

Our Ref: 201320047

28 September 2016

Ceol & Muir Inc
C/- Kensington Swan
89 The Terrace
WELLINGTON

Overseas Investment Office
Radio New Zealand House
155 The Terrace
PO Box 5501
Wellington 6145
New Zealand
+64 4 460 0110
www.linz.govt.nz

BY EMAIL

To whom it may concern

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 you 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 Kensington Swan on your behalf were incorrect.
 - (a) The first statement was a verbal statement on 14 November 2013 by a solicitor at Kensington Swan on Ceol & Muir's behalf that "Ceol & Muir is a 'blind trust' with local directors and shareholders".
 - (b) The second statement was an email on 19 November 2013 by a solicitor at Kensington Swan emailed on Ceol & Muir's behalf saying:

Our client instructs that Ceol & Muir is effectively owned by, and the trustee for, Rafa and Federico Grozovsky family interests.
4. These statements were certified as being true and correct by your shareholders, Rafael and Federico Grozovsky, in a statutory declaration dated 19 November 2013.

5. We consider that these statements made on your behalf were 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.
6. 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.
7. We also intend to issue a formal warning to your shareholders, Rafael and Federico Grozovsky as to the need to provide complete and accurate information to us, particularly in the context of enabling us to make good character assessments.

Warning

8. We are formally warning you that the information provided to 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.
9. 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

10. 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]