

Our Ref: 201320047

28 September 2016

Rafael and Federico Grozovsky  
C/- Kensington Swan  
89 The Terrace  
WELLINGTON

**Overseas Investment Office**  
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**BY EMAIL**

Dear Rafael and Federico,

**Formal Warning in respect of statements made to the Overseas Investment Office**

Our investigation

1. Ceol & Muir Inc (**Ceol & Muir**) was granted consent to acquire Onetai Station on 11 February 2014, subject to conditions. Those conditions, amongst other things, required the:
  - (a) individuals with control of the relevant overseas person to remain of good character; and
  - (b) information provided by Ceol & Muir in connection with the application to be correct at the time it was provided.
2. In this context, we have been investigating the:
  - (a) ownership of Ceol & Muir, including whether the information provided to us with the application for consent was correct; and
  - (b) good character of Rafael and Federico Grozovsky, including the status of the charges brought against Rafael and Federico Grozovsky for pollution offences in Argentina.

Our position

3. We consider that two statements made by you in the course of Ceol & Muir's application for consent were incorrect or incomplete:
  - (a) You confirmed (in a statutory declaration) that information provided by Ceol & Muir on 19 November 2013 through its lawyers, Kensington Swan, was correct, when in fact it was not. Kensington Swan had told us that Ceol & Muir was a trustee for Grozovsky family interests. It appears that no such trust existed.
  - (b) You failed to disclose to us the fact that you were being prosecuted for allegedly polluting the Luján River when making statutory declarations as to the matters that might go to our assessment of your good character
4. We consider that your statement confirming the ownership information provided by Ceol & Muir was incorrect, and breached the condition in section 28(1)(a) of the Act requiring that the information provided by Ceol & Muir in connection with the application was correct at the time it was provided.

5. We consider that your failure to disclose the fact that you were being prosecuted for allegedly polluting the Luján River was also a significant omission and should have been disclosed to us as part of the good character assessment for the application for consent for Onetai Station.
6. We also draw to your attention that we expect, as part of the ongoing monitoring obligations relating to Onetai station, that you tell us of the outcome of the prosecution proceedings as soon as they are completed.
7. After weighing all of the relevant matters we have decided to conclude our investigation into the matters referred to above by issuing this formal warning letter.
8. We also intend to issue a formal warning to Ceol & Muir as to the need to provide complete and accurate information to us, particularly in the context of the ongoing monitoring of Ceol & Muir's conditions of consent.

Warning

9. We are formally warning you that the information provided to us must be complete and accurate and must not contain any material omissions. This extends to providing us with information for the purposes of monitoring the conditions of consent at Onetai station.
10. While we will not be taking any further action against you at this time, we will take this warning into account if we receive incomplete or inaccurate information from you in the future. We may draw this warning to the attention of a court in any subsequent proceedings brought by us against you.

Public information

11. We intend to publish the outcome of our investigation and this warning.

Yours sincerely

[Redacted signature]

[Redacted name]

[Redacted title]

Overseas Investment Office

DDI: [Redacted]

Email: [Redacted]