

Supplemental Trust Deed (No. 14)

relating to Fonterra Co-operative Group Limited

Dated 2 April 2015

**Mayne
Wetherell**

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Parties

Fonterra Co-operative Group Limited (**Issuer**)

The New Zealand Guardian Trust Company Limited (**Trustee**)

Background

This Deed is a supplemental trust deed entered into pursuant to clause 2.4 of the Master Trust Deed dated 18 November 2002, as amended from time to time, between the Issuer and the Trustee (**Master Trust Deed**), constituting and setting out the terms and conditions of the Series described in this deed.

Covenants

1. Interpretation

1.1 **Master Trust Deed:** The terms of the Master Trust Deed (including the definitions, the rules of construction and the miscellaneous provisions of clauses 1.1, 1.2 and 1.4 respectively of the Master Trust Deed) shall apply in this Deed and to the Bonds constituted by this Deed except to the extent modified in this Deed. To that extent, or in the event of any conflict between the provisions of this Deed and those of the Master Trust Deed, the provisions of this Deed shall prevail over those of the Master Trust Deed.

1.2 **Definitions:** In this Deed, unless the context otherwise requires:

Agency Agreement means the agency agreement dated 8 April 2004 under which the Registrar is appointed as registrar, calculation agent and paying agent for the Bonds.

Arranger has the meaning given to that term in the Terms Sheet.

Interest Payment Date means, in relation to a Bond, 20 April and 20 October, or such other dates as determined by the Issuer and recorded as such in the Register in respect of the Bonds, in each year up to and including the Maturity Date.

Interest Rate has the meaning given to that term in the Terms Sheet.

Issue Date means 20 April 2015 or such other date as determined by the Issuer and recorded as such in the Register in respect of the Bonds.

Joint Lead Managers has the meaning given to that term in the Terms Sheet.

Maturity Date means, in respect of the Bonds, 20 October 2021.

Minimum Principal Amount means \$5,000.

NZDX means the market operated by NZX on which listed debt securities are traded or any successor or replacement of that market.

NZX means NZX Limited.

NZX Notice means the notice in relation to the offer of the Bonds pursuant to clause 20(1)(a) of schedule 8 of the FMC Regulations.

Principal Amount means \$1.00 per Bond.

Record Date means, in relation to any applicable interest payment, 5.00 pm on the day which is 10 calendar days prior to the due date for payment (or, if that day is not a Business Day, the immediately preceding Business Day).

Registrar means Computershare Investor Services Limited.

Terms Sheet means the terms sheet prepared by the Issuer for the Bonds dated on or about 13 April 2015.

Transaction Documents means this Deed, the Master Trust Deed and the Agency Agreement.

1.3 **Modification of other terms in Master Trust Deed:** In this Deed:

- (a) the term **Bond** has the meaning given to the term **Note** in the Master Trust Deed and references to **Notes** in the Master Trust Deed shall be deemed to be references to **Bonds**; and
- (b) the terms **Holder** and **Register** have the meanings given in the Master Trust Deed but, in this Deed, refer only to the Holders of Bonds, and to the Register in relation to this Series.

2. Form of Bonds

2.1 **Series amount:** The aggregate Principal Amount of Bonds for this Series that may be issued is \$250,000,000 (with the ability to accept unlimited oversubscriptions) at the Issuer's discretion.

2.2 **Type of Bonds:** The Bonds to be issued are Fixed Rate Notes.

2.3 **Retail Bonds:**

- (a) The Bonds are Retail Notes. The Bonds may only be offered for sale or sold in New Zealand in conformity with all applicable laws and regulations in New Zealand. No Bonds may be offered for sale or sold in any other country or jurisdiction except in conformity with all applicable laws and regulations of that country or jurisdiction

and the selling restrictions contained in the terms of the offer of the Bonds. The Terms Sheet may not be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction and the selling restrictions contained in the terms of the offer of the Bonds.

- (b) By its subscription or purchase of the Bonds, each Holder agrees to indemnify the Issuer, the Arranger, each Joint Lead Manager and the Trustee and their respective directors, officers and employees for any expense, loss or liability sustained or incurred by the Issuer, the Arranger, the Joint Lead Managers or the Trustee, as the case may be, as a result of the breach by that Holder of the restrictions contained in clause 2.3(a).
- (c) If the Issuer intends to offer the Bonds for sale to the public in any jurisdiction other than New Zealand, it will notify the Trustee at least 10 Business Days in advance of making such offer.

2.4 **Status of Bonds:** The Bonds are Unsubordinated Notes.

2.5 **Minimum subscription:** The initial minimum subscription amount for the Bonds is \$5,000 and thereafter in integral multiples of \$1,000.

2.6 **Not guaranteed:** The Bonds are not guaranteed by any person.

3. Interest payment and transfer

3.1 **Interest Payment Dates:** Interest on the Bonds shall be paid from (and including) the Issue Date semi-annually in arrears in two equal payments on each Interest Payment Date determined as follows:

$$\text{Interest Payment} = \frac{\text{Principal Amount of Bond} \times \text{Interest Rate}}{2}$$

3.2 **No interest on subscription moneys:** The Issuer will not pay interest on any subscription moneys paid to it by any Holder for the period from the date on which those subscription moneys were received to the Issue Date.

3.3 **Interest at early repayment:** If the Bonds are declared due and payable prior to their Maturity Date pursuant to clause 13.1 of the Master Trust Deed, interest will be payable on each Bond at the Interest Rate on the Principal Amount of that Bond from the most recent Interest Payment Date to and excluding the date of repayment on the basis of the number of days elapsed and a 365-day year.

3.4 **Transfer:** A Holder may only transfer Bonds in multiples of \$1,000. However, no transfer may be effected if such transfer would result in the transferor or the transferee holding or continuing to hold Bonds with an aggregate Principal Amount of less than the Minimum Principal Amount.

3.5 **Form of transfer:** A Holder may transfer any Bond held by it by:

- (a) a written instrument of transfer in any commonly used form that complies with the standard form and procedures of the Registrar;
- (b) means of any clearing and settlement system used by NZX from time to time; or
- (c) any other method of transfer of marketable securities that is not contrary to any law and that may be operated in accordance with any listing rules of NZX and that is approved by the Issuer.

4. **Conditions precedent**

4.1 **Conditions precedent:** The Issuer is not entitled to issue any Bonds until the Trustee has confirmed in writing that it has received the following in form and substance satisfactory to it:

- (a) a duly executed original of this deed;
- (b) a copy of the Terms Sheet and the NZX Notice; and
- (c) a legal opinion from the solicitors to the Issuer confirming that the NZX Notice complies with the FMCA and the FMC Regulations.

5. **Undertakings**

5.1 **Undertakings:** The Issuer undertakes to the Holders and the Trustee that it will take any necessary steps to ensure that the Bonds are, upon their issue, quoted on the NZDX and, for so long as the Bonds are outstanding, use all reasonable endeavours to ensure that such quotation is maintained. For the avoidance of doubt, this undertaking constitutes an undertaking for the purposes of clause 12.1(c) of the Master Trust Deed.

6. **Miscellaneous**

6.1 **Counterparts:** This Deed may be signed in any number of counterparts, all of which together constitute one and the same instrument, and any of the parties may execute this Deed by signing any such counterpart.

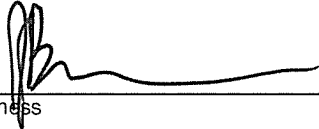
6.2 **Governing law:** This Deed shall be governed by and construed in accordance with New Zealand law.

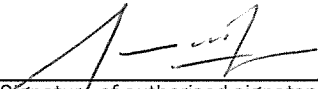
6.3 **Contracts Privity:** The parties acknowledge and declare that clause 2.3(b) constitutes promises which are intended to confer benefits enforceable by the Arranger and each Joint Lead Manager pursuant to section 4 of the Contracts (Privity) Act 1982.

Execution Page

Issuer

Signed for and on behalf of **Fonterra Co-operative Group Limited** by its authorised signatory in the presence of:



Signature of witness

Signature of authorised signatory

SIMON TILL

Name of authorised signatory

Name of witness

**JAMES BROOM
SOLICITOR
AUCKLAND**

Occupation

City/town of residence

Trustee

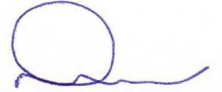
Signed by The New Zealand Guardian Trust
Company Limited by:



Signature of authorised signatory

MARK PATRICK JEPHSON

Name of authorised signatory



Signature of authorised signatory

BRYAN DAVID CONNOR

Name of authorised signatory

Signature of witness

Name of witness

Occupation

City/town of residence

WITNESS TO BOTH SIGNATURES

Full Name: Debra Gail Morton

Residential Address: Auckland

Occupation: Corporate Trusts Administrator

Signature:  ACT 290