

OI Assessment Report 202400476 – Beehive Demetra Limited

Ki / To: Andrew Wells
 Principal Customer Regulatory Specialist
Rā / Date: 20 September 2024
Mai / From: Nick Leaming
 Customer Regulatory Specialist
Rā Mutunga/ Deadline: 30 September 2024

Pūtake/Purpose

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

Summary

Applicant	Beehive Demetra Limited Germany 45% United Kingdom 15% Rest of Europe 20% North America 19% Various 1%
Vendor	Bruce Patrick Mackenzie and Judith Irene Mackenzie New Zealand 100%
Land	A freehold interest in approximately: <ul style="list-style-type: none"> 88.17 hectares of land located at 5374 State Highway 63, Wairau Valley, Marlborough (Vendor Retention Land) and 116.94 hectares of land located at 5374 State Highway 63, Wairau Valley, Marlborough (Retained Land)
Consideration	[s 9(2)(b)(ii)] for the Retained Land
Sensitivity	Is more than 5 hectares of non-urban land
Pathway	Benefit to NZ - Farm land benefit test

Relevant tests	Investor test ¹ Benefit to NZ test – farm land benefit test ² Farm land offer criterion ³ National interest criterion ⁴
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The Applicant is acquiring the Land which is currently used for beef grazing and dairy support. The Land is being subdivided from a larger parcel and the Applicant will only hold the Retained Land in the long term. The Vendor Retention Land will be held on trust by the Applicant during the subdivision process and then transferred back to the Vendor.

The Applicant will develop approximately 65 hectares of bare land on the Retained Land by planting a vineyard consisting of Sauvignon Blanc wine grape varieties.

The Applicant is a subsidiary of German company Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft, and has been established to acquire New Zealand horticultural land. The Applicant will be managed by New Zealand company Craigmores NZ Ltd.

The key benefits that will likely result from this investment are economic benefits in the form of new jobs, increased export receipts and capital investment.

Timing

A decision is required by **30 September 2024** to comply with the expectation in the Ministerial Directive Letter⁵ that the majority of consent decisions are made within half the prescribed assessment timeframe.⁶

¹ Sections 16(1)(a) and 18A of the Act.

² Section 16(1)(c), s16A(1) and s16(1C).

³ Section 16(1)(f) of the Act.

⁴ Section 16(1)(g) of the Act.

⁵ Dated 6 June 2024.

⁶ The assessment timeframe for this application is 100 working days.

Decision

1. I have determined that, for the reasons set out in this report:
 - the relevant overseas person(s) and individuals with control are as set out in the report;
 - the investor test has been met;
 - the benefit test is met;
 - the farm land offer test has been met;
2. I note that the transaction is not considered to be a transaction of national interest
3. I therefore **grant consent** subject to the conditions in **Attachment 1**.

[s 9(2)(a)]

Andrew Wells

Principal Customer Regulatory Specialist Overseas Investment – LINZ

Date: 20 September 2024

A. Background and proposed transaction

4. Beehive Demetra Limited (**Applicant**) is a New Zealand company, ultimately owned by Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft (**Munich Re**), a German reinsurance company. The Applicant will be managed on a day-to-day basis by Craigmores NZ Ltd (**Craigmores**), a New Zealand company.
5. The Applicant is buying a freehold interest in a beef grazing and dairy support farm in the Marlborough district. It will develop a 65-hectare vineyard consisting of Sauvignon Blanc grape varieties on the Retained Land (the **Investment**).

Vendor

6. The Vendors are the two current owners of the cattle farm, Judith Irene Mackenzie and Bruce Patrick Mackenzie (**Vendor**). They are both New Zealand citizens who are approaching retirement and looking to downsize and liquidate some assets. There is no existing relationship between the Applicant and the Vendor, and this is an arm's length transaction.

Land

7. The Vendor owns approximately 324.78 hectares of farmland at 5374 State Highway 63, Wairau Valley, Marlborough. The land is currently contained in one lot,⁷ which is held on one title.⁸
8. Approximately 119.67 hectares on the western boundary of the lot will be subdivided and issued a new title⁹ (the **Subdivided Land**). The Subdivided Land [s 9(2)(b)(ii)] This area will be subdivided prior to the transaction and is not involved in the Investment.
9. After the transaction, the Vendor will subdivide a second area of approximately 88.17 hectares from the original title. This area is in the middle of the lot, encompasses a natural creek and contains dwellings of which the Vendor resides (the **Vendor Retention Land**).
10. The remaining approximate 116.94 hectares is to be sold to and retained by the Applicant (the **Retained Land**). The Retained Land and Vendor Retention Land are together referred to as the **Land** in this report.
11. All three areas are farmland which is currently used by the Vendor to graze cattle.
12. This investment includes fresh or seawater interests being the bed of a river, both the interior and ad medium filum aquae, for the Wairau River. The river boundary is to the north of the Land. As discussed in Section D, a small portion of the Land by the boundary is prone to flooding from the Wairau River.

⁷ Record of Title: MB4C/590.

⁸ Legal description: Part Lot 1 Deposited Plan 4249.

⁹ The subdivision is currently being processed by the Marlborough District Council.

13. A map showing the Vendor Retention Land and Retained Land is included in Figure 1:

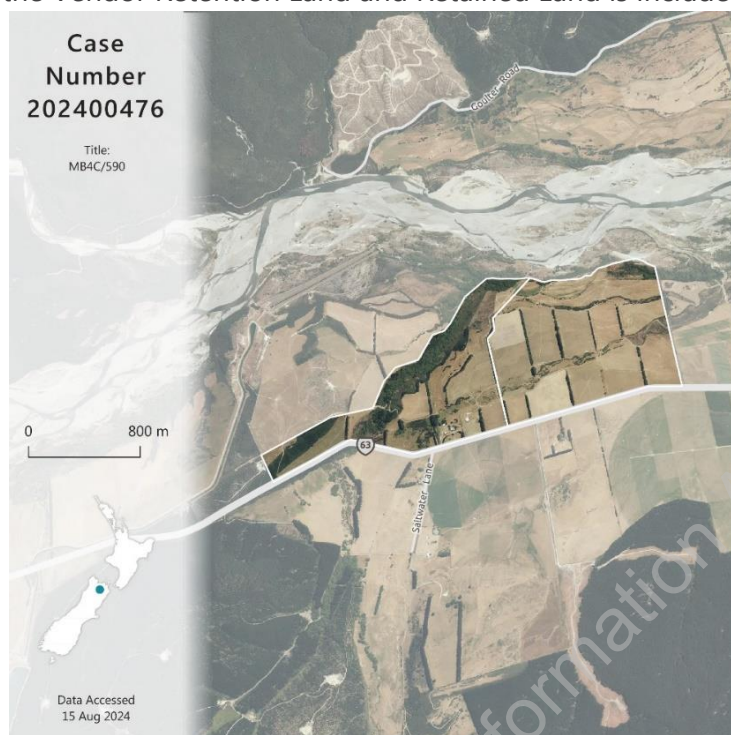


Figure 1: Map of the land

14. The Land is mostly flat, river side farm land, encompassing a creek. A map showing the Land Use Capability (LUC) categories of all 3 pieces of land are shown in Figure 2:

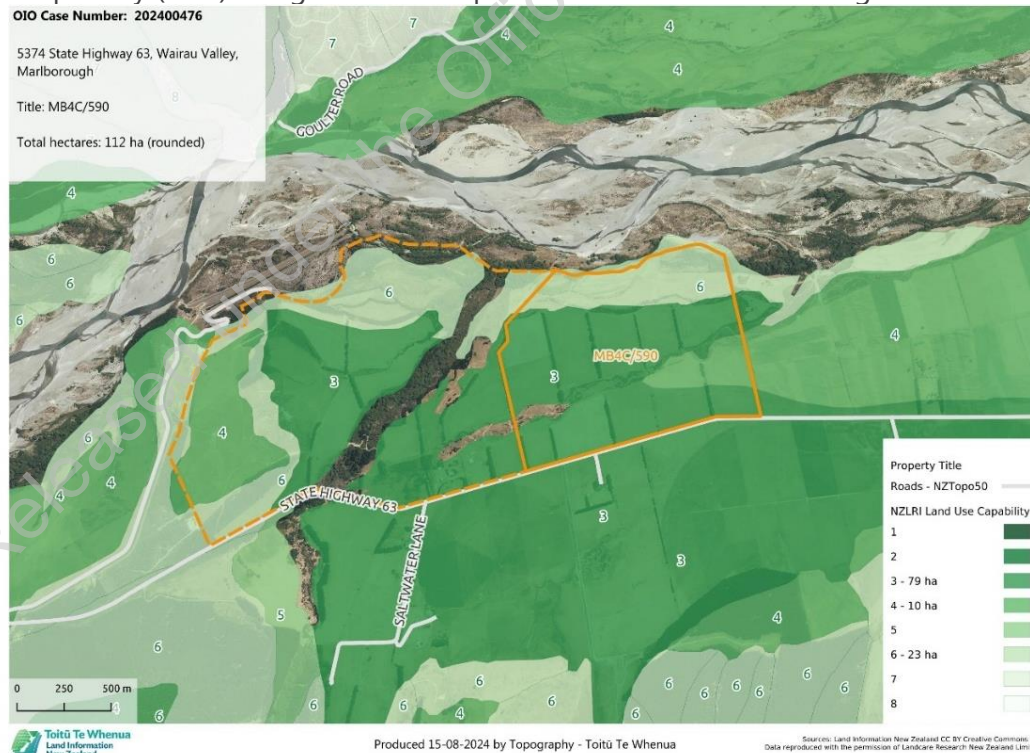


Figure 2: LUC map of the Vendor Retention Land, Retained Land and Subdivided Land

B. Application of the Act

15. The Land is sensitive because it is non-urban land over 5 hectares in size,¹⁰ so consent is required.¹¹ The following criteria for an investment in sensitive land apply to this application:¹²
- The investor test must be met.¹³
 - The benefit to New Zealand test must be met.¹⁴
 - The farm land must have been offered for sale on the open market,¹⁵ unless exempt.¹⁶
 - 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.¹⁷
16. 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 (or any part of it or group of New Zealanders);¹⁸ and
 - Determine that benefit will be, or is likely to be, substantial in relation to one of more of the factors of high relative importance for farm land¹⁹ (unless the farm land benefit test is disapplied).²⁰
17. We assess the investor test in **Part C**, the benefit to New Zealand test in **Part D**, the farm land offer test in **Part E**, discuss national interest matters in **Part F** and fresh and seawater areas in **Part G**.

C. Applicant and investor test

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

Business Activities

19. The Applicant's ultimate owner, Munich Re, is a German multinational insurance company based in Munich, Germany. Munich Re is the world's largest reinsurer, and through its subsidiaries like the Applicant, has been seeking investment opportunities in the Asia Pacific region.

¹⁰ Table 1, Part 1, Schedule 1 of the Act.

¹¹ Sections 10(1)(a) and 12(1)(a) of the Act.

¹² Set out in section 16(1) of the Act.

¹³ Sections 18A and 16(1)(a) of the Act.

¹⁴ Section 16(1)(c), s16A(1) and s16(1C).

¹⁵ Section 16(1)(f) of the Act.

¹⁶ Section 20(1)(a) or (b) of the Act.

¹⁷ Section 16(1)(g) of the Act.

¹⁸ Section 16A(1)(a) of the Act.

¹⁹ Section 16A(1C)(a)&(b) of the Act. This criterion applies because the Land is farm land over 5 hectares in size.

²⁰ Section 16A(1D) of the Act.

20. Craigmore works with global capital partners to build and manage farms, orchards and forestry businesses in New Zealand. Craigmore has a focus on sustainable practices and benefiting local rural communities.

Ownership and control

Munich Re and Silvanus

21. The Applicant is a wholly owned subsidiary of Silvanus Vermögensverwaltungsgesellschaft mbH (**Silvanus**), a company incorporated in Germany. Silvanus is a wholly-owned subsidiary of Munich Re. 100% of Munich Re's shares are free floated on the German stock exchanges and its shares are widely held. Only one shareholder holds a more than 3% shareholding - BlackRock Incorporated and its affiliated entities (6.99%).

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

23. We consider that Silvanus has control over the Investment as: [s 9(2)(b)(ii)] it is funding (and will beneficially own) the Investment; [s 9(2)(b)(ii)]

Craigmore

24. The Applicant has appointed Craigmore [s 9(2)(b)(ii)] Craigmore is a New Zealand company which acts as the asset manager for the Craigmore Sustainables Group.
25. We consider that Craigmore has control over the Investment as [s 9(2)(b)(ii)] it is responsible for the management of the Investment; [s 9(2)(b)(ii)]
26. [s 9(2)(b)(ii)]
27. A diagram of the intended ownership structure is in **Attachment 2**.

Relevant overseas person and individuals with control

28. We recommend that the 'relevant overseas person' is collectively:

Relevant overseas person	Reason
Beehive Demetra Limited	Applicant
Silvanus Vermögensverwaltungsgesellschaft mbH	Parent Company
Craigmore Sustainables NZ Ltd	[s 9(2)(b)(ii)]

29. We recommend that the '**individuals with control of the relevant overseas person**'²¹ are:

Individuals with control ^{*22}	Reason
Leslie Che Charteris*	Director of Applicant, Director of Management Company, Member of Investment Committee
Reuben James Casey	Director of Applicant, Member of Investment Committee
Margaret Anne Blackburn*	Director of Applicant
[s 9(2)(a)]	Director of Parent Company
[s 9(2)(a)]	
[s 9(2)(a)]	
Forbes Herbert Elworthy*	Director of Management Company, Member of Investment Committee
William Robert Nicholas Tapp	Member of Investment Committee

Summary of investor test

30. The relevant overseas persons and individuals with control established none of the factors contained in section 18A(4) of the Act, therefore we consider the **investor test has been met**.

D. Investment plan and benefit to NZ test

31. This section describes the Investment and our assessment of whether it is likely to meet the benefit to NZ test in the Act.

Current state (counterfactual)

32. The Land and the Subdivided Land is currently used for dairy support and mixed age beef cow grazing which until recently supported 1,460 stock units. The majority of cows are raised for up to two years before being reallocated for dairy production. Approximately 91.6 hectares of the Retained Land is used as part of the farming operation. The Vendor is unable to provide stock unit data for the Retained Land alone.

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

²¹ Section 15 of the Act.

²² Individuals marked with an asterisk are not overseas persons, either because they are New Zealand citizens or are ordinarily resident in New Zealand, therefore they do not need to meet the investor test.

34. The Vendor does not export and has no capital expenditure planned for the Retained Land. Two full time equivalent (**FTE**) roles have been attributed to current farm operations being the Vendor themselves. No capital expenditure is planned for the Land.

Investment plan

35. The Applicant will plant at least 65 canopy hectares of Sauvignon Blanc varietal grape vines on the Retained Land. The Investment will also involve the construction of a water storage dam on approximately 2 hectares of the Retained Land to facilitate the production of grapes in dry summer months as well as trellis structures, drainage and irrigation systems and ground works.
36. The Applicant may plant an additional 6.9 hectares of the Retained Land dependant on initial production on the Land. This area, which adjoins the Wairau River, is classified as LUC 6 due to an increased flood risk. The Investment will result in a reduction of use of the Land from 91.6 hectares, to between 65 and 75 hectares.
37. The Applicant will plant 144,430 vines across 65 hectares at a density of 2,222 vines per hectare. Of the required vines, 97% have been secured by the Applicant and are ready for planting.



38. **Key information** about the Applicant's Investment plan is summarised below:
- **Capital expenditure:** The Applicant's total capital expenditure by the end of 2026 will be \$7.4 million. This includes investing in planting, trellis structures, drainage and irrigation systems, water storage, and ground works. There is no planned expenditure under the current state.
 - **Creation of jobs:** The Applicant projects that by 2030, 5.6 additional permanent FTEs will be created. These include 1 FTE for a Vineyard Supervisor and 1 FTE for a Machinery operator.
 - **Export Receipts:** The Applicant has estimated the Investment will result in export receipts of approximately \$4.2 million a year by 2030. An expected [s 9(2)(b)(ii)] annual tonnes of grapes will be

produced annually. Of these, 8,500 tonnes is expected to be exported as wine. However, all wine products will be sold to third parties, who have control over export levels.

Assessment of benefits

39. The benefits to New Zealand that are likely to result from the Investment and our assessment of the relative weight to be given to each are set out in the table below.

Farm Land benefit test

40. The Investment involves the acquisition of farm land exceeding 5 hectares in area. As a result, the farm land benefit test applies unless you decide it need not be met for one of the reasons set out in the Act.²³
41. For the farm land benefit test to be met, the Applicant must demonstrate, in relation to either the economic or New Zealand participation factors, that the benefits of the Investment are of a size or nature that represent a substantial benefit to New Zealand.
42. We have analysed the benefits that are likely to occur as a result of the Investment, compared to the current state of the Retained Land, in the table below. This may include benefits that the Applicant did not specifically claim, but that we have identified may occur.
43. LINZ is directed²⁴ that where an investment demonstrates strong benefits under one or two key benefit factors, other factors may require less consideration if the threshold for meeting the benefit test is clearly met without reference to them. Therefore, benefits that were not considered to be key have not been considered as part of our assessment.
44. 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**.

Benefit		Analysis
Economic Moderate	Capital Expenditure	The development of the vineyard and accommodating facilities will cost approximately \$7.4 million by the end of 2026.
	Jobs	Increase in direct permanent jobs by 5.6 FTE by 2030 The Applicant has also claimed an increase in seasonal FTE and indirect FTE.
	Increased export receipts	Increased \$4.2 million per annum more in export receipts by 2030.

²³ Section 16A(1C)–(1D). You may decide not to apply the farm land benefit test if: the transaction is minor or technical; the transaction does not materially change the level of ownership or control that the relevant overseas person has over the asset; or the farm land has no or limited productive capacity as farm land and will, or is likely to, be used promptly, as a result of the overseas investment, for industrial or commercial development (for example, a supermarket) or for the construction of 1 or more buildings that, taken together, will consist of 20 or more new residential dwellings.

²⁴ Ministerial directive letter 6 June 2024.

Consultation and submissions about the investment

45. No third-party submissions were sought or received in relation to this application.

Proposed conditions and rationale

46. We propose including a condition that requires the Applicant to obtain the necessary resource consents, plant at least 60 canopy hectares of grape vines on the Retained Land and construct a water storage facility.
47. We propose including a condition to require that, once completed, the Applicant operate a vineyard on the Land for at least ten years, then use the Retained Land for horticultural or viticultural purposes at all times.
48. We also propose a condition to require the Applicant to dispose of the Vendor Retention Land as our assessment has been undertaken against the acquisition of the Retained Land.
49. The proposed conditions have been included in the proposed decision in **Attachment 1**.

Conclusion – benefit to NZ test

Key benefits

50. After considering the application, we are satisfied that the Investment is likely to result in the benefits considered above. In particular it is likely to result in economic benefits arising directly from the Investment including:
- creation of 5.4 new permanent FTEs;
 - capital expenditure of approximately \$7.4 million; and
 - increased exports of \$4.2 million per annum.

Proportionality

51. We have undertaken our assessment having regard to the sensitivity of the Retained Land and the nature of the overseas investment transaction, reflecting the proportional nature of the benefit to NZ test.
52. The Applicant is acquiring a freehold interest in approximately 116 hectares of farm land currently used for grazing and dairy support. While the majority of the Retained Land is LUC 3, we note the land will continue to be used for an agricultural purpose.

Conclusion

53. After considering the application, we are satisfied that the Investment is likely to result in economic benefits in proportion to the sensitivity of the Retained Land and the nature of the Investment.
54. In relation to the farm land benefit test, we consider that the capital expenditure, jobs, and potential exports that will occur as a result of the Investment, while moderate, are of sufficient benefit to New Zealand to be substantial in relation to the economic factor.

E. Farm land offer test

- 55. The Vendor Retention Land was granted a Farm land offer exemption²⁵, as it is to be transferred to the Vendor by 28 February 2026.
- 56. The Vendor advertised the Retained Land for acquisition by publishing it via internet and print advertising for over 30 working days. It was advertised from 8 November 2023 to 5 July 2024.
- 57. All advertising was undertaken prior to entering a sale and purchase agreement which was entered into on 5 July 2024. Advertising was done on major online and local media outlets (e.g. Realestate.co.nz, Trademe, Colliers and Marlborough Express) and included both internet and print advertising.
- 58. We are therefore satisfied that the Retained Land was advertised for sale on the open market with the required information for a period exceeding 30 working days and using the appropriate platforms.

F. Not a transaction of national interest

- 59. The Investment does not involve a transaction of national interest under the mandatory criteria of the Act.²⁶ 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).
- 60. The Minister of Finance has not called the Investment in for a national interest assessment.²⁷

G. Fresh or seawater areas

- 61. This investment includes fresh or seawater interests being the bed of a river, both the interior and ad medium filum aquae, for the Wairau River.
- 62. If the Applicant is granted consent for this Investment, the Applicant will lodge a water areas acquisition notice immediately on receiving the interest in the Land. A separate decision will be made by decision-making Ministers subsequently. We have included the automatic condition that the Applicant must comply with the provisions of Schedule 5 of the Act.

H. Conclusion

- 63. For the reasons set out in this report, we consider that the criteria for consent have been met and our recommendation is to **grant** consent.
- 64. 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.

²⁵ [FLA Exemption Report 202400476 Beehive Demetra Limited \(A6483357\)](#)

²⁶ Under s 20A of the Act.

²⁷ Section 20B of the Act

I. Attachments

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

Released under the Official Information Act 1982

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: 20 September 2024

The following people have been given the following consent:

Case	202400476
Consent Holder	Beehive Demetra Limited (New Zealand company number 8783669). We will also refer to the Consent holder as you .
Consent	The Consent Holder may acquire the Land subject to the Conditions set out below.
Freehold Land	A Freehold Interest in approximately 116.94 hectares of land located at 5374 State Highway 63, Wairau Valley, Marlborough, currently contained in Record of Title MB4C/590 and identified as Lot 2 in Schedule 1 to these conditions.
Vendor Retention Land	A freehold interest in approximately 88.17 hectares of land located at 5374 State Highway 63, Wairau Valley, Marlborough contained in Record of Title MB4C/590 and identified as Lot 1 in Schedule 1 to these conditions
Land	The Freehold Land and the Vendor Retention Land
Timeframe	You have until 30 September 2025 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 Land Information New Zealand as **LINZ, us** or **we**.

Definitions

Act means Overseas Investment Act 2005.

Regulations means Overseas Investment Regulations 2005.

Resource Consents means consent for frost fans, water permits to enable a viticulture land use, water storage reservoir and associated earthworks

WAAN means water areas acquisition notice.

Any term or expression that is defined in the Act or Regulations and used, but not defined, in this Consent has the same meaning as in the Act or Regulations.

Special Conditions

You must comply with the following **special conditions**. These apply specifically to this Consent and include conditions that we must impose under the Act.

Details	Required date
Special condition 1: Resource consents, planting and use of land	
<p>You must:</p> <ul style="list-style-type: none">a) obtain the Resource Consentsb) plant at least 60 canopy hectares of grape vines on the Landc) complete construction of a water storage dam and facilities on the Freehold Landd) operate a vineyard on the Freehold Lande) operate a vineyard and/or orchard and/or horticultural operation on at least 60 hectares of the Freehold Land	<ul style="list-style-type: none">a) By 30 September 2026b) By 31 March 2028c) By 31 March 2028d) At all times until 30 September 2034e) At all times from 1 October 2034
<p>If you do not comply with this condition, Standard Condition 6 will apply, and we may require you to dispose of the Land.</p>	

Special condition 2: Dispose of the Vendor Retention land	
You must dispose of the Vendor Retention Land.	By 28 February 2026
If you do not comply with this condition, Standard Condition 6 will apply, and we may require you to dispose of the Land.	
Special condition 3: Non occupation outcome	
<p>None of the following people may occupy the Land acquired under this consent for residential purposes:</p> <ul style="list-style-type: none"> a) You; b) Any overseas person with more than 25% ownership or control of the people in you; c) Any overseas person that occupies the Land on other than arms length terms;²⁸ d) Any overseas person who has a beneficial interest in, or beneficial entitlement to, the relevant interest in the Land; e) If you are a trust, any beneficiary (direct or indirect) who may benefit under the trust at the trustees' discretion. 	At all times
If any such persons do occupy land for residential purposes, Standard Condition 6 will apply, and we may require you to dispose of the Land.	
Special condition 4: Fresh or seawater areas	
<p>You must, in relation to the fresh or seawater area(s) on the Land:</p> <ul style="list-style-type: none"> i. comply with provisions of Schedule 5 of the Act; ii. provide a draft WAAN to FSAapplications@linz.govt.nz iii. lodge the WAAN on the record of title. 	<ul style="list-style-type: none"> i) By the times set out in Schedule 5 of the Act ii) At least 15 working days before Settlement iii) Immediately following the transfer and before registering any other interests in the title.

²⁸ Has the meaning in clause 17, Part 5, Schedule 2 of the Act. In summary it means terms, for example under a lease (or other contract), that are on a reasonable commercial basis.

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> <ul style="list-style-type: none"> i. 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, and ii. Using the acquisitions, ownership and control structure you described in your application. Note, only you-the named Consent Holder may acquire the Land, not your subsidiary, trust or other entity. 	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.</p> <p>Include details of:</p> <ul style="list-style-type: none"> i. The date you acquired the Land (Settlement) ii. Consideration paid (plus GST if any) iii. The structure by which the acquisition was made and who acquired the Land, and iv. Copies of any transfer documents and Settlement statements. 	As soon as you can, and no later than 2 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. We will give you at least 2 weeks written notice if we want to do this.</p> <p>A. You must then:</p> <ul style="list-style-type: none"> i. Allow a person we appoint (Inspector) to: <ul style="list-style-type: none"> a. 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 recordings and f. do all other things reasonably necessary to carry out the Inspection <ul style="list-style-type: none"> ii. Take all reasonable steps to facilitate an Inspection including: <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>B. During an Inspection:</p> <ul style="list-style-type: none"> i. 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 ii. Our Inspector will comply with any reasonable instruction and cooperate 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 Land 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"> i. Are members of your governing body ii. Directly or indirectly, own or control more than 25% of you or a person whop itself owns or controls more than 25% of you, and 	<p>At all times</p>

iii. Are members of the governing body of the people referred to in ii above.	
Standard condition 5: Tell us about the changes that affect you, the people who control you, or people you control	
<p>You must tell us in writing if any of the following events happen to any of the Consent Holders:</p> <ul style="list-style-type: none"> i. 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. ii. You cease to be an overseas person or dispose of all or any part of the Land iii. 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. 	<p>Within 20 working days after the change</p>
Standard condition 6: Dispose of the Land if you do not comply with key special conditions	
<p>If all or part of this Standard Condition 6 applies to a special condition, we have said so in that special condition. 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.</p> <p>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p> <ul style="list-style-type: none"> i. Value the Land: obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer. ii. Market the Land: instruct a licensed real estate agent to actively market the Land for sale on the open market. iii. Dispose of the Land: dispose of the Land to a third party who is not your associate. iv. Offer without reserve: if you have not disposed of the Land within 6 month of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land. 	<p>Within 6 weeks of the date of our notice</p> <p>Within 6 weeks of the date of our notice.</p> <p>Within 6 months of our notice</p> <p>Within 9 months of our notice</p>

<p>v. 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>vi. Report disposal to us: send us, in writing, evidence of the following:</p> <ul style="list-style-type: none"> a. That you have disposed of the land (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor) and b. That the purchaser is not your associate. 	<p>Within 1 month after the Land has been disposed of</p>

Released under the Official Information Act 1982

Reporting conditions

We need information from you about how your investment plan is tracking so we can monitor your progress against the conditions.

In addition to Settlement reporting (as set out in Standard Condition 2) you must provide LINZ with reports detailing the progress of the investment. The reports must:

- i. be submitted via our [Webform](#) by these dates:
 - a. 31 December 2026
 - b. 31 December 2028
 - c. Within one month of when you change the use of the Land under Special Condition 1d)
- ii. contain information about:
 - a. your progress in implementing the special conditions (which can include photographs, maps or aerial imagery as evidence of compliance with relevant conditions)
- iii. Follow the format of the template annual report published on our website

If requested in writing by LINZ, 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:

- i. 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 consent was granted, or
- ii. the conditions of this consent.

Power to vary reporting date

The dates on which reports are due to be provided may be changed by agreement between LINZ and the Consent Holder(s), provided that this power may not be used to give a time extension for an individual report.

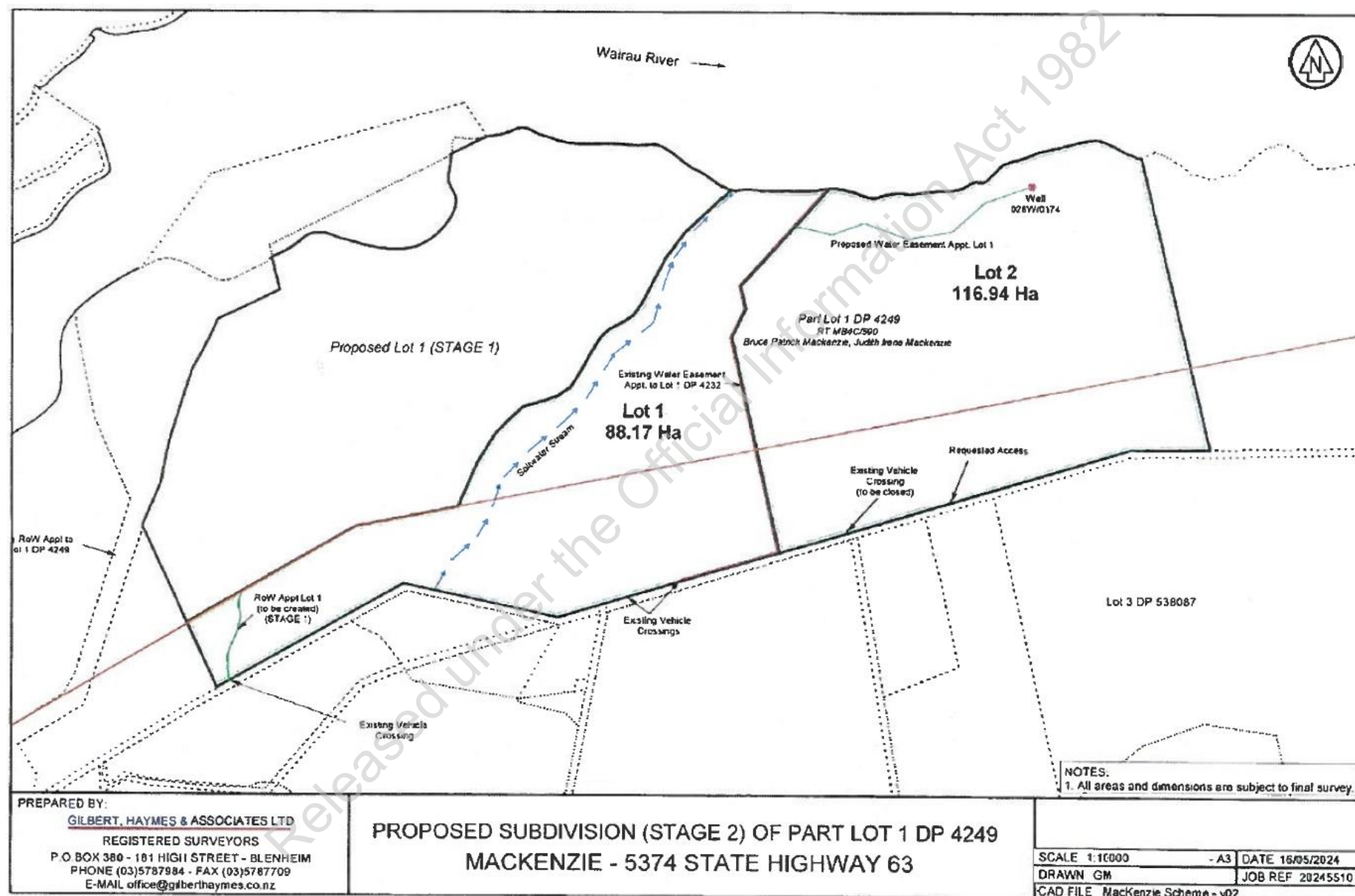
Power to narrow scope of reports

LINZ may temporarily or permanently waive the requirement to report on a particular matter.

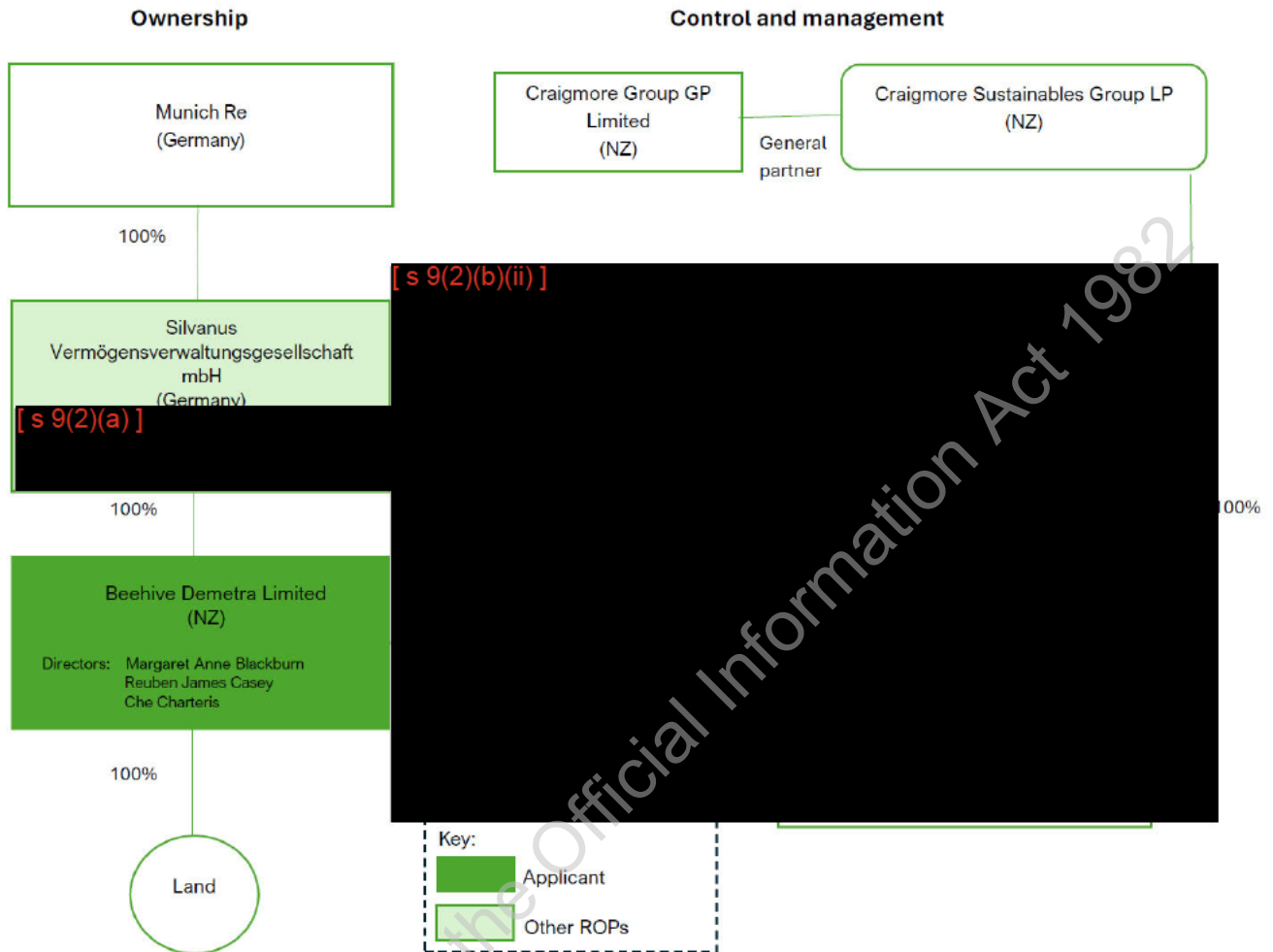
Power not to require further reporting

LINZ may waive the requirement to submit a report and may waive the requirement for future reporting.

Schedule 1 – Proposed subdivision of land currently contained in Record of Title MB4C/590



ATTACHMENT 2 INTENDED OWNERSHIP STRUCTURE



ATTACHMENT 3 OTHER BENEFIT FACTORS

The table **below** lists other factors in the Act 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
Environmental benefits	Not relevant
Public access	Not relevant – No public access proposed
Historic heritage	Not relevant – No historic sites on the Land
Significant government policy	Insufficient benefit - No specific policy identified other than the Ministerial Directive Letter 6 June 2024, recognising the importance of growing investment into New Zealand's various producing various sectors, including viticulture.
Oversight or participation by New Zealanders	Insufficient benefit – Management of the Land will have significant New Zealand oversight. However, there will be no increase in New Zealand oversight as the Land is current 100% owned and managed.
Consequential benefits	Not relevant
Extraction of water for human consumption / bottling	Not relevant