
ADMINISTRATION POLICY

22 March 2024

Version 1.0

1. INTRODUCTION

- 1.1. The management agreement between Punakaiki Fund Limited ("PFL") and 2040 Ventures Limited ("Manager") dated 22 March 2024 ("Management Agreement") sets out the requirement for the Manager to perform, or arrange to perform, administration-related services ("Administration Services") for PFL.
- 1.2. The Administration Fee (established pursuant to the procedure outlined in Section 3) is a payment made by PFL to the Manager to compensate the Manager for performing, or arranging to perform, the Administration Services.
- 1.3. This Policy sets out the scope of the Administration Services, the calculation of the Administration Fee and the payment terms of the Administration Fee.

2. ADMINISTRATION SERVICES TASKS

- 2.1. The Administration Services are separate to the scope of the Investment Management Services and Fund Raising Services as defined in the Management Agreement.
- 2.2. The Administration Services may require the Manager to directly undertake the Administration Services, or may require the Manager to arrange the performance of some or all of the Administration Services by third-party service provider(s). For clarity, the Manager is not responsible for providing share registry, financial, accounting, reporting or auditing services to the Group.
- 2.3. Appendix A sets out the Administration Services that are to be performed, or arranged to be performed, by the Manager. Additional tasks may be added to the Administration Services by agreement of PFL and the Manager.

3. PROCEDURE FOR SETTING THE ADMINISTRATION FEE

3.1. The following sets out the annual procedure for setting the Administration Fee:

- a) At the first PFL Board meeting of each calendar year, the Manager will produce a schedule estimating the costs of undertaking the Administration Services included in, but not necessarily limited to, the list of Administration Services set out in Appendix A.
- b) Such estimate will include:
 - i) An estimate of the amount of time (in days) spent by each of the Manager's staff members on each Administration Services;
 - ii) A daily rate for each staff member that fairly represents the cost of employing that staff member, reflecting any expected salary increases during the period, and including a reasonable overhead loading; and
 - iii) Narration as to why any particular category of Administration Services has experienced a material change in cost from the previous year.
- c) The PFL Board will consider the presented costs with reference to:
 - i) The appropriateness of the costs contained within the schedule (e.g., whether the task is being efficiently performed by an appropriately experienced staff member of the Manager);
 - ii) Whether the presented costs include any costs where it can be argued that the Manager will derive more benefit than PFL from the particular Administration Services;
 - iii) The allocation of costs between PFL and any other funds managed by the Manager;
 - iv) Whether there are any Administration Services that the PFL Board will direct the Manager to cease performing;
 - v) Whether there are any Administration Services not included in the schedule that that the PFL Board and the Manager will agree to the Manager performing during the coming year; and
 - vi) Whether the presented costs appear excessive, including whether outsourcing some or all of the Administration Services may represent better value for money.
- d) If required, the PFL Board and the Manager will negotiate in good faith to agree the amount of the Administration Fee, however it should be noted that the PFL Board is the ultimate decision maker in respect of the final Administration Fee. If the Manager does not agree with the final Administration Fee set by the PFL Board, the Manager may decline to perform the Administration Services at its discretion.

4. ADMINISTRATION FEE PAYMENT

4.1. The Administration Fee is paid quarterly in advance to the Manager. Any applicable Goods and Services Tax will be paid in addition to the Administration Fee, as required.

5. REVIEW AND CHANGES

5.1. This Policy:

- a) will be reviewed in one years’ time, and then at least every third year thereafter;
- b) may be reviewed more frequently as considered appropriate by the PFL Board; and
- c) may only be amended as agreed by the PFL Board and the Manager under the terms of clauses 14.2 and 14.3 of the Management Agreement between PFL and the Manager dated 22 March 2024.

Version	Date Adopted
V1.0	22 March 2024

Appendix A – Reimbursable Administration Fee Tasks

General

- 1) Undertaking general administration tasks required or requested by PFL
- 2) Facilitating the appointment (or reappointment) of an auditor
- 3) Providing any information requested by the auditor and answering any questions asked by the auditor in a full and timely manner
- 4) Maintaining PFL's branding and website
- 5) Managing any human resource management and payroll management in respect of PFL
- 6) Recommending and facilitating insurance for PFL and the Manager (with such insurance costs to be met by PFL)
- 7) Maintaining PFL's legal compliance and the maintenance of PFL's legal structure, including maintaining Anti-money Laundering/Countering Financing of Terrorism procedures, documentation and compliance
- 8) Maintaining PFL's statutory, legal and market compliance
- 9) Overseeing any litigation in which PFL has an interest
- 10) Providing liquidation support to PFL or its investments as required
- 11) Preparing, filing and maintaining any applicable documents (including investment documents)
- 12) Managing PFL's office facilities and information systems
- 13) Undertaking any necessary record keeping
- 14) Managing any shareholder distributions
- 15) Providing oversight of PFL's share registry, including maintain an up-to-date mailing list of PFL shareholders
- 16) Assisting with the facilitation of the trading of PFL's shares and other securities
- 17) Undertaking the monitoring and reporting of PFL risk management framework

Valuation

- 18) Assisting PFL to prepare valuations of each PFL investment as required, including for the following purposes:
 - a) Monthly NTA reporting

- b) Annual valuation (if different from monthly NTA valuations)
 - c) Setting pricing for capital raising (if different from monthly NTA valuations)
- 19) Providing information and support during any independent valuation processes

Accounting & Tax Compliance

- 20) Managing PFL's accounts payable and receivable
- 21) Assisting with the preparation of PFL's interim accounts
- 22) Assisting with the preparation of PFL's annual accounts
- 23) Providing any other general accounting and accounting compliance services
- 24) Maintaining PFL's tax structure
- 25) Completing and filing any necessary tax returns

Reporting and Meetings

- 26) Preparing monthly NAV reports to shareholders
- 27) Preparing PFL's interim report and associated presentations to shareholders
- 28) Preparing PFL's annual report and associated presentations to shareholders
- 29) Preparing and undertaking PFL's Annual Shareholders Meeting
- 30) Preparing and undertaking investor roadshows
- 31) Preparing the main board paper for PFL Board meetings
- 32) Preparing other reports to the Board as required
- 33) Creating, maintaining, updating and operationalising PFL's policies as required
- 34) Undertaking secretarial duties, including arranging Board meetings and drafting Board minutes
- 35) Assisting with the onboarding of new PFL directors
- 36) Preparing and manage other shareholder communications
- 37) Managing PFL's public relations
- 38) Undertaking an Path to IPO task as required by the PFL Board