

ELECTING TO BE A SHAREHOLDER

If you've signed a Master Rights Agreement, then you are eligible to become a shareholder in Recorded Music New Zealand Limited. It's totally up to you - you don't have to be a shareholder, but if you do sign up you are eligible to have your say in certain ways - in particular, independent shareholders are eligible to nominate and vote in the elections for independent and artist representative director on the Recorded Music NZ Board. Some notes explaining this are included below. If you'd like to elect to be a Shareholder, please complete this form. *Please note that if you elect to become a shareholder, we will provide name and address details to the Companies Office as per the requirements of the Companies Act. These details will then appear on the public record of the Companies Office. For more about how we handle your personal information please refer to our current Privacy Policy available on our website.*

A. YOUR DETAILS (all fields are required)

Name: [as per your Master Rights Agreement]

Email Address

Postal Address

Date

If you're completing this form on behalf of a company / label (ie not on your own account), please state your:

Name:

Title:

B. THINGS YOU NEED TO CONFIRM TO QUALIFY TO BE A SHAREHOLDER

Yes I am a NZ citizen or legally resident in NZ OR Yes the master rights holder I represent is a company incorporated in NZ under the Companies Act 1993.

Yes the master rights holder listed above would like to become an independent shareholder in Recorded Music NZ.

WHAT NOW?

- Email this form back to memberservices@recordedmusic.co.nz
- We'll be in touch shortly to confirm your form's been accepted
- Any queries phone our Member Services Team on (09) 360 5085

ELECTING TO BECOME A SHAREHOLDER IN RECORDED MUSIC NEW ZEALAND LIMITED (Company)

EXPLANATORY NOTES

These notes outline what shares you can hold, your voting rights and your rights to vote on the appointment of certain directors to the board.

We strongly recommend you read the Company's Constitution as it sets the rules for the structure and governance of the Company. Some key elements of the Constitution which may be of interest include the following (but this is NOT a summary of the key features of the Constitution, it's up to you to read it in its entirety).

TWO CLASSES OF SHARES

- **Threshold Shares:** to qualify to hold Threshold Shares, you must have received at least 6% of the last 3 years' distributions made by Company.
- **Independent Shares:** to qualify to hold Independent Shares (one per shareholder), you must have a current signed Master Rights Agreement with the Company and have made an election to hold a share.

THE BOARD

- **Threshold Shareholders:** may appoint one Director each.
- **Independent Shareholders:** may together appoint the "Independent Director" & the "Artist Representative Director". This is done by email vote (not an actual meeting) and is determined by a majority of those Independent Shareholders entitled to vote and voting. The Independent Director must be an Independent Shareholder.
- **Chairperson:** The Chairperson is appointed by a majority of all of the other directors and does not represent a right holder.
- **Term:** The Artist Representative Director and the Independent Director are appointed for a term of three years.
- More information on the Board is available on our website.

SHAREHOLDER VOTES

- **Threshold Shareholders:** their voting right is determined as a percentage calculated by their share of the overall Company distributions made in the prior financial year.
- **Independent Shareholders:** the Independent Director is appointed by the Independent Shareholders as their proxy to vote at shareholder meetings. In two limited cases Independent Shareholders can vote directly - to vote on an Independent or Artist Representative Director as above, or on any proposal that affects the rights attaching to Independent Shares. In a vote to elect a director they get one vote each. In any other situation their voting right is determined as a percentage calculated by their share of the overall Company distributions made in the prior financial year.
- **Ordinary shareholders' resolutions:** require the vote of the majority of all shareholders voting to be passed. Special resolutions require 75%.