and berthing rights, ensuring secure use and storage of the Vessel and undertaking all other aspects of management of the use of the Vessel including cleaning and managing consumables and other fittings;
 - (ii) standards to which the Manager must adhere;
 - (iii) the Management Fee, Operational Levy, Additional Charges and Extraordinary Expenses that are to be paid to the Manager (described in section 1.4 of this PDS) and how those charges will be assessed and paid and which allow for assessment of any additional payments that may be required due to changes in labour or materials costs, increased maintenance or one off repair or equipment replacement costs; and
 - (iv) clear provisions to identify and manage breaches, to assist in the resolution of disputes and to provide for clear termination rights.

The Vessel Purchase Agreement, the Constitution and the Management Agreement are available in the Offer Register and the Constitution is additionally registered at <https://companies-register.companiesoffice.govt.nz/>.

2.2 THE SHARE OFFER

Under the Offer, NZ Boat Share will issue six Shares raising a total of \$1,434,000

The Shares shall be ordinary shares which additionally carry the rights to share in the use of the Vessel for up to 54 days per calendar year (subject to maintenance and promotional obligations) and each Share has the related obligation to pay a one-sixth share of the annual management and upkeep of the Vessel.

It is intended that Shares will, initially, be issued on or about 1 August 2023, and then, following that date, progressively as Applications are accepted.

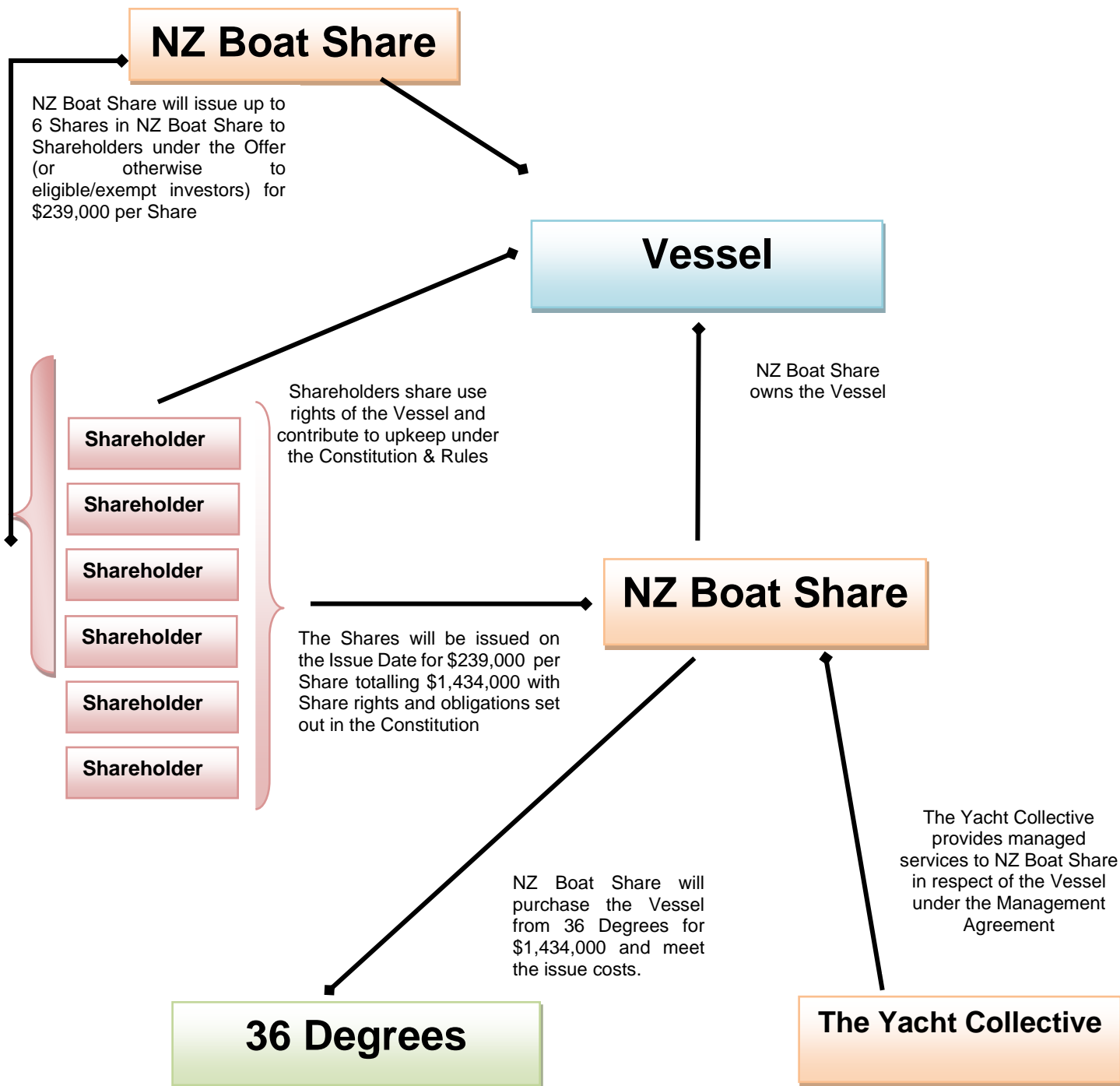
The one Share originally held by 36 Degrees in NZ Boat Share will be purchased by NZ Boat Share on the date the first Share is issued under the Offer for \$1.00 and cancelled.

The proceeds for the Shares will be utilised to pay 36 Degrees the purchase price for the Vessel under the Vessel Purchase Agreement and meet the issue costs, associated with making the Offer, of \$22,000(see below in section 3.2). Where The Yacht Collective or 36 Degrees has met any of those issue costs, those parties will be entitled to reimbursement by NZ Boat Share.

If all six Shares under the Offer are issued, only persons who have purchased the Shares available in the Offer will be the Shareholders of NZ Boat Share.

Following the Closing Date, NZ Boat Share retains the right to reissue another PDS or alternatively issue any remaining Share(s) it holds to eligible investors under the Offer or excluded from the requirements of the FMCA. Both during and following the Offer, NZ Boat Share reserves the right to issue Shares to eligible investors or persons that are exempted from FMCA requirements under the Offer, provided the terms and conditions of such sale are on the same terms and conditions of a purchase of shares in accordance with the Offer.

The Offer is set out diagrammatically on the following page, which includes how the Vessel will be managed by The Yacht Collective in terms of the Management Agreement.



2.3 **MAIN INDUSTRY OR SECTOR IN WHICH NZ BOAT SHARE OPERATES**

NZ Boat Share operates in the boat syndication/boat sharing sector of the recreational boating market.

2.4 **CURRENT AND FUTURE ASPECTS OF THE BUSINESS THAT WILL MOST IMPACT ON ITS FINANCIAL PERFORMANCE**

NZ Boat Share considers that the current and future aspects of NZ Boat Share's business that have, or may have, the most impact on the financial performance of the business are that the Vessel is the sole asset of NZ Boat Share and as the condition of the Vessel will deteriorate over time, the sale value is highly likely to also decrease. Management costs of the Vessel may also increase over time due to a variety of factors including increases over time in the prices of goods or services required to service, manage and maintain the Vessel. Management costs could also increase as the Vessel ages, meaning more repairs, maintenance or refurbishment may need to be undertaken to keep the Vessel in a state of maintenance and repair acceptable to NZ Boat Share's shareholders. These risks and other risks associated with this investment are summarised in more detail in section 1.7 "Key Risks affecting this investment" and section 8 "Risks to NZ Boat Share's Business and Plans".

The key strategies and plans NZ Boat Share has to manage these aspects of the business are:

- (a) The Management Agreement and provisions in the Constitution around management will assist in ensuring that the Vessel is maintained at a high standard and is berthed securely – this seeks to avoid inappropriate maintenance or security of the Vessel which could lead to higher repair and maintenance costs over time;
- (b) The Vessel Rules (incorporated into the Constitution) have been developed to ensure Shareholders and all of their invitees utilise the Vessel appropriately and that there are effective remedies if the Vessel Rules are breached – this should assist to prevent or recover costs incurred due to inappropriate use; and
- (c) NZ Boat Share will have appropriate insurance to manage risks associated with damage to, or public liability associated with the use of, the Vessel.

2.5 **DIRECTORS, SENIOR MANAGERS AND RELEVANT SENIOR PARTIES**

As at the date of this PDS, Conrad Gair is the sole Director of both NZ Boat Share and 36 Degrees. Conrad has been in the marine industry for over 12 years. He opened the Multihull Solutions New Zealand office which was strongly known as a leading New Zealand multihull office. With a major passion for the water and boating industry it was a natural progression for Conrad to open a monohull focused brokerage - 36 Degrees. Very quickly 36 Degrees has become one of the strongest brokerages in New Zealand, with a new approach on providing professional marketing and higher level of service to their clients. Conrad founded The Yacht Collective in 2018 to be a specialist manager of boat syndicates such as NZ Boat Share.

Conrad's experience includes:

- (a) Over 12 years of experience in the marine sales industry;
- (b) 7 years in one of New Zealand top real estate companies (Bayleys Real Estate), consistently one of the top sales people;
- (c) Competing in the World Sailing Championship 2000 Youth Class; and
- (d) Lifetime relationship with the marine industry, major yacht clubs and the New Zealand yachting and boating culture.

Sarah Gair will take a Senior manager role in the business and will act as the AML/CFT compliance officer. Sarah was involved in the initial start-up of 36 Degrees and created structure in the 36 Degrees' accounting systems, internal processes and databases. Prior to her involvement in 36 Degrees and The Yacht Collective, Sarah was working at ASB Bank as a Business Intelligence Specialist/Database professional.

Sarah's experience includes:

- (a) Business Intelligence Specialist – Database professional at ASB Bank; and
- (b) Bachelor Degree in Accounting and Information Management

Andrew Delves

Andrew Delves takes on the Yacht Collective Operations Manager Role. Andrew has a close connection to the water, spending many years cruising and sailing on the Hauraki Gulf since he his early days. Graduating with a Bachelor of Sport in 2012, Andrew headed straight to the most successful yacht club in the world, the Royal New Zealand Yacht Squadron, where he held several roles spanning a 9-year period, most recently the PR & Communications Manager role where he worked through two successful America's Cup cycles.

Coming on board as the Operations Manager for The Yacht Collective, Andrew brings strong communication skills, a solid range of contacts across the marine industry, and a great knowledge of yachting and power boating in Auckland.

2.6 SUBSTANTIAL SHAREHOLDERS AND RELEVANT INTERESTS

Prior to the Issue Date, 36 Degrees will hold the sole share ("Initial Share") in NZ Boat Share. This Initial Share will, on this issue of the first Share under this PDS, be contemporaneously purchased by NZ Boat Share for \$1.00 and cancelled by NZ Boat Share. At that point, 36 Degrees shall no longer be a shareholder of NZ Boat Share.

Number of shares held by 36 Degrees in NZ Boat Share prior to the first Issue Date:	1 share – the Initial Share – 100% of the issued shares of the Company
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2.7 INTERESTS OF DIRECTOR

Conrad Gair will not be remunerated for his role as a director of NZ Boat Share and will cease to perform the role of Director of The Yacht Collective should he cease to be the Manager or should Conrad be removed as a director of the Company by the Shareholders.

Conrad is a director of 36 Degrees and holds 99 shares of the 100 shares issued by that company. The Yacht Collective is a wholly owned subsidiary of 36 Degrees, and 36 Degrees has a 50% interest (50 of 100 shares) in the service company ("36 Degrees Services Limited") that will be used by The Yacht Collective for repairs and maintenance. Conrad, accordingly, has an indirect interest in those companies.

The proceeds for the Shares will be utilised to pay to 36 Degrees the purchase price for the Vessel under the Vessel Purchase Agreement and to meet the issue costs, associated with making the Offer, of \$22,000. Where the Manager or 36 Degrees has met any of those issue costs, those parties will be entitled to reimbursement by NZ Boat Share.

The Yacht Collective is additionally the Manager under the Management Agreement and, as such, is entitled to the Management Fee. The Yacht Collective may additionally be entitled to charge interest for late payment under the Management Agreement or additional fees for

additional management or expenditure required by NZ Boat Share during the term of the Management Agreement.

2.8 **EMPLOYEES/EMPLOYEE REMUNERATION**

There are no employees of NZ Boat Share and it is not intended that NZ Boat Share will have any employees.

2.9 **OPTIONS TO RETAIN SECURITIES**

In the event that any of the six Shares remain unsold on the Closing Date, NZ Boat Share may issue the Shares to 36 Degrees on the same terms as the Shares are to be issued under this PDS. 36 Degrees has no obligation to subscribe for such Shares however. In addition to its right to issue Shares to third parties who are eligible investors or to those investors who are exempt under the requirements of the FMCA, NZ Boat Share will have the right to issue those Shares in the future by issuing a new PDS or by issuing the Shares to other eligible investors or to those investors who are exempt from this PDS requirements of the FMCA. These Shares will continue to have all the same rights and obligations and otherwise rank equally with all other Shares issued under this PDS.

2.10 **OTHER MATERIAL GOVERNANCE DISCLOSURES**

The initial director of NZ Boat Share may only be replaced by a special resolution of Shareholders (as that term is more particularly described in paragraph 2.1(b)(vii) of this PDS) or by resignation of the Director in accordance with the Companies Act. Following the replacement of the initial director, directors will then be appointed in accordance with the default provisions set out in the Companies Act.

3. **PURPOSE OF THE OFFER**

3.1 **PURPOSE**

The purpose of the Offer is to:

- (a) Allow persons who purchase Shares in NZ Boat Share to share in the ownership and use of the Vessel on the terms set out in this PDS and the Constitution; and
- (b) Obtain sufficient funds to pay the purchase price for the Vessel and to meet the issue costs incurred in respect of forming and promoting the Offer.

The structure of NZ Boat Share is designed to ensure that that each holder of a Share in NZ Boat Share is an ordinary shareholder in NZ Boat Share as well as being entitled to an equivalent share of the use of the Vessel which will be professionally maintained for them under the terms of the Management Agreement.

3.2 **HOW THE MONEY RAISED BY THE OFFER IS ALLOCATED TO THE PURPOSE**

Each Share on offer pursuant to this PDS will be purchased for \$ 239,000 with a total price paid for all six Shares being issued being \$1,434,000.

The proceeds from the Offer will be used by NZ Boat Share to purchase the Vessel from 36 Degrees for a purchase price of \$1,412,000 and to meet the issue costs incurred in respect of forming and promoting the Offer. Those issue costs are anticipated to total \$22,000.

3.3 **NO MINIMUM AMOUNT TO BE RAISED**

Minimum number of Shares that need to be purchased under the Offer per investor is one Share. NZ Boat Share reserves the right to cancel the Offer at any time prior to its acceptance of its first Application.

4. **KEY DATES AND OFFER PROCESS**

KEY DATES:

Opening Date	1 August 2023
Initial Instalment due	Payment of the Initial Instalment must accompany (or be made at the same time as) your Application
Final Instalment due	The Final Instalment is payable on the relevant Issue Date.
Issue Date	It is intended that Shares will, initially, be issued or about 1 August 2023, and then, following that date, progressively as Applications are accepted.
Closing Date	Means 1 August 2024 or such earlier date on which NZ Boat Share has accepted Applications for 6 Shares in NZ Boat Share and has received payment for the Shares and declares the Offer closed.

The above dates are indicative only and may change. NZ Boat Share reserves the right to alter or extend these dates. NZ Boat Share may also withdraw the Offer at any time before the allocation of Shares in which case the Initial Instalment will be refunded. Please note that no interest is payable on the Initial Instalment.

5. **TERMS OF THE OFFER**

The rights and obligations attaching to the Shares are contained in the Constitution, a copy of which can be found in the Offer Register on <https://disclose-register.companiesoffice.govt.nz/>.

The key terms of the Offer are summarised in the following table:

What is the Offer?
The purchase and issue of up to six ordinary shares in NZ Boat Share to Shareholders who will have additional rights to use the Vessel. See clause 2.2 of this PDS for more details.
Number of shares offered
Six Shares will be offered under the terms of the Offer, but each Shareholder shall only be able to purchase a maximum of two Shares. See clause 2.2 for more details
Price per share
Each Share will be purchased and issued for \$239,000. This price was determined by dividing the total amount payable by NZ Boat Share to 36 Degrees under the Vessel Purchase Agreement plus the anticipated amount of the issue costs by six, the number of shares. See clause 2.2 for more details.
Initial Instalment Payment
The Initial Instalment is \$23,900 per Share and must accompany (or be made at the same time as) your Application.
Final Instalment Payment
The Final Instalment being \$215,100 (the balance of the price per Share less the Initial Instalment) is payable on the relevant Issue Date.
Opening and closing dates
The Opening Date is 1 August 2023. The Closing Date is 1 August 2024 or such earlier date by which NZ Boat Share has accepted applications for all of the Shares in NZ Boat Share and has received payment for the Shares and declares the Offer closed.
Applications
Applications are to be sent to NZ Boat Share ST41-5 Limited, C/O 36 Degrees Brokers Limited, 9 Westhaven Drive, Auckland Central, Auckland 1010.
Issue of shares
It is intended that the Shares will, initially, be issued on or about 1 August 2023, and then, following that date, progressively as Applications are accepted.
NZ Boat Share retains discretion relating to the offer
As outlined in section 2.9, NZ Boat Share retains its discretion to issue any of the six Shares to 36 Degrees, as well as its discretion to issue shares to those persons who are exempt under the requirements of the FMCA.
Refunds
As outlined in the Application Form, all refunds processed will be paid out to unsuccessful Applicants within 5 Business Days of the cancellation of the offer
Transfer and sale of shares
As outlined in section 1.5 of this PDS, Shares will not be sold on a financial market so Shareholders may have difficulty finding a buyer for their Share(s). Any such transfer shall follow the Share transfer procedure set out in the Constitution.

Constitution
The Constitution is available on the Companies Register and in the Offer Register at https://disclose-register.companiesoffice.govt.nz/ .
Management agreement
As set out in section 1.2 of this PDS, NZ Boat Share appointed The Yacht Collective to be the Manager of the Vessel in accordance with the Management Agreement dated.
Vessel Sale and Purchase agreements
As set out in section 1.2 of this PDS, NZ Boat Share will acquire the Vessel from 36 Degrees under the Vessel Purchase Agreement.

6. **KEY FEATURES OF SHARES IN NZ BOAT SHARE**

The Shares are ordinary shares with all the rights and powers ordinary shares in a company generally hold.

The Constitution provides that the Shares additionally have rights to share the use of the Vessel owned by NZ Boat Share pro-rata with the other Shareholders, each Share allowing the use of the Vessel for up to 54 days (subject to maintenance and promotional requirements) of each year as is more particularly set out in the Constitution and the Management Agreement which can be found in the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>. This additional feature is not commonly a right associated with shareholding.

Additionally, a shareholder has a corresponding obligation to meet a share of the operating expenses associated with the Vessel, with the Constitution providing that each Share has a corresponding obligation attached to pay for 1/6th of the share of Management Fees, maintenance and repair costs, replacement parts and equipment, upgrades, berthing rights and other expenses associated with the Vessel (even if less than six Shares are on issue) and are payable as summarised in section 1.4 of this PDS and as is more particularly set out in the Constitution and the Management Agreement. This requirement to pay a share of ongoing operating costs is not usually a feature of ordinary shares in a company and you should review the financial information which relate to your likely liability for ongoing expenses very carefully to ensure that you can meet those ongoing costs and this investment fulfils your investment purposes.

Shares in NZ Boat Share are primarily designed to give Shareholders personal and recreational use of the Vessel and NZ Boat Share is not intended or expected to operate for or generate profit. Accordingly, no dividends are expected to be paid by NZ Boat Share and that is reflected in the prospective financial information contained in section 7 of this PDS.

The Constitution also provides that, four years following the Delivery Date, NZ Boat Share shall (unless the Shareholders agree by special resolution to extend the arrangement for one more year) sell the Vessel and wind up NZ Boat Share.

A final distribution may be made upon such sale of the Vessel. The Shareholders may be able to reinvest such proceeds in the purchase of a replacement vessel in a new syndicated boat managed by the Manager.

Accordingly, dividends are not expected to be paid in the normal operation of NZ Boat Share, are not guaranteed, and in the unlikely event that dividends are declared, this will be at the discretion of the director or directors of NZ Boat Share and will be declared only after meeting appropriate solvency requirements.

7. **NZ BOAT SHARE'S FINANCIAL INFORMATION**

PROSPECTIVE FINANCIAL INFORMATION

NZ Boat Share was incorporated on 14 June 2023 and is expected to commence business operations on 1 Sept 2023. The Company is expected to purchase the Vessel (an asset) from 36 Degrees Brokers Ltd on 1 August 2023. However, there will be no business acquisition. Accordingly, no financial statements for the Company have been prepared or registered under the Companies Act 1993 and the Financial Reporting Act 2013.

This document contains prospective financial information. It is based on NZ Boat Share's (the **Company's**) assessment of events and conditions existing at the date of this PDS and has been prepared in accordance with NZ Financial Reporting Standard FRS-42. The information should be read together with the accounting policies and assumptions that accompany the prospective financial information.

The table below provides key selective financial information about NZ Boat Share on the basis that NZ Boat Share purchases the Vessel on 1 August 2023. Full prospective financial statements are available in the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>.

If you do not understand this financial information, you can seek advice from a financial adviser or an accountant.

Selected Financial Information

As determined in accordance with GAAP

	31 March 2024 (8 Months)	31 March 2025 (12 months)	31 March 2026 (12 months)
Revenue	95,600	143,400	143,400
Net Profit before interest, tax, depreciation and amortisation (EBITDA)	-	-	-
Depreciation	(94,133)	(131,787)	(118,608)
Net Profit after tax	(94,133)	(131,787)	(118,608)
Dividends on all equity securities of the issuer	-	-	-
Total Assets	1,317,867	1,186,080	1,067,472
Cash and Cash Equivalents	-	-	-
Total Liabilities	-	-	-
Total Debt	-	-	-
Net Cash Flows from operating activities	-	-	-

Key Assumptions

The prospective financial information is based upon the following assumptions:

- All 6 ordinary shares in the Company are subscribed for as at 1 August 2023.
- Costs of \$22,000 were incurred in relation to the issue of shares in the Company.
- The vessel is operational from 15 August 2023.

Purchase of 2022 Beneteau Swift Trawler 41:

- The cost of the purchase of the 2022 Beneteau Swift Trawler 41 is the price to be paid to 36 Degrees Brokers Limited being \$1,434,000 including GST.

Revenue:

- Shareholder Use Charges are based on 6 charges of \$15,933 each for the 8 months ended 31 Mar 2024, and 6 charges of \$23,900 each for the years ended 31 March 2025 and 31 March 2026.

Expenses

- All expenses other than interest, tax, depreciation and amortisation are expected to equate to the Revenue and therefore and Net Profit before interest, tax, depreciation and amortization (EBITDA) is expected to be nil. Interest, amortisation and tax are expected to be nil.
- Depreciation is provided at 10% per annum on a diminishing value basis over the estimated useful life of the asset which is considered appropriate. This is less than the rate allowed by Inland Revenue which is considered to be greater than what is required in this instance. The estimated useful life of the asset to NZ Boat Share ST41-5 Limited is considered to be 15 years.

More detailed assumptions can be found in the full prospective statements which are available in the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>.

8. **RISKS TO NZ BOAT SHARE'S BUSINESS AND PLANS**

8.1 **KEY RISKS**

The key risks the issuer is aware of that may significantly increase the risk to NZ Boat Share's financial position, financial performance or plans stated in this PDS are:

(a) Depreciation of Vessel

The Vessel is the only asset of NZ Boat Share and its value will depreciate over time. This means it is very likely that the value of the Shares will likewise decline over time. Anyone selling its Shares in NZ Boat Share is likely to receive less for the Shares than they paid for them;

(b) Single asset investment

There is a risk that the vessel could be significantly damaged resulting in time out of the water for repairs which will affect the shareholders' ability to use full allocation of days as well as the value of the Shares. NZ Boat Share will mitigate this risk by having Vessel insured against such damage and by ensuring that repairs will be carried out as soon as possible in order to reduce time out of water.

(c) COVID-19 related risks

COVID-19 and/or a COVID-19 Event may prevent settlement from occurring under the agreement for the sale and purchase of the Vessel: (i) between Beneteau and 36 Degrees; or (ii) under the Vessel Purchase Agreement. If this occurs the Shareholders would not be able to use the Vessel which could affect the value of the Shares and anyone selling its Shares in NZ Boat Share is likely to receive less for the Shares than they paid for.

The Management Agreement with The Yacht Collective contains the right to terminate the agreement where, as a consequence of COVID-19 either NZ Boat Share or The Yacht Collective cannot reasonably be required or expected to perform its obligation under the agreement. This could occur if the government imposes measures such as quarantine restrictions, lock downs, physical distancing requirements etc. Such measures could result in time out of water for the Vessel and affect the ability of the investor to use the Vessel. Such measures could also affect the value of the Shares and anyone selling its Shares in NZ Boat Share is likely to receive less for the Shares than they paid for.

(d) Additional maintenance costs

As the Vessel ages, it may require more maintenance, repair or replacement parts, fixtures and fittings, this may increase required shareholder management and upkeep obligations and this in turn could detrimentally affect the price of the Shares and an investor selling its Shares in NZ Boat Share is likely to receive less for the Shares than they paid for them.

(e) Key service provider

The Yacht Collective has contracted to provide a high standard of management services in respect of the Vessel under the Management Agreement and NZ Boat Share considers that a great deal of the value and amenity to shareholders of NZ Boat Share will be achieved under the Management Agreement. A replacement of the Manager and/or entry into a management agreement with different provisions could

lead to loss of value in the Shares or a loss of amenity in respect of the maintenance and use of the Vessel.

(f) Key personnel

If the sole director of both the Company and The Yacht Collective ceases to be involved in the operation of the Company, The Yacht Collective, it could negatively impact on the value of the Shares or a loss of amenity in respect of maintenance and use of the Vessel.

(g) No performance history of NZ Boat Share

The Company is newly incorporated, and accordingly has no history of operations. A mitigating factor which minimises this risk is that The Yacht Collective has experience in the management structure and the operation of boat ownership schemes, and its director is also the director of the Company.

9. **TAXATION**

Tax can have significant consequences for investments. If an investor has queries relating to the tax consequences of the investment, the investor should obtain professional advice on those consequences.

10. **WHERE YOU CAN FIND MORE INFORMATION**

Further information relating to NZ Boat Share or the Shares (for example, NZ Boat Share's Constitution) is available in the Offer Register. A copy of the information on the Offer Register is available on request to the Registrar (email registrar@fspr.govt.nz). The website for the Offer Register is: <https://disclose-register.companiesoffice.govt.nz/>.

The above information is also available from 36 Degrees on its website, located at: <https://www.36degrees.nz>.

Further information about NZ Boat Share and 36 Degrees can be accessed at the Companies Office website at <https://companies-register.companiesoffice.govt.nz/>.

11. **HOW TO APPLY**

You can subscribe for Shares by completing the Application Form. The Completed Application Form, once submitted by you in accordance with the requirements set out in this PDS may not be withdrawn by you. Once accepted by NZ Boat Share, the Application Form will form a binding contract between you to purchase the Share or Shares that you have subscribed for in the Application form. All amounts paid by Applicants will be held by NZ Boat Shares in trust for Applicants until the issue of Shares proceeds.

NZ Boat Share is not obliged to accept any Application Form and may decline or accept any or all Applications at its absolute discretion and is not required to provide explanations for any rejection or acceptance. If an Applicant defaults in payment of the Final Instalment, NZ Boat Share may charge default interest of 14% per annum calculated on a daily basis on the Final Instalment for the period between the due date for payment of the Final Instalment and the date on which payment is received.

Alternatively, NZ Boat Share may cancel the Applicant's Application and charge a brokerage fee equal to 5.5% of the fixed price of the Share plus GST (Brokerage Fee). If NZ Boat Share so cancels an Application, the Initial Instalment less the Brokerage Fee will only be refundable if and when NZ Boat Share secures purchasers for all the Shares the subject of the Offer.

12. **CONTACT INFORMATION**

Details for NZ Boat Share

Attention: Sarah Gair, 36 Degrees Brokers Limited, 9 Westhaven Drive, Auckland Central, Auckland 1010
Ph: (09) 903 1001

13. GLOSSARY

In this PDS the following definitions have the meanings attributed to them in the below table.

Definition	Meaning
\$ or NZ \$	New Zealand dollars – the lawful currency of New Zealand
36 Degrees	36 Degrees Brokers Limited, a registered company of New Zealand, company number: 5263601
36 Degrees Services Limited	A registered company of New Zealand, Company Number: 5960173, New Zealand Business Number: 9429042298946
Applicants	Persons who have applied for Shares and have had their applications accepted by NZ Boat Share and "Applicant" means any one of those persons
Application	An application to subscribe for Shares
Application Form	The application form provided with this PDS on which an Applicant subscribes for Shares
Business Day	A day not being a Saturday, Sunday or public holiday in Auckland, New Zealand
Closing Date	Means 1 August 2024 or such earlier date on which NZ Boat Share has accepted Applications for all six Shares in NZ Boat Share and has received payment for the Shares and declares the Offer closed
Companies Act	Means the Companies Act 1993
Companies Office	For the purposes of this PDS, means the online Companies Office Register at https://companiesregister.companiesoffice.govt.nz/
Constitution	The constitution of NZ Boat Share which is registered with the Companies Office and is additionally available on the Offer Register
COVID-19	Means Coronavirus disease 2019 (novel coronavirus) and includes any related or similar communicable diseases, strains, mutations or derivations thereof
COVID-19	Means any event, series of events or state of affairs beyond the reasonable control of the party affected by the event, series of events or state of affairs, arising directly or indirectly in relation to or in connection with COVID-19 (including, without limitation, any government-imposed measures such as border closures, quarantine restrictions, lockdowns, physical distancing requirements, government seizures, health advisory warnings or alerts), where as a consequence the affected party cannot reasonably be required or expected to perform its obligations under this Agreement;
Delivery Date	Means the date that the Vessel is delivered to NZ Boat Share under the Vessel Purchase Agreement, which is anticipated to be on or around 1 August 2023
Final Instalment	\$215,100 payable on the relevant Issue Date
FMA	The Financial Markets Authority

FMCA	The Financial Markets Conduct Act 2013
Initial Instalment	\$23,900 per Share, payment of which must accompany (or be made at the same time as) your Application
Initial Share	The share in NZ Boat Share issued to 36 Degrees upon the incorporation of NZ Boat Share but which will be purchased by NZ Boat Share for \$1.00 and cancelled on the first Issue Date.
Issue Date	(a) Means 1 December 2021 and then, following that date, progressively as Applications are accepted (or as may otherwise be determined by NZ Boat Share in its absolute discretion).
Management Agreement	The Management Agreement between NZ Boat Share and The Yacht Collective
Manager	The Manager appointed under the Management Agreement
NZ Boat Share	NZ Boat Share ST41-5 Limited, a registered company of New Zealand, Company Number 8146203, New Zealand Business Number: 9429048853767
Offer	The offer of Shares under this PDS
Offer Register	The register containing information on the Offer available at https://disclose-register.companiesoffice.govt.nz/
Opening Date	Means 1 August 2023
Registrar	The Registrar of Financial Service Providers appointed under section 35 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008
Shareholder	A shareholder of NZ Boat Share who owns one or more Shares issued by NZ Boat Share
Shares	The Shares offered by NZ Boat Share in accordance with this PDS which are ordinary shares additionally having the right to share in the use of the Vessel and the obligation to share in the management, repair and maintenance and operational costs associated with the Vessel and "Share" means any one such share issued by NZ Boat Share
The Yacht Collective	Means The Yacht Collective Limited, a registered company of New Zealand, Company Number: 6692613, New Zealand Business Number: 9429046583925
Vessel	A new Beneteau Swift Trawler 41 Motorboat with the equipment and specifications set out in the Constitution.
Vessel Rules	Means the Vessel Rules, which are annexed to the Constitution and which can be found on the Offer Register.
Vessel Purchase Agreement	Means the Agreement between NZ Boat Share and 36 Degrees under which NZ Boat Share will purchase the Vessel.

APPLICATION FORM

Issuer: NZ Boat Share ST41-5 Limited

SECTION**A1**

Application Form

PLEASE WRITE IN CAPITAL BLOCK LETTERS

This is an application for Shares in NZ Boat Share ST41-5 Limited to be issued in terms of a PDS dated 31 July 2023. Capitalised terms in this Application Form have the meaning set out in the glossary to this PDS.

Before completing this Application Form, Applicants should read this PDS to which this Application relates. By signing (or authorising an attorney or agent to sign) this Application Form:

- (a) Each Applicant acknowledges that this Application Form was distributed with this PDS; and
- (b) Each person signing this form acknowledges that he/she/it has read and understood this PDS and the acknowledgements and agreements set out in this Application Form and is bound by the terms and conditions of this Application form (including, without limitation, the terms set out in section A5 and A6.

Your Application Form should be posted with all relevant documents to:

PO Box 90285, Victoria Street West, Auckland 1142 or delivered by hand to: 36 Degrees Brokers Limited, 9 Westhaven Drive, Auckland 1010

FULL NAME OF APPLICANT:

(i.e. individual/Partnership/Trust/Company – additional individuals/partners or trustees may complete the Applicant details section below)

If the Applicant is an individual or individuals (jointly) or partnership, all individuals and partners must provide their full names and complete their details in this form, sign this application form and otherwise comply with the requirements under section A3 of this Application Form. A joint Application must be signed by all applicants. If the Applicant is successful, only the address of the first named of the joint applicants will be recorded on the share register of NZ Boat Share ST41-5 Limited and all payments, notices, and other correspondence will be sent to that address.

Applications lodged by individuals must be signed personally or by their attorney. If this Application Form is signed by an attorney, the attorney must complete the certificate of non-revocation of power of attorney set out in section A8 of this Application Form. Applications will not be accepted from agents acting for a party.

Where the Applicant is a Company, then all directors and anyone having effective control of that Company and anyone who directly or indirectly owns 25% or more of the shares in that Company, will need to complete this Application Form (as if applying as an individual) and supply appropriate identity information.

Where the Applicant is a Trust, then all trustees and anyone who has effective control of a trust (such as settlors or any person with the power to appoint trustees) and anyone who directly or indirectly owns or benefits from 25% or more of the trust (excluding discretionary beneficiaries) will need to complete and sign this form under the effective control/beneficial owner section. Trusts must provide a copy of their trust deed and any deeds of amendment to that trust deed, which will be held in confidence by NZ Boat Share ST41-5 Limited and only utilised for the purposes of customer due diligence.

By signing this Application Form, each person agrees to be bound by all of the terms and conditions set out in this Application Form, including the terms and conditions in section A2.

NUMBER OF SHARES APPLIED FOR:

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SECTION A1

Application Form – cont...

PLEASE WRITE IN CAPITAL BLOCK LETTERS

ADDITIONAL APPLICANT DETAILS:

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Name and Number of company Applicant (where applicable):

Name of Trust Applicant (where applicable):

EFFECTIVE CONTROL/BENEFICIAL OWNERS DETAILS:

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

Mr/Mrs/Miss/Ms/Dr: _____
First name Middles name(s) Last name

SOURCE OF FUNDS:

- Income / Savings
 Proceeds from sale of property / properties
 Proceeds from sale of business
 Inheritance / gift
 Other (please specify) _____

SECTION**A1****Application Form – cont...**
PLEASE WRITE IN CAPITAL BLOCK LETTERS**TAX INFORMATION:**

(If you are resident in NZ and another country please fill out both boxes. If you have foreign tax residency in more than one country, please let us know)

New Zealand Tax Resident *(complete this section)*

IRD Number

Offshore Tax Resident *(complete this section)*

Country of Foreign Tax Residency:

Tax Identification Number ("TIN"):

If you cannot provide a Tax Identification Number, please indicate why:

My country of tax residence does not issue TINs

My country of tax residence does not require TIN to be disclosed

APPLICANT CONTACT DETAILS:

Postal address:

Residential address *(if different)*:

Telephone Mobile:

Daytime Telephone:

Email:

I consent to receiving investor correspondence electronically.

PROFESSIONAL CONTACT DETAILS:

Name of Solicitor

Firm name:

Contact number

Email address:

Name of Accountant

Firm name:

Contact number:

Email address:

SECTION**A1****Application Form – cont...**

PLEASE WRITE IN CAPITAL BLOCK LETTERS

As an issuer of securities, NZ Boat Share ST41-5 Limited is required to comply with the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009 (AML/CFT). 36 Degrees Brokers Limited has agreed to collect the required compliance information on behalf of NZ Boat Share ST41-5 Limited and provide it to NZ Boat Share ST41-5 Limited so that it can comply with such requirements. By signing this Application Form, each Applicant consents to such disclosure. Accordingly, you are required to provide NZ Boat Share ST41-5 Limited and 36 Degrees Brokers Limited with the following information:

POLITICALLY EXPOSED PERSONS

A Politically Exposed Person (PEP) is an individual, or the immediate family member of such individual, who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country other than New Zealand.

A 'prominent public function' is a position such as head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.

Are you, or any person authorised to act on your behalf in relation not this investment, a Politically Exposed Person?

- Yes, I am a PEP
 Yes, I am the immediate family member of a PEP
 No

If 'yes', please provide details of the Applicants that are PEP's and details of public function held and the country:

SECTION A2

Application Payment

PLEASE WRITE IN CAPITAL BLOCK LETTERS

Applications must be accompanied by the Initial Instalment payment of \$17,900. Payment must be either by direct credit or by cheque payable to NZ Boat Share ST41-5 Limited and crossed "Not Transferable". Payment must be in New Zealand currency based on \$179,000 per Share. Your Application Form must be received by NZ Boat Share ST41-5 Limited no later than 5 Business Days before Closing Date and you should provide your Application Form as soon as possible following the Opening Date as there are a limited number of Shares available.

Applications must be for a minimum of 1 Share and a maximum of 2 Shares. NZ Boat Share may accept or reject all or part of this application without giving any reason.

You may choose one of the following payment options below. Please tick the box next to your option.

OPTION 1 Direct credit to NZ Boat Share ST41-5 Limited

Account Name: The Yacht Collective

Account number: 12-3074-0000058-00

Reference: [insert your name]

Code: Vessel Shares

Particulars: NZ Boat Share ST41-5 Limited

If paying by direct credit we need to verify the account from which the payment will be made. This is part of our legal requirements around transaction monitoring. Please outline below the bank, account name and bank account number from which we will receive the funds for your subscription.

Name of Bank

Name of Account

Bank/Branch

Account No

Suffix

Payments made by direct credit must show as cleared funds prior to the offer closing date. If an applicant's payment has not been received and cleared by the offer closing date, NZ Boat Share ST41-5 Limited may cancel the applicant's subscription for Shares and pursue any other remedies available to it by law.

OPTION 2 Payment made by cheque

Please ensure cheques are made payable to NZ Boat Share ST41-5 Limited and are crossed **Not Transferable**.

All cheques must be drawn on a New Zealand registered bank and must be made in New Zealand dollars. Cheques must be made payable to NZ Boat Share ST41-5 Limited "crossed "Not Transferable" and must not be post-dated. If an applicant's cheque is dishonoured, NZ Boat Share may cancel that applicant's Application or issue of Shares and pursue any other legal rights it may have. Your cheque

should be posted with your Application Form or delivered in person to 36 Degree's address as set out in section A1 together with your completed Application Form.

SECTION**A3****Identity Verification**

As a new investor we are required to verify your identity. Where relevant, we are required to do this for each individual, including partners or trustees and any person having effective control of a company and anyone who has effective control of a trust (refer section A1 for details on effective control of companies and trusts).

The simplest way for us to complete an online verification is using a Cloudcheck system (Verifi Identity Services Limited). Please provide a copy of your New Zealand Driver's Licence with this Application or in the event that you do not have a New Zealand Driver's licence, one of the alternative methods.

36 Degrees Brokers Limited can accept three options for completing documentary verification. For Options 1, 2 and 3 you must have all evidence of identify certified by an independent trusted person. A trusted person must not be your spouse or partner, related to you, someone who lives at the same address as you or someone with an interest or ownership in your investment. A trusted person must be any one of the following

Police Officer	Minister of Religion	Member of Parliament
Justice of the Peace	Lawyer	Chartered Accountant
Registered Medical Doctor	Notary Public	Kaumātua
Registered Teacher	NZ Honorary Consul	Commonwealth Representative

OPTION 1

Original or certified copy of one of the following (must be current):

- NZ Passport
- NZ Firearms Licence
- Overseas Passport

OPTION 2

Original or certified copy of one of the following (must be current):

- New Zealand full birth certificate
- Certificate of New Zealand citizenship
- A citizenship certificate issued by a foreign government
- A birth certificate issued by a foreign government, the United Nations or an agency of the United Nations

AND

Original or certified copy of one of the following (must be current):

- New Zealand Driver Licence
- 18+ Card

OPTION 3

Original or certified copy of New Zealand Driver Licence (must be current).

AND

Original or certified copy of one of the following (must be current):

- A document issued by a registered bank that contains the person's name and signature, for example a credit card, debit card, or EFTPOS card
- A bank statement issued by a registered bank to the person in the 12 months immediately preceding the date of the application
- A document issued by a government agency that contains the person's name and signature, for example a SuperGold card
- A statement issued by a government agency to the person in the 12 months immediately preceding the date of the application, for example a statement from the Inland Revenue Department

SECTION

A4

Address Verification

As well as providing a form of identification in section A3, we are also required to verify each address for each person required to sign this Application Form.

In order to verify your address, please provide an original **OR** copy certified by a trusted person as listed in section A3 of one of the following:

- Utility or rates bill
- Telephone bill
- Bank statement (as delivered by mail, not via internet banking)
- IRD tax notice or statement

Each form needs to be dated in the last 12 months and addressed to you at your residential address.

SECTION A5

Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and the Privacy Act – Customer Due Diligence

1. Anti-Money Laundering and Countering Financing of Terrorism Act 2009

As an issuer of securities (being the Shares) NZ Boat Share ST41-5 Limited is required to comply with the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009 (AML/CFT) which includes completing customer due diligence investigations on all applications. As outlined in Section A1, 36 Degrees Brokers Limited, will collect such information on behalf of NZ Boat Share ST41-5 Limited and provide it to NZ Boat Share ST41-5 Limited for the purpose of complying with this legislation. By signing this Application Form, each Applicant consents to such disclosure.

Each person required to sign this Application Form warrants:

- (a) that by signing this Application Form the information provided by them is true and correct to the best of their knowledge having made careful enquiry and that they will not knowingly do anything to put NZ Boat Share ST41-5 Limited or 36 Degrees Brokers Limited in breach of any the AML/CFT.
- (b) agrees to provide all additional information and assistance requested by us or our AML/CFT verification providers so we may comply with AML/CFT laws;
- (c) warrants that they are not aware and have no reason to suspect that:
 - (i) the money used to fund any investment by you is derived from or related to any criminal or other illegal activities, money laundering, terrorism financing or similar activities; or
 - (ii) the proceeds of any investment will fund any of the above activities.

2. Personal Information Gathered by Us (including AML/CFT information): Privacy Act 2020

This statement relates to the personal information that you are providing to us by way of this application and any subsequent personal information which you may provide in the future. By signing this Application Form, you acknowledge and agree:

- (a) the personal information you have supplied may be used by 36 Degrees Brokers Limited, NZ Boat Share ST41-5 Limited and our related entities, for the purposes of enabling us to check and verify Application details and to perform credit checks and due diligence upon you, including provide relevant information to third party information verification providers and credit checking agencies or to contact you in relation to your Application or your shareholding should your Application be successful.
- (b) you additionally authorise NZ Boat Share ST41-5 Limited and 36 Degrees Brokers Limited to disclose your personal information to any third parties as needed to perform services on your behalf including to regulatory bodies or law enforcement agencies as required by law in order to meet our legal or regulatory obligations or perform any functions to you in your capacity as a shareholder should your Application be successful.
- (c) you have the right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected.
- (d) NZ Boat Share ST41-5 Limited or 36 Degrees Brokers Limited will verify your personal information with a third party verification agency, Verifi Identity Services Limited (known as 'Cloudcheck') or such other third party AML/CFT verification service providers it deems necessary and is entitled to provide that information to those third parties for the purposes of verification and AML/CFT verification and related services; and

- (e) as part of our AML/CFT requirements, we or our verification providers may need to obtain further information or confirm some of the details provided by you on this form with your legal and/or accounting professionals and you authorise us and our verification providers to do so.

SECTION A6

Terms and Conditions of Application and Signature of Applicants

By signing this section A6, each Applicant confirms:

1. All persons that have signed this Application Form agree to and are bound by the terms set out in this Application Form including (without limitation) sections A5 and A6.
2. They irrevocably apply for the Shares shown in section A1 of this Application Form on the terms and conditions set out in the Product Disclosure Statement dated 25 September 2019 and this Application Form and will pay the Final Instalment (in addition to the Initial Instalment which accompanies this Application Form) in accordance with the Product Disclosure Statement. By applying for Shares, each Applicant acknowledge/s and agrees that:
 - (a) the Applicant has received and retained a copy of this PDS provided with this Application Form for the offer of Shares in NZ Boat Share ST41-5 Limited and agrees to be bound by the terms of this PDS, this Application Form and NZ Boat Share ST41-5 Limited's Constitution;
 - (b) the Applicant has requested and received all information required to satisfy the applicant as to the merits of investing in the Shares;
 - (c) the Applicant has had the opportunity to take such accounting, legal and other professional advice as considered appropriate by the applicant in relation to the purchase of the Shares;
 - (d) the Applicant does not rely on any representation (verbal or written) from NZ Boat Share ST41-5 Limited, The Yacht Collective Limited, 36 Degrees Brokers Limited or any other person related to those Companies;
 - (e) investment in NZ Boat Share ST41-5 Limited is subject to investment risk, including possible delays in repayment and loss of income or principal invested;
 - (f) The Applicant is aware that neither 36 Degrees Brokers Limited nor The Yacht Collective nor any other person guarantees the performance of NZ Boat Share ST41-5 Limited or the repayment of capital by NZ Boat Share ST41-5 Limited or any particular rate of return; and
 - (g) An application received cannot be withdrawn or revoked by the applicant. NZ Boat Share ST41-5 Limited reserves the right to decline any application, in whole or in part, without giving any reason and may decide not to accept any applications whatsoever.
 - (h) they will not, if and when they become a Shareholder, cast a vote attaching to the Shares to change the Constitution while the Offer remains open.
3. Money received in respect of Applications will be held in trust by NZ Boat Share ST41-5 Limited and will not bear interest. Applications that are declined in whole or in part will be refunded in whole or in part (as the case may be). If the Offer is cancelled or does otherwise not proceed as set out in this PDS, the Applicants shall be refunded any amounts paid. Refunds will be mailed to unsuccessful applicants within five Business Days of the issue of the Shares or cancellation of the Offer.
4. Confirmation of the Shares being issued will be sent to successful Applicants as soon as practicable after the issue of the Shares, but in any event within five Business Days of the Closing Date. Applications must conform with the application instructions set out in this document.
5. This Application Form, the Offer and any contract arising out of its acceptance are each governed by New Zealand law.

SECTION A6

Terms and Conditions of Application and Signature of Applicants cont...

SIGNED AND AGREED BY THE APPLICANTS/PERSONS IN CONTROL OF THE APPLICANTS*:

*Refer to section A1 – all persons in control of an Applicant must sign this Application Form as if they were Applicants.

Signed by Applicant: _____
Full Name
Signature

Witness: _____
Full Name of witness

Address of witness

Occupation of witness

Signed by Applicant: _____
Full Name
Signature

Witness: _____
Full Name of witness

Address of witness

Occupation of witness

Signed by Applicant: _____
Full Name
Signature

Witness: _____
Full Name of witness

Address of witness

Occupation of witness

Signed by Applicant: _____
Full Name
Signature

Witness: _____
Full Name of witness

Address of witness

Occupation of witness

SECTION A6

Terms and Conditions of Application and Signature of Applicants cont...

Signed by Applicant:

<i>Full Name</i>	<i>Signature</i>

Witness:

<i>Full Name of witness</i>
<i>Address of witness</i>
<i>Occupation of witness</i>

Signed by Applicant:

<i>Full Name</i>	<i>Signature</i>

Witness:

<i>Full Name of witness</i>
<i>Address of witness</i>
<i>Occupation of witness</i>

Signed by each director or trustee of an Applicant:

<i>Full Name</i>	<i>Signature</i>	<i>Position Held (eg director or trustee)</i>

Witness:

<i>Full Name of witness</i>
<i>Address of witness</i>
<i>Occupation of witness</i>

Signed by each director or trustee of an Applicant:

<i>Full Name</i>	<i>Signature</i>	<i>Position Held (eg director or trustee)</i>

Witness:

<i>Full Name of witness</i>
<i>Address of witness</i>
<i>Occupation of witness</i>

**SECTION
A7****Summary of Application Requirements
and Checklist****SUMMARY OF APPLICATION REQUIREMENTS/CHECKLIST:**

(Before signing this Application Form, NZ Boat Share recommends you use this to check that the application form is complete.)

The following items must be contained in or accompany this application:

- The Applicants have read this PDS, taken all advice and requested/received all information required in respect of the Offer and all persons signing this Application have read and understood it.
- The full names of all Applicants and all persons having effective control over any of the Applicants have been set out in section A1.
- Confirmation of any direct credit has been provided in this Application or a cheque for the amount of the Share/s applied for in accordance with section A2 is attached to this application.
- Verification information under section A3 and A4 of every person required to sign this form (as set out in section A1) is attached to this Application form.
- All Applicants and all persons in control of applicants (as set out in section A1) have signed the Application Form in section A6.

SECTION A8

Certificate of Non-Revocation of Power of Attorney

PLEASE WRITE IN CAPITAL BLOCK LETTERS

(Complete this section if you are acting on behalf of the Applicant for whom you have power of attorney)

I, _____ *(full name)*

of _____ *(place and country of residence)*

_____ *(occupation)*

CERTIFY:
• THAT by Deed dated _____ *(date of instrument creating the power of attorney)*

_____ *(full name of person/body corporate which granted the power of attorney)*

of _____ *(place and country of residence of person/body corporate which granted the power of attorney**)*

appointed me _____ attorney;
(his/her/its)

- THAT I have executed the application for Shares printed on this Application Form under that appointment and pursuant to the powers thereby conferred on me; and
- THAT I have not received notice of any event revoking the power of attorney.

Signed at _____ this _____ day of _____ *(month/year)*

Signature of Attorney: _____

*** If donor is a body corporate, state place of registered office or principal place of business of donor and, if that is not in New Zealand, state the country in which the principal place of business is situated.*