



To: Hon Dr Megan Woods, Associate Minister of Finance
Hon Damien O'Connor, Minister for Land Information

ASSESSMENT REPORT: Foley Wines Limited

Date	17 March 2022	Classification	IN CONFIDENCE: Commercially sensitive
OIO reference (Report reference)	202100729 (BRF 22-272)	Deadline	31 March 2022

Purpose

We seek your decision on an application for consent to acquire an interest in sensitive land under the Overseas Investment Act 2005 (the Act).

Action sought

1. Review this report and consult with each other if desired.
2. Determine whether to grant consent and, if so, on what conditions.
3. Indicate your decision from page 3.

Commercial deadline

The Applicant has requested a decision date of 21 March 2022, being the deadline of settlement of the agreement for sale and purchase of the Land. A decision made after would mean that the Applicant would need to acquire the grapes from the Land from the Vendor, an expenditure that would not otherwise occur if the Applicant is granted consent to acquire the Land on or before 21 March 2022.¹ However, the Applicant has been advised that the decision date requested may not be achievable.

OIO Contacts

Name	Position	Contact	First contact
Daniel White	Manager, Applications	+64 4 460 0147	<input checked="" type="checkbox"/>
Sherlene Ho	Senior Solicitor	+64 4 474 1017	<input type="checkbox"/>

A. Summary

1. The **Applicant**, Foley Wines Limited is a New Zealand incorporated company² and is an existing wineries operator in New Zealand.
2. The Applicant is seeking consent to acquire approximately 55.5215 hectares of sensitive land located at 1750 Tarras-Cromwell Road, Central Otago Region (the **Land**). The Applicant intends to use the Land for viticulture.
3. For the reasons set out in this report, our recommendation is to **grant consent**.

Key information

Applicant	Foley Wines Limited (United States of America 63.63%; New Zealand 36.37%;)
Vendors	Zebra NZ Vineyards Limited (New Zealand 100%)
Land	55.5215 hectares of land located at 1750 Tarras-Cromwell Road, Central Otago Region.
Consideration	\$6,200,000
Sensitivity	Is more than 5 hectares of non-urban land Adjoins land that is over 0.4 hectares and is held for conservation purposes under the Conservation Act 1987
Relevant tests	Investor test: s18A Benefit to NZ test – substantial and identifiable benefit: s16(1)(c)(ii) and s16A(1) Farm land offer test: s 16(1)(f) This application was received prior to the commencement of the amendments to the Overseas Investment Act 2021 on 24 November 2021, so the version of the Act and the Regulations in force immediately before that date continue to apply.

Timing

4. Processing days for the application are set out in the table below. The OIO's processing time is within our end-to-end timeframe for an application of this type.

Quality Assurance	OIO Processing	Waiting for Applicant / Vendor	Third party consultation
3	62	6	0

B. Decision

Core tests

5. I determine that:

- 5.1 The '**relevant overseas person**' is (collectively):

Relevant overseas person	Role
Foley Wines Limited	The Applicant and the acquiring entity

² Company number 307139.

Foley Family Wines Holdings, Inc.	Ultimate majority owner of the Applicant
William Patrick Foley II	Indirect majority owner of the Applicant

5.2 The 'individuals with control of the relevant overseas person' are:

Individuals with control	Role
Anthony John ANSELM	Directors of the Applicant
Paul Robert BROCK	
Grant Robert GRAHAM	
Antony Mark TURNBULL	Director and CEO of Foley Wines Limited
William Patrick FOLEY II	Director and the majority owner of (with his wife, Carol Foley) of Foley Wines Limited

5.3 None of the relevant overseas persons and individuals with control of the relevant overseas person have established any of the factors contained in section 18A(4) of the Act.

6. I am satisfied that the investor test in section 18A has been met.

Hon Dr Megan Woods

Agree

☒

Disagree

☐

Hon Damien O'Connor

Agree

☒

Disagree

☐

7. I am satisfied, in relation to the benefit to New Zealand test, that:

7.1 the criteria for consent in sections 16 and 16A have been met;

7.2 the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders); and

7.3 the benefit will be, or is likely to be, substantial and identifiable.

Hon Dr Megan Woods

Agree

☒

Disagree

☐

Hon Damien O'Connor

Agree

☒

Disagree

☐

National interest assessment

8. I note that the overseas investment in sensitive land is not a transaction of national interest under section 20A of the Act and the Minister of Finance has not notified it is a transaction of national interest under section 20B of the Act.

Hon Dr Megan Woods

Noted

☒

Hon Damien O'Connor

Noted

☒

Decision about whether to grant or decline consent

9. My ultimate decision is to:

Hon Dr Megan Woods

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**



Grant consent with amended conditions provided on:



Decline consent




Hon Dr Megan Woods
Date: 13/4/22

Hon Damien O'Connor

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**




Grant consent with amended conditions provided on:



Decline consent




Hon Damien O'Connor
Date: 11/4/22.

C. Background and proposed transaction

10. The Applicant currently operates a collection of wineries in Martinborough, Marlborough, and Central Otago. The Applicant produces and sells a wide range of New Zealand wine brands, including Te Kairanga, Mt Difficulty, Grove Mill, and Roaring Meg. The Applicant is listed on New Zealand's Exchange.³
11. The Applicant has entered into an agreement for sale and purchase for the Land with Zebra NZ Vineyards Limited (the **Vendor**) (the **Transaction**).⁴ The Vendor has owned the Land, also known as the Zebra Bendigo Flat Vineyards, since 2003. The fruits harvested from the Land are sold on the annual grape supply market on, or prior to, each harvest season.

12. [s 9(2)(b)(ii)]

[s 9(2)(b)(ii)]

[s 9(2)(b)(ii)]

[s 9(2)(b)(ii)]

[s 9(2)(b)(ii)]

13. Without securing certain supply of pinot noir, pinot gris, and sauvignon blanc grapes from an owned vineyard such as the Land, the Applicant is [s 9(2)(b)(ii)]

14. Thus, the Applicant is keen to acquire the Land. The Applicant has [s 9(2)(b)(ii)]

Land

15. The Land is zoned 'rural resource area' under the Operative Central Otago District Plan.
16. The Vendor has used the Land for viticulture. The Land is currently planted in approximately 23.37 hectares of pinot noir, with an additional 7.5 hectares of vines recently planted in 2019. There is approximately 24.65 hectares of vacant area, but

³ NZE: FWL.

⁴ Dated 12 October 2021.

only 12.6 hectares is capable of further planting.⁵ The Land does not include any fresh or seawater area. We include a photo of the Land below.



Figure 1 – the Land, outlined in purple.

D. Application of the Act

17. The Land is sensitive because it is non-urban land over 5 ha in size,⁶ so consent is required.⁷ The following criteria for an investment in sensitive land apply to this application:⁸

- The investor test must be met.⁹
- The benefit to New Zealand test must be met.¹⁰
- The farm land must have been offered for sale on the open market.¹¹

⁵ The unplanted area is comprised of access ways and rows between vines and headlands.

⁶ Table 1, Part 1, Schedule 1 of the Act.

⁷ Under sections 10(1)(a) and 12(a)(i) of the Act.

⁸ Set out in section 16(1) of the Act.

⁹ Section 18A of the Act.

¹⁰ Section 16(1)(d)(ii).

¹¹ Section 16(1)(f) of the Act.

- You must also note whether the investment is a transaction of national interest and, if so, whether the Minister of Finance has decided that the investment is contrary to New Zealand's national interest.¹²
18. In order to satisfy the benefit to New Zealand test, the decision-maker must:
- determine that the overseas investment will, or is likely to, benefit NZ;¹³ and
 - determine that benefit will be, or is likely to be, substantial and identifiable.¹⁴
19. We assess the investor test in Part E, the benefit to New Zealand test in Part F, discuss national interest matters in Part G, and assess the farm land offer test in Part H.

E. Applicant and investor test

20. This section describes the Applicant and assesses whether the investor test is met.

Business Activities

21. The Applicant is in the business of producing and selling wines in New Zealand. The Applicant is part of the larger Foley Family Wines group. The Foley Family Wines group was established in 1996 in the United States of America and is a major international producer, marketer, and distributor of handmade wines.

Ownership

22. The Applicant is an overseas person as it is a more than 25% subsidiary of an overseas person. The Applicant is majority-owned (52.80%) by Foley Family Wines Holdings, New Zealand Limited (**FFWHNZL**). FFWHNZL, in turn, is majority-owned by Foley Family Wines Holdings, Inc. (**FFWH**). FFWH is 91.53% owned by William P. Foley, II and his wife, Carol Foley, with William P. Foley, II holding an additional 3.24%.
23. Ultimately, William P. Foley, II and Carol Foley own over 60.03% of the Applicant, both directly (13.66%) and indirectly through FFWHNZL. The remainder of the Applicant are held as follows:
- 13.40% by the NZ Central Securities Depository Limited; and
 - 26.57% various shareholders of less than 5% each.
24. A diagram of the ownership structure is in **Attachment 2**.

Control

25. The Applicant is controlled by its board of directors. The Applicant's board of directors had delegated power to enter into the Transaction and did not need to consult with any parent entities. The Applicant's board of directors will have powers to approve of a divestment of this investment and can approve significant capital and operating expenditure relating to the investment. While Carol Foley, together with William P. Foley, hold over 60.03% of the Applicant, Carol Foley is a passive owner and has no decision-making role.

¹² Section 16(1)(g) of the Act.

¹³ Section 16A(1)(a) of the Act.

¹⁴ Section 16A(1)(b) of the Act. This criterion applies because the Land is non-urban land over 5 ha in size.

Relevant overseas person and individuals with control

26. We recommend that the 'relevant overseas person' is (collectively):

Relevant overseas person	Role
Foley Wines Limited	The Applicant and the acquiring entity
Foley Family Wines Holdings, Inc.	Ultimate majority owner of the Applicant
William Patrick FOLEY, II	Indirect majority owner of the Applicant

27. We recommend that the 'individuals with control of the relevant overseas person' (IWC)¹⁵ are:

Individuals with control	Role
Anthony John ANSELM	Directors of the Applicant
Paul Robert BROCK	
Grant Robert GRAHAM	
Antony Mark TURNBULL	Director and CEO of Foley Wines Limited
William Patrick FOLEY, II	Director and the majority owner of (with his wife, Carol Foley) of Foley Wines Limited

Summary of investor test

28. The relevant overseas persons and individuals with control established none of the factors contained in section 18A(4) of the Act. Our conclusion is that **the investor test has been met**.

F. Investment plan and benefit to New Zealand test

29. This section describes the proposed investment and our assessment of whether it is likely to meet the benefit criteria in the Act.

Investment plan

30. The Applicant is keen to acquire the Land to ensure certainty of grape supply for Roaring Meg, but also because the Land currently has a vacant plantable area of approximately 12.6 hectares (the **Vacant Area**). The Applicant intends to plant the Vacant Area in pinot gris and sauvignon blanc as the Applicant considers that there is demand for those varieties.¹⁶ The Applicant intends to commence the planting of those varieties in spring 2023, at the earliest.
31. The Applicant intends to maintain the existing vines on the Land, being approximately 30.87 hectares of pinot noir, 7.5 hectares of which was planted in 2019.

¹⁵ Section 15.

¹⁶ The Vacant Area has not been planted to date due to lack of confidence by the Vendor around what varieties to plant.

32. The Applicant's intended use of the Land is summarised in the table below:

Property address – 1750 Tarras-Cromwell Road, Central Otago Region		
Land use	Current (ha)	Proposed (ha)
Grape vines – existing pinot noir plantation	30.87	30.87
Plantable land (currently vacant)	12.6	0
Grape vines – white varieties	0	12.6
Steeper faces, non-utilised	1.5	1.5
Headlands	10.55	10.55
Total	55.52	55.52

Figure 2 – Land use table

What is likely to happen without the investment (Counterfactual)

33. We consider that the most likely counterfactual would be the purchase of the Land by an adequately funded alternative New Zealand purchaser (the **ANZP**) as the Vendor has advised that if the Transaction does not proceed, the Vendor will continue to market the property for sale.
34. We consider that the ANZP would continue the use of the Land as a vineyard, with the existing pinot noir vines, and will continue to supply the harvested grapes from the existing vines through annual grape supply contracts. From the outcome of the farm land advertising, discussed further in Part H, we consider that the ANZP is unlikely to be a New Zealand wine company.
35. However, as a large portion of the Land is already productive in pinot noir, it is unlikely that the ANZP would commit capital expenditure to grow more vines on the Vacant Area. The Applicant is planting on the Vacant Area in order to meet the grape demands of the Roaring Meg.

Assessment of key benefits

36. The Applicant is ready to introduce additional investment into New Zealand by planting the Vacant Area in pinot gris and sauvignon blanc. This planting would also increase productivity of a portion of the Land that would otherwise be vacant. The Applicant intends to process the fruits harvested from the Land at their Mt Difficulty winery, also based in Central Otago.

37. [s 9(2)(b)(ii)]
- 

[s 9(2)(b)(ii)]

38. To date, the Applicant has had a positive track record of previous investments that have benefitted and continue to benefit New Zealand. This investment would enhance the on-going viability of the Applicant's Mt Difficulty investment by ensuring a stable supply of fruit for Mt Difficulty's Roaring Meg brand.
39. There is, however, uncertainty as to when these benefits will be introduced to New Zealand. While the Applicant intends to plant the Vacant Area by 2023, the Applicant is unable to purchase the grape vines until consent has been granted and the Transaction is settled.

Summary of benefits

40. The benefits to New Zealand that are likely to result from this investment and our assessment of the relative weight to be given to each are set out in the table below.
41. Factors that we considered were either not relevant to the investment, or the benefit to New Zealand was not sufficient to be relied on, are noted in **Attachment 3**.
42. In applying the benefit to New Zealand criteria, you are required to consider each of the benefit factors and determine which of them are relevant. The weight and relative importance to be given to each factor is a matter to be determined by you as the decision-maker. This report sets out our assessment to guide your consideration, however it is not determinative.
43. Under the terms of the Ministerial directive letter,¹⁸ the 'rural land directive' applies to this investment.¹⁹ The benefit factors Ministers have directed should be given high relative importance are noted in the table below.²⁰

¹⁸ Dated 28 November 2017, paragraphs 13-17.

¹⁹ Because the investment involves the acquisition of non-urban land over 5 hectares in size (excluding any associated land) and excludes 'forest land'.

²⁰ The factors that we have given high relative importance are: jobs, new technology or business skills, increased export receipts, increased processing of primary products, and oversight and participation by New Zealanders.

Summary assessment: benefit to NZ test

44. This table assesses the benefits to NZ likely to result from the investment and the relative weight to be given to each.

Relevant benefit factors	Applicant's claims: what they intend to do	Without the investment (Counterfactual)	OIO analysis: strength/weakness		Proposed special conditions
			Indicative strength	Summary	
Greater productivity	The Applicant intends to plant the Vacant Areas in pinot gris and sauvignon blanc.	The ANZP is likely to maintain the current vines on the Land only and leave the Vacant Area as is.	Moderate	We consider that planting the Vacant Area would result in greater productivity of a part of the Land that would otherwise be vacant. However, we rate this benefit factor moderate as the Vacant Area is only 12.6 hectares of the Land, with a large part the remainder being productive Land already.	Proposed condition that the Applicant plants the 12.6 hectares in pinot gris and/or sauvignon blanc.
Increased processing of primary products (<i>high relative importance</i>)	The harvested fruits from the Land will be harvested on the Applicant's Mt Difficulty winery. Planting the Vacant Area will result in an increase in grapes that will be processed.	The ANZP is unlikely to plant more vines on the Vacant Area. There will be no increased processing of primary products.	Moderate	We consider that the new vines being planted on the Vacant Area will produce more grapes, which will be processed in New Zealand. However, we rate this benefit factor moderate as the increased processing will only result from the fruits being planted on the Vacant Area, which is relatively small compared to the size of the Land.	Proposed condition that the Applicant plants the 12.6 hectares in pinot gris and/or sauvignon blanc. This will result in these grapes, when ready, being processed in the Applicant's Mt Difficulty Winery.

Relevant benefit factors	Applicant's claims: what they intend to do	Without the investment (Counterfactual)	OIO analysis: strength/weakness		Proposed special conditions
			Indicative strength	Summary	
Previous investments	The Applicant and FFWH have previously undertaken a number of investments (related to the wine business and wineries) that have benefitted, and continue to benefit New Zealand. ²¹	N/A	Moderate	We agree that the Applicant and the ROP, FFWH have undertaken previous investments that have resulted in the introduction of additional investments for development purposes into New Zealand, new job opportunities, and increase processing of primary products, namely, grapes.	No appropriate condition for this benefit factor.
Enhance the viability of other investments	The acquisition of the Land will allow the Applicant to enhance the ongoing [s 9(2)(b)(ii)]	The acquisition of the Land by the ANZP will not enhance the viability of other investments.	Moderate	The acquisition of the Land will provide [s 9(2)(b)(ii)] [REDACTED] We also consider that planting the Vacant Land will further enhance the Applicant's Mt Difficulty business. However, we have rated this benefit factor moderate as the Roaring Meg only forms part of the Mt Difficulty business, and this investment would only enhance the Roaring Meg part of that business.	No appropriate condition for this benefit factor.

²¹ For the Applicant, case no. 201410056 and 201810030. For FFWH, case no. 201120061.

Relevant benefit factors	Applicant's claims: what they intend to do	Without the investment (Counterfactual)	OIO analysis: strength/weakness		Proposed special conditions
			Indicative strength	Summary	
Additional investment for development purposes	Planting of the Vacant Area is estimated to introduce over \$1 million of additional investment into New Zealand ²² for developing the Land to plant the vines, to get the vines to their first crop, and for field components to fight water frost on the vines.	Much of the Land is already productive vineyard. The ANZP is unlikely to introduce additional investment to develop the Land further or to develop the Vacant Area.	Weak	The planting of the Vacant Area is likely to introduce additional investment for development purposes into New Zealand that would not otherwise happen with an ANZP. However, taking into account the size of the Land being acquired, we consider that the additional investment being introduced is a relatively small sum as it only applies to the development of the Vacant Area.	Condition that the Applicant plants the 12.6 hectares in pinot gris and/or sauvignon blanc. This will result in the introduction of the additional investment for development purposes into New Zealand.

²² The estimates being \$70,000 per planted hectare to develop the Land and plant the vines, \$25,000 per hectare to get the vines to their first crop, and \$10,000 per planted hectare to install field components to fight water frost.

Consultation and submissions about the investment

45. No third-party submissions were sought or received in relation to this application.
46. We have not undertaken any third-party consultation for this application. We consider that the applicant's investment plan and benefit claims did not require further information or verification from a third-party.

Conclusion – benefit to New Zealand test

47. We have undertaken our assessment having regard to the characteristics of the Land and the nature of the interest being acquired, reflecting the proportional nature of the benefit to New Zealand test.
48. After considering the application, we are satisfied that the investment is likely to result in the benefits considered above. We consider the overseas investment is likely to benefit New Zealand and that the benefits are substantial and identifiable.

G. Not a transaction of national interest

49. The investment does not involve a transaction of national interest under the mandatory criteria of the Act.²³ This is because the investment does not involve a non-NZ government investor, or an investment in a strategically important business (as defined in the Act).
50. We have not referred this transaction to the Minister of Finance for him to call it in for a national interest assessment on a discretionary basis.²⁴ He has therefore not declined consent to the transaction.
51. We are directed²⁵ that the starting point is the assumption that overseas investment is in New Zealand's national interest and that we should only seek the Minister of Finance to exercise his discretion for a national interest assessment if the proposed investment:
- could pose risks to New Zealand's national security or public order
 - would grant an investor significant market power within an industry or result in vertical integration of a supply chain
 - has foreign government or associated involvement that was below the 10 per cent threshold for automatic application of the national interest test, but granted that government (and/or its associates) disproportionate levels of access to or control of sensitive New Zealand assets or
 - would have outcomes that were significantly inconsistent with or would hinder the delivery of other Government objectives.
52. We do not consider that this investment engages any of these risk factors.

H. Farm land offer test

53. Because the Land is farm land, we note that it was advertised for sale on the open market, with the required information, for a period of exceeding 20 working days on various websites,²⁶ Sotheby's Property Style Publication, the Lakes District Property Press, and NZ Wine magazine, amongst others.

²³ Under s 20A of the Act.

²⁴ Section 20B of the Act.

²⁵ Supplementary Ministerial Directive Letter (8 June 2020).

²⁶ TradeMe, RealEstate.co.nz, and Sotheby's.

54. The Vendor received three offers for the sale and purchase of the Land. The first offer was 25% below valuation and was not accepted by the Vendor. The second offer was made by a New Zealand entity and was initially accepted by the Vendor. The offeror intended to subdivide the Land to sell and Lease the remainder for use as a vineyard. As part of the offeror's due diligence, the offeror was seeking a tenant who was experienced in the wine industry to Lease the Land. The offeror was unable to find a tenant and the agreement was cancelled by the Vendor. The third offer received was from the Applicant.
55. We are satisfied that the regulations regarding the farm land to be offered for acquisition on the open market have been complied with.

I. Conclusion

56. After considering the application, our view is that:
- the investor test has been met; and
 - the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders); and
 - the benefit is proportionate to the sensitivity of the land and the nature of the transaction; and
 - the benefit will be, or is likely to be, substantial and identifiable; and
 - the transaction is not considered to be a transaction of national interest.
57. Therefore, we consider that the criteria for consent in section 16 have been met and our recommendation is to **grant consent**.
58. If you agree, we refer you to **Attachment 1** to review the Proposed Decision (including consent conditions), and from page 3 of this Assessment Report to record your decision.



Daniel White
Manager, Applications
Overseas Investment Office

Date: 17 / 3 / 2022

J. List of Attachments

1. Proposed Decision
2. Intended ownership structure
3. Other benefit factors

ATTACHMENT 1 PROPOSED DECISION

Consent for Overseas Person to Acquire Sensitive New Zealand Land

Read this consent carefully - you must comply with all the conditions. If you do not, you may be required to dispose of the land and/or be subject to fines or other penalties.

Consent

Decision date: [date]

The following people have been given the following consent:

Case	202100729
Consent	The Consent holder may acquire the Land subject to the Conditions set out below.
Consent holder/s	Foley Wines Limited (company number 307139) We will also refer to each Consent holder and the Consent holders together as you .
Land	A freehold interest in 55.5215 hectares of land located at 1750 Tarras-Cromwell Road, Central Otago Region, contained in Record of Title 63064 (Otago).
Timeframe	You have until 30 April 2023 to acquire the Land.

Conditions

Your Consent is subject to the Special conditions, Standard conditions and Reporting conditions (Conditions) set out below. You must comply with them all. Be aware that if you do not comply with the Conditions you may be subject to fines or other penalties, and you may also be required to dispose of the Land.

In the Consent and the Conditions, we refer to the Overseas Investment Office as **OIO, us or we**.

Act means the Overseas Investment Act 2005.

Vacant Area means the 12.6 hectares (approximate) of plantable land on the Land that is currently vacant.

Special conditions

You must comply with the following **special conditions**. These apply specifically to this Consent and were considerations that particularly influenced us to give consent:

Details	Required date
Special condition 1: Plant the Vacant Area	
a) You must order enough grape vines to plant the Vacant Area [s 9(2)(b)(ii)]. These must be pinot gris and/or sauvignon blanc.	[s 9(2)(b)(ii)]
b) You must plant the Vacant Area with the grape vines ordered under a) above.	[s 9(2)(b)(ii)]
c) You must introduce into New Zealand at least [s 9(2)(b)] to be spent on purchasing and planting the grape vines referred to at a) and b) above	[s 9(2)(b)(ii)]
d) You must operate a vineyard on the Land	At all times
If you do not, standard condition 6 will apply and we may require you to dispose of the Land.	

Standard conditions

You must also comply with the **standard conditions** set out below. These apply to all overseas people who are given consent to acquire sensitive New Zealand land, including you:

Details	Required date
Standard condition 1: acquire the Land	
<p>You must acquire the Land:</p> <ol style="list-style-type: none">by the date stated in the Consent. If you do not, your Consent will lapse or become invalid and you must not acquire the Land, andusing the acquisition, ownership and control structure you described in your application. <p>Note, only you – the named Consent holder – may acquire the Land, not your subsidiary, trust or other entity.</p>	As stated in the Consent
Standard condition 2: tell us when you acquire the Land	
<p>You must tell us in writing when you have acquired the Land. Include details of:</p> <ol style="list-style-type: none">the date you acquired the Land (Settlement),consideration paid (plus GST if any),the structure by which the acquisition was made and who acquired the Land, andcopies of any transfer documents and Settlement statements.	As soon as you can, and no later than two months after Settlement
Standard condition 3: allow us to inspect the Land	
<p>Sometimes it will be helpful for us to visit the Land so we can monitor your compliance with the Conditions.</p> <p>We will give you at least two weeks' written notice if we want to do this.</p> <p>You must then:</p> <ol style="list-style-type: none">Allow a person we appoint (Inspector) to:<ol style="list-style-type: none">enter onto the Land, including any building on it, other than a dwelling, for the purpose of monitoring your compliance with the Conditions (Inspection),	At all times

<ul style="list-style-type: none"> (b) remain there as long as is reasonably required to conduct the inspection, (c) gather information, (d) conduct surveys, inquiries, tests and measurements, (e) take photographs and video records, and (f) do all other things reasonably necessary to carry out the Inspection. <p>2. Take all reasonable steps to facilitate an Inspection including:</p> <ul style="list-style-type: none"> (a) directing your employees, agents, tenants or other occupiers to permit an Inspector to conduct an Inspection, (b) being available, or requiring your employees, agents, tenants or other occupiers to be available, at all reasonable times during an Inspection to facilitate access onto and across the Land. This includes providing transport across the Land if reasonably required. <p>3. During an Inspection:</p> <ul style="list-style-type: none"> (a) we will not compel you and your employees, agents, tenants or other occupiers to answer our questions or to let us look at, copy or take away documents, (b) our Inspector will comply with any reasonable instruction and co-operate with any reasonable health and safety policy or procedure you notify to us before the Inspection. 	
Standard condition 4: remain not unsuitable to invest in New Zealand	
<p>You, and to the extent that you are not an individual, the Individuals Who Control You must remain not unsuitable to own or control the Assets in accordance with section 18A(1) of the Act.</p> <p>The Individuals Who Control You are individuals who:</p> <ul style="list-style-type: none"> (a) are members of your governing body, (b) directly or indirectly, own or control more than 25% of you or of a person who itself owns or controls more than 25% of you, and (c) are members of the governing body of the people referred to in paragraph (b) above. 	<p>At all times</p>

Standard condition 5: tell us about changes that affect you, the people who control you, or people you control

You must tell us in writing if any of the following events happens to any of the Consent holders:

1. You become aware that you and/or any Individual Who Controls you establishes any of the investor test factors listed in section 18A(4) of the Act.
2. You cease to be an overseas person or dispose of all or any part of the Land.
3. Your New Zealand Service Address changes. This is the address you provided us in your application as the address which we will send any legal document we need to serve on you.

Within 20 working days after the change

Standard condition 6: dispose of the Land if you do not comply with key special conditions

Some of the special conditions were key to the decision to give consent. If we consider you have failed to comply with one of those Special conditions in a material way we may require you to dispose of the Land.

If all or part of this standard condition 6 applies to a special condition, we have said so in that condition.

We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:

Value the Land: obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.

Within six weeks of the date of our notice.

Market the Land: instruct a licensed real estate agent to actively market the Land for sale on the open market.

Within six weeks of the date of our notice.

Dispose of the Land: dispose of the Land to a third party who is not your associate.

Within six months of our notice.

Offer without reserve: if you have not disposed of the Land within six months of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.

Within nine months of our notice.

<p>Report to us about marketing: tell us in writing about marketing activities undertaken and offers received for the Land.</p>	<p>By the last day of every March, June, September and December after our notice or at any other time we require.</p>
<p>Report disposal to us: send us, in writing, evidence:</p> <ul style="list-style-type: none"> (a) that you have disposed of the Land, (b) of disposal (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor), (c) the purchaser is not your associate. 	<p>Within one month after the Land has been disposed of.</p>

Reporting conditions

We need information from you about how your Investment Plan is tracking so we can monitor your progress against the Conditions and so we can measure the benefits you have brought to New Zealand through your investment.

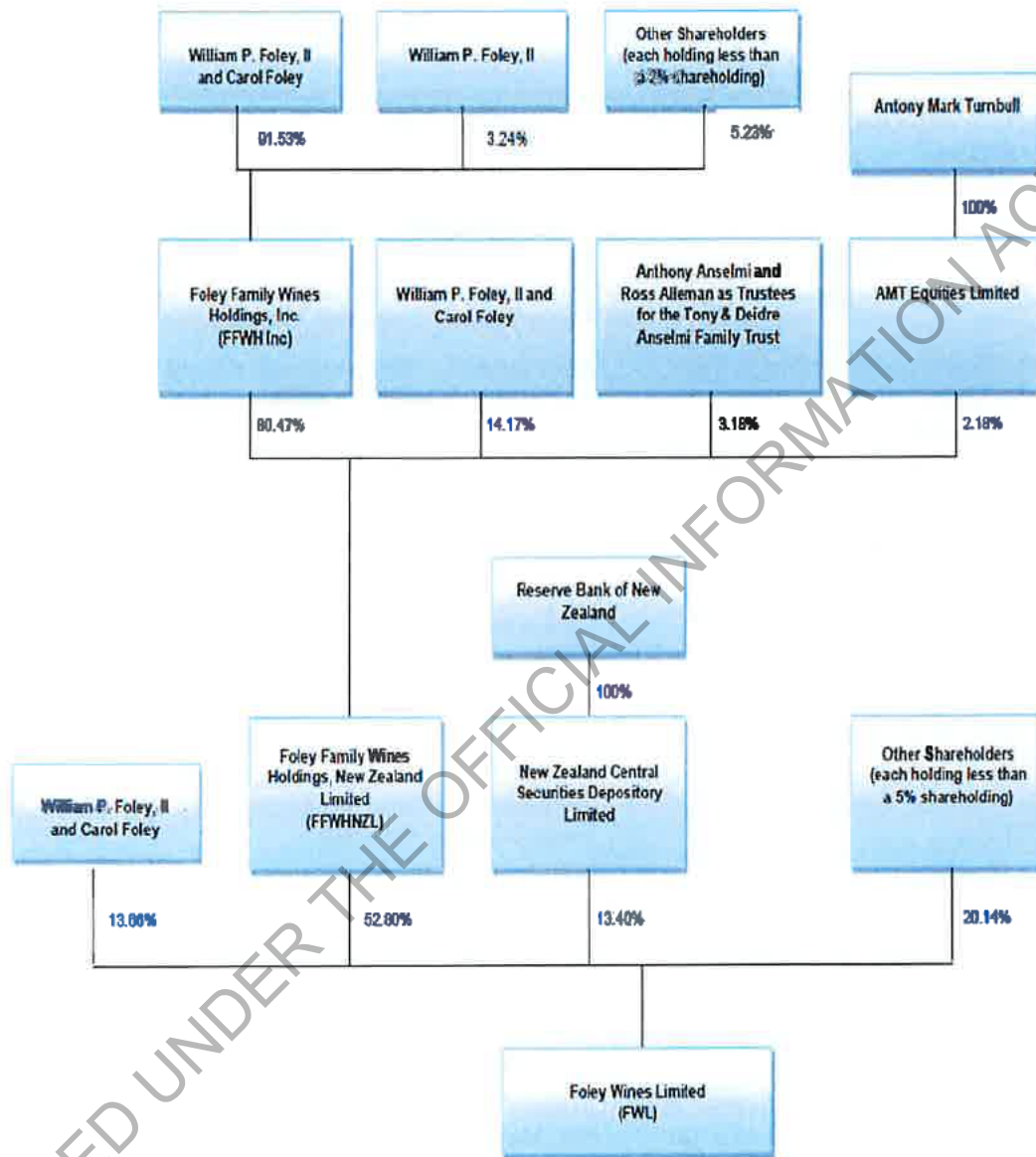
You must lodge **reports**. They must:

1. be sent to **oiomonitoring@linz.govt.nz** by these dates:
 - (a) Year one: 31 January 2024
 - (b) Year two: 31 January 2026
2. contain information about:
 - (a) your progress in implementing the special conditions, and
 - (b) the amount, broken down, invested for development purposes.
3. follow the format of the template report published on our website at <https://oio.linz.govt.nz/oio-consent-monitoring>.

If requested in writing by the OIO, the Consent Holder(s) must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- (a) the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the content was granted or
- (b) the conditions of this consent.

ATTACHMENT 2 – OWNERSHIP STRUCTURE



ATTACHMENT 3 – OTHER BENEFIT FACTORS

The table below lists other factors in the Act and regulations for assessing the benefit of overseas investments.

We considered that the factors below were either not relevant to the investment, or the benefit to New Zealand was not likely or sufficient to be relied on for the purposes of our assessment.

Factor	Reason not relevant or insufficient
Job opportunities – s17(2)(a)(i) (high relative importance factor)	Taking into account the size of the Land and the counterfactual, we consider the job opportunities created by this investment insufficient .
New technology or business skills – s17(2)(a)(ii) (high relative importance factor)	Not relevant. This investment will not result in new technology or business skills.
Increased export receipts – s17(2)(a)(iii) (high relative importance factor)	Not relevant. [s 9(2)(b)(ii)] [REDACTED]
Indigenous vegetation/fauna – s17(2)(b)	Not relevant. There is no indigenous vegetation/fauna on the Land.
Trout, salmon, wildlife and game – s17(2)(c)	Not relevant. There are no trout, salmon, wildlife, and game found on the Land.
Historic heritage – 17(2)(d)	Not relevant. The Land does not contain any historic heritage.
Walking access – s17(2)(e)	Not relevant. This investment will not result in walking access for the public.
Offer to sell seabed/foreshore/riverbed to the Crown – s17(2)(f)	Not relevant. The Land does not contain or adjoin any seabed/foreshore/riverbed,
Consequential benefits – reg 28(a)	Not relevant. This investment will not result in any consequential benefits.
Key person in a key industry – reg 28(b)	No relevant. There is no key person in a key industry involved in this investment.
Affect image, trade or international relations – reg 28(c)	Not relevant. This investment will not affect New Zealand's image, trade, or international relations.
Owner to undertake other significant investment – reg 28(d)	Not relevant. The owner is unlikely to undertake other significant investment.
Advance significant government policy or strategy – reg 28(f)	Not relevant. This investment will not advance significant government policy or strategy.

Factor	Reason not relevant or insufficient
Strategically important infrastructure – reg 28(h)	Not relevant. This investment does not involve any strategically important infrastructure.
Economic interests – reg 28(i)	Not relevant. This investment will not affect New Zealand's economic interest.
Oversight and participation by New Zealanders – reg 28(j) (high relative importance factor)	There is insufficient oversight and participation by New Zealanders in this investment.