

Outline Paper: Panuku Directors' Deeds of Indemnity

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1. Outline

On 6 October 2015, Directors were forwarded by email a copy of the Deed of Indemnity approved by Auckland Council to be entered into between each Council Controlled Organisation and its Directors. This is provided for in Clauses 9.1 and 9.2 of the Constitution which authorises the Company to indemnify and insure any Director against acts or omissions in connection with claims contemplated in section 162 of the Companies Act 1993, which states at:

- (3) A company may, if expressly authorised by its Constitution, indemnify a Director for any costs incurred by him or her in any proceeding –
 - (a) that relates to liability for any act or omission in his or her capacity as a Director, and
 - (b) in which judgment is given in his or her favour, or in which he or she is acquitted, or which is discontinued.

- (4) A company may, if expressly authorised by its Constitution, indemnify a Director in respect of –
 - (a) liability to any person other than the company or a related company for any act or omission in his or her capacity as a Director; or
 - (b) costs incurred by that Director in defending or settling any claim or proceeding relating to any such liability, -

not being criminal liability or liability in respect of a breach, in the case of a Director, of the duty specified in section 131, which reads *“Subject to this section, a director of a company, when exercising powers or performing duties, must act in good faith and in what the director believes to be the best interests of the company.”*

No issues have been raised by individual Directors and it is proposed that the process of signing and counter-signing outlined in that email, be carried out at this meeting.

Copies are available and it is suggested that each individual Deed is signed firstly by each Director present, and then on behalf of Development Auckland Limited by the Acting Chair and Mr Leggat, other than in the case of their own Deeds which require signature by an alternative Director.

A copy of the Constitution has been placed on the Company website.