

27 November 2014

Financial Markets Authority
Level 5
Ernst & Young Building
2 Takutai Square
Britomart
AUCKLAND

By email: compliance@fma.govt.nz

RE: ELECTION FOR FINANCIAL MARKETS CONDUCT ACT 2013 TO APPLY

FSF Management Company Limited (FSP 245925), as manager of the Fonterra Shareholders' Fund (the "**Manager**"), will be offering units in the Fonterra Shareholders' Fund pursuant to a distribution reinvestment plan ("**Distribution Reinvestment Plan**") on or after 1 December 2014, in accordance with the exclusion in clause 10 of Schedule 1 of the Financial Markets Conduct Act 2013 ("**FMCA**") and in accordance with clauses 13 to 15 of Schedule 8 to the Financial Markets Conduct Regulations 2014.

Pursuant to clause 7(3) of schedule 4 of the FMCA, the Manager elects for the FMCA to apply to the offer of securities under the Distribution Reinvestment Plan made on or after 1 December 2014.

A copy of this notice will be included on the Internet site for the Fonterra Shareholders' Fund maintained on behalf of the Manager by Fonterra.

For the avoidance of doubt, the Manager is not opting in under clause 19(2) of Schedule 4 to the FMCA at this time.

Yours faithfully



Keri Jenkins
GM, Trading Among Farmers