

Crown Pastoral Land Tenure Review

Lease name: BRAESIDE

Lease number: PO 181

Substantive Proposal - Part 1

The report attached is released under the Official Information Act 1982.

August

06

EXECUTION
COPY

PROPOSAL FOR REVIEW OF CROWN LAND
Under Part 2 of the Crown Pastoral Land Act 1998

Date: *31* March 2006

Parties

Holder: **Graeme Matthew McKnight and Alastair John McKnight**
G M and A J McKnight
Braeside
1 RD
Oturehua
OTAGO

Commissioner of Crown Lands:

C/- Manager for Tenure Review
DTZ New Zealand Limited
43 Tarbert Street
ALEXANDRA

The Land

Lease: Braeside

Legal Description: 227B and 227C Turnagain, St Bathans, Idaburn, and Blackstone Survey Districts excluding water race areas.

Area: 12355.0527 hectares

Certificate of Title/Unique Identifier: OT 386/75

Crown Land:

Legal Description: Sections 1, 2, 3, 4 and 5 SO 24066 (Otago Land Registry)

Area: 152 hectares

Summary of Designations

Under this Proposal, the Land is designated as follows:

- (a) The Crown Land (shown marked in pink on the Plan) is to be restored to, or retained by, the Crown as set out in Schedule One; and
- (b) The Crown land (shown as a red strip on the Plan) is to be restored to, or retained by, the Crown as set out in Schedule Two; and
- (b) The Freehold Land (shown marked in green on the Plan) is to be disposed by freehold disposal to the Holder as set out in Schedule Three.

1 **The Plan**

2 Conditions

- 2.1 This Proposal, and any agreement arising therefrom, is subject to the conditions contained in Schedule Four (if any).

3 Settlement

- 3.1 Unless otherwise agreed by the parties, the Settlement Date for the disposal of the Freehold Land to the Holder by freehold disposal will be the day that is TEN (10) working days following the day on which Land Information New Zealand notifies the Commissioner that the Final Plan and a copy of this Proposal are registered in accordance with the Act.
- 3.2 The Freehold Land will be disposed of to the Holder under the Land Act 1948.

4 Holder's Payment

- 4.1 By 3.00 p.m. on the Settlement Date, the Holder must pay the Holder's Payment and all other money payable to the Commissioner or the duly appointed agent of the Commissioner by bank cheque without set-off or deduction of any kind in accordance with the settlement requirements of the Commissioner.
- 4.2 If the Holder fails to pay the Holder's Payment or any part of it or any other money to the Commissioner or to the duly appointed agent of the Commissioner on the Settlement Date clause 19 will apply.

5 Commissioner's Payment

- 5.1 The Commissioner shall pay the Commissioner's Payment to the Holder on the Settlement Date.
- 5.2 No interest shall be payable to the Holder by the Commissioner in respect of the Commissioner's Payment, including (without limitation) for the period from the Vesting Date to the Settlement Date.

6 Vesting of Crown Land

- 6.1 The Crown Land will vest in the Crown on the Vesting Date.

7 Issue of Certificate of Title

- 7.1 Notwithstanding any other provision in this Proposal, the Commissioner will not request that the Surveyor-General issue a certificate to the Registrar pursuant to section 116 of the Land Act 1948 (to enable a certificate of title to issue for the Freehold Land) unless and until:
- (a) the Commissioner has received the Holder's Payment from the Holder under clause 4, and all other money payable by the Holder under this Proposal and the Notice;
 - (b) the Holder has provided to the Commissioner duplicate copies of the certificate of title relating to the Lease (if any) and/or the Lease if requested by the Commissioner;
 - (c) the Holder has signed and returned to the Commissioner all documents required by the Commissioner to be signed by the Holder to give effect to this Proposal (including, without limitation, any permit, covenant, easement and/or any other document); and
 - (d) the Holder has procured a registrable discharge of any Mortgage and provided this to the Commissioner together with any new mortgage documents to be registered against the Freehold Land.

8 Registration of Documents

- 8.1 Subject to clause 7, the Commissioner will lodge all documents necessary to give effect to this Proposal (including, without limitation any easement, covenant, discharge of mortgage, and/or duplicate copy of the Lease) and any new mortgage documents to be registered against the certificate of title to be issued for the Freehold Land so that the certificate of title for the Freehold Land will issue subject to the encumbrances provided in this Proposal. Any new

mortgage will be registered after any other encumbrances such as any easements and/or covenants are registered.

9 Consents

- 9.1 The Holder must obtain the written consent to the Holder's acceptance of this Proposal from all persons having an interest in the Land (other than the Holder), including, but not limited to:
- (a) any Mortgagee(s);
 - (b) any party entitled to the benefit of a land improvement agreement registered against the Lease and/or the Land; and
 - (c) any other person that the Commissioner reasonably believes has an interest in the Land or who the Holder reasonably believes has an interest in the Land, whether registered or not.
- 9.2 The consents required under clause 9.1 must be in a form acceptable to the Commissioner in all respects and be returned to the Commissioner with this Proposal on its acceptance by the Holder. Examples of the form of consents required under clause 9.1 are set out in Appendix 1.
- 9.3 The Holder must also obtain, and provide to the Commissioner if requested, all consents necessary for the Holder to accept this Proposal including (without limitation) any:
- (a) corporate and/or trustee consents; and
 - (b) consent required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005.
- 9.4 The Holder will procure the Mortgagee to execute a registrable discharge of the Mortgage and, if required by the Mortgagee, the Holder will execute registrable new mortgage documents and forward these to the Commissioner to be registered as set out in clause 8.
- 9.5 If required by the Mortgagee, the Commissioner will provide an undertaking that, subject to the provisions of clause 7 being satisfied, the Commissioner will register the discharge of the Mortgage and register any new mortgage against the certificate of title for Freehold Land at the same time as the certificate of title for the Freehold Land issues.

10 Continuation of Lease

- 10.1 The Lease will remain in full force and effect until a certificate of title issues for the Freehold Land. Notwithstanding when Settlement Date occurs, until a certificate of title issues for the Freehold Land the Holder will duly and punctually comply with all obligations on its part under the Lease (other than as set out at clause 12.1 (b)) and the Lease will remain in full force and effect.
- 10.2 From the date that a certificate of title is issued for the Freehold Land the Lease is deemed to be surrendered and, subject to clause 10.3, the Commissioner releases and discharges the Holder from the performance and observance of all covenants, conditions and obligations under the Lease.
- 10.3 The release and discharge in clause 10.2 is without prejudice to:
- (a) the rights, remedies and powers of the Commissioner contained in the Lease (except as varied in accordance with clause 12.1(b)); and
 - (b) will not release or discharge the Holder from any liability under the Lease, arising prior to the date that the certificate of title for the Freehold Land is issued, under any statute or by any reason where such liability is due to the fault of the Holder.
- 10.4 As from the Vesting Date, the Holder will not have any estate, right or claim against any of the land, improvements, fencing, buildings, structures, fixtures, fittings or chattels on the Crown Land (subject to the provisions of any permit, easement, concession, other encumbrance or document provided under this Proposal). The Holder will not be entitled to any compensation for any of its improvements, fencing, buildings, structures, fixtures, fittings or chattels which are on the Crown Land as at the Vesting Date.

11 Fencing and Construction

- 11.1 If the Holder has accepted this Proposal and that acceptance has taken effect pursuant to the Act, the Commissioner will, at its cost, erect new fencing approximately along the line marked as such on the Plan (if any).
- 11.2 The Commissioner will erect the fencing referred to in clause 11.1 according to the specifications in Appendix 3. The ongoing maintenance of the fencing referred to in clause 11.1 will be under the terms of the Fencing Act 1978.
- 11.3 If the Commissioner has not completed any fencing as set out in Appendix 3 by the Settlement Date, the Holder agrees that the Commissioner may register a covenant, on terms entirely satisfactory to the Commissioner (in the Commissioner's sole discretion), over the Freehold Land to enable the Commissioner to complete such fencing. The Holder will do all things necessary (including signing any document) to enable the Commissioner to register such a covenant.
- 11.4 If the Holder has accepted this Proposal and that acceptance has taken effect pursuant to the Act, the parties will (or the relevant will (as the case may be)) undertake the construction works set out in Appendix 3 on the terms and conditions set out in Appendix 3.

12 Apportionments

- 12.1 Rent payable under the Lease in respect of the Freehold Land shall be apportioned as follows:
- (a) Rent paid or payable will be apportioned on the Settlement Date as at the Settlement Date and either deducted from or added to (as the case may be) the amount required to settle.
 - (b) Notwithstanding that the Lease continues in effect until a certificate of title issues for the Freehold Land, the Holder shall not be required to pay any rent under the Lease for the Freehold Land from the Settlement Date.
- 12.2 Rent paid or payable under the Lease for the Crown Land will be apportioned on the Settlement Date as at the Vesting Date and either deducted from or added to (as the case may be) the amount required to settle.
- 12.3 All rates, levies, and all other incomings and outgoings and other charges receivable from or charged upon the Freehold Land will, unless otherwise agreed by the parties, be apportioned on the Settlement Date as at the Settlement Date.
- 12.4 All rates, levies and all other incomings and outgoings and other charges receivable from or charged upon the Crown Land will be apportioned on the Settlement Date as at the Vesting Date and either deducted from or added to (as the case may be) the amount required to settle.
- 12.5 Following the date that a certificate of title issues for the Freehold Land, the Commissioner will undertake a final apportionment and either the Commissioner will pay to the Holder, or the Holder will pay to the Commissioner, any additional amounts due because of any payments made or received by one party on behalf of the other for the period from the Settlement Date to the date on which a new certificate of title issues for the Freehold Land.

13 Risk

- 13.1 On and with effect from the Unconditional Date all risk of any nature in respect of the Freehold Land will pass from the Commissioner to the Holder. For the avoidance of doubt, the Holder's current risk in respect of matters arising under the Lease, including, without limitation, the Holder's risk in respect of all improvements, buildings, fencing, fixtures, fittings and chattels, will continue to remain with the Holder until the Lease is deemed to be surrendered under clause 10.2.
- 13.2 The Holder will be required to comply with its settlement obligations under this Proposal irrespective of any damage to, or destruction of, the Freehold Land prior to the Settlement Date.

14 Survey

- 14.1 All areas of the Land forming part of this Proposal and delineated on the Plan are approximate and subject to preparation of the Final Plan. The measurements of the areas may therefore alter on the Final Plan.
- 14.2 No error, misdescription or amendment of any part of the Land will annul, vary, or derogate from this Proposal, or the Holder's acceptance of this Proposal.
- 14.3 For the avoidance of doubt, the Holder will not be entitled to cancel or withdraw its acceptance of this Proposal, nor will the Holder, or any successor in title of the Holder or any party with an interest in the Land, be entitled to payment of any compensation, should any area of the Land on the Final Plan have a different measurement to the area specified in this Proposal.
- 14.4 The Commissioner does not warrant that any existing fence is erected on, or that any new fence to be erected will be on, any boundaries of the Land or any part of the Land as outlined on the Plan or the Final Plan.

15 Holder's Acknowledgments

- 15.1 If the Holder accepts this Proposal and that acceptance takes effect under the Act, the Holder acknowledges that:
 - (a) it is obtaining the freehold interest in the Freehold Land:
 - (i) "as is", solely in reliance on its own investigations and judgement; and
 - (ii) not in reliance on any representation or warranty made by the Commissioner, its employees, agents or any other person or persons directly or indirectly associated with the Commissioner;
 - (b) the Holder has carried out all inspections of the Freehold Land which the Holder considers necessary to satisfy itself as to all matters relating to the Freehold Land;
 - (c) the Holder, at its cost, is entirely responsible for all work to ensure that the Freehold Land complies with all applicable laws including (without limitation):
 - (i) the Resource Management Act 1991; and
 - (ii) any rule in any plan, resource consent or other requirement issued under the Resource Management Act 1991, and
 - (iii) the Building Act 1991; and
 the Holder hereby indemnifies and will indemnify the Commissioner against all losses, damages and expenses incurred by the Commissioner and against all claims made against the Commissioner in respect of any work or costs for which the Holder is liable under this clause 15;
 - (d) nothing in this Proposal is affected by, and the Commissioner has no liability of any nature in respect of, the existence or terms of any leases, licences or other occupation rights of any nature (if any) granted by the Holder in respect of the Land; and
 - (e) the Holder has no claim (and will not have any claim) whatsoever against the Crown and/or Commissioner in relation to the Tenure Review and/or this Proposal, including (without limitation) any claim for any misrepresentation or for any loss or damage suffered whether in contract, tort (including negligence) or otherwise.

16 No Representations or Warranties by the Commissioner

- 16.1 The Commissioner gives no representations or warranties of any nature in respect of the Freehold Land. Without limitation, the Commissioner does not warrant:
 - (a) the accuracy of any matter in the Notice or this Proposal or in any notice, or any correspondence or other information provided to the Holder by the Commissioner or by any agent, contractor or employee of the Commissioner; or
 - (b) that the Freehold Land is or will remain suitable for the Holder's use; or
 - (c) that the Freehold Land complies with all or any statutory, territorial authority or any other legal requirements affecting or relevant to the Freehold Land.

17 Acceptance

- 17.1 The Holder's acceptance of this Proposal is irrevocable and constitutes a binding agreement between the Commissioner and the Holder.
- 17.2 If the Commissioner does not receive an acceptance to this Proposal from the Holder within three (3) months of putting it (in its substantive form) to the Holder, the Holder is deemed to have rejected this Proposal.

18 Solicitors Certificate

- 18.1 The Holder must procure the Holder's solicitors to provide the Commissioner with a solicitor's certificate (in a form satisfactory to the Commissioner, in its reasonable opinion) relating to such matters as the Holder's execution of this Proposal and the Holder's execution of any documents required to give effect to this Proposal (including, without limitation any easement, protective mechanism and/or concession). An example of the form of solicitors certificate required is set out at Appendix 2.
- 18.2 The Holder must return the completed solicitor's certificate to the Commissioner with this Proposal on its acceptance by the Holder.

19 Default

- 19.1 If from any cause whatever (except the default of the Commissioner) all or any part of the Holder's Payment or any other money payable by the Holder to the Commissioner is not paid on the due date the Holder will pay to the Commissioner interest at the Default Rate on the part of the Holder's Payment or any other money payable by the Holder to the Commissioner so unpaid from the due date until the date of actual payment in full.
- 19.2 The Commissioner's rights under this clause 19 are without prejudice to any other rights or remedies available to the Commissioner at law or in equity.

20 Goods and Services Tax

- 20.1 The Commissioner and the Holder warrant to each other that they are registered for GST purposes.
- 20.2 On the 10th working day following the Unconditional Date, the Commissioner will provide to the Holder a GST invoice in respect of the supply evidenced by the Holder's Consideration. The invoice will specify the Commissioner's GST Date.
- 20.3 The Holder will pay GST on the Holder's Consideration to the Commissioner by bank cheque on the Commissioner's GST Date, time being of the essence.
- 20.4 On the 10th working day following the Unconditional Date, the Holder will provide to the Commissioner a GST invoice in respect of the supply evidenced by the Commissioner's Consideration.
- 20.5 The Commissioner will pay GST on the Commissioner's Consideration to the Holder on the Commissioner's GST Date, time being of the essence.
- 20.6 Where any GST is not paid to the Commissioner or to the Holder (as the case may be) in accordance with this clause 20, the Holder will pay to the Commissioner, or the Commissioner will pay to the Holder (as the case may be), upon demand and together with the unpaid GST:
 - (a) interest, at the Default Rate, on the amount of the unpaid GST and which will accrue from the Commissioner's GST Date until the date of payment of the unpaid GST; and
 - (b) any Default GST.

21 Lowest price

- 21.1 The Holder's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the Freehold Land under section EH 48(3)(a) of the Income Tax Act 1994 is equal to the Holder's Consideration.

- 21.2 The Commissioner's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the Crown Land under section EH 48(3)(a) of the Income Tax Act 1994 is equal to the Commissioner's Consideration.

22 Costs

- 22.1 The Commissioner will meet the costs of the survey (if any) of the Land, including all designation areas, the Final Plan and for a certificate of title to issue for the Freehold Land.
- 22.2 The Holder is responsible for all costs the Holder incurs in respect of and incidental to the Tenure Review. In particular, but without limitation, the Holder shall bear all its costs in relation to the review of all documentation forming part of the Tenure Review (including this Proposal), and all professional advice provided to or sought by the Holder.

23 No nomination or assignment

- 23.1 The Holder is not entitled to, and is expressly prohibited from, nominating another person to perform the Holder's obligations under this Proposal or assigning to another person the Holder's interest (or any part) under this Proposal.

24 Recreation Permit

- 24.1 Immediately on the registration of the Final Plan and a copy of the proposal to which it relates over the Land and pursuant to s64 of the Act, any recreation permit granted over the Land shall be determined.

25 General

- 25.1 This Proposal and the Notice:
- (a) constitute the entire understanding and agreement between the Commissioner, the Crown and the Holder in relation to the Tenure Review; and
 - (b) supersede and extinguish all prior agreements and understandings between the Crown, the Commissioner and the Holder relating to the Tenure Review.
- 25.2 Each provision of this Proposal will continue in full force and effect to the extent that it is not fully performed at the Settlement Date.
- 25.3 The Holder must comply with the Commissioner's requirements for the implementation and settlement of the Tenure Review contemplated by this Proposal.
- 25.4 The Commissioner and the Holder will sign and execute all deeds, agreements, schedules and other documents and do all acts and things as may be reasonably required by the other to effectively carry out and give effect to the terms and intentions of this Proposal.
- 25.5 This Proposal is governed by, and must be construed under, the laws of New Zealand and the Commissioner and the Holder irrevocably submit to the jurisdiction of the New Zealand courts or other New Zealand system of dispute resolution.
- 25.6 The illegality, invalidity or unenforceability of any provision in this Proposal will not affect the legality, validity or enforceability of any other provision.
- 25.7 In relation to notices and other communications under this Proposal:
- (a) each notice or other communication is to be in writing, and sent by facsimile, personal delivery or by post to the addressee at the facsimile number or address, and marked for the attention of the person or office holder (if any), from time to time designated for that purpose by the addressee to the other party. Other than the address to which the Holder is to send its acceptance of this Proposal (which the Commissioner will specifically notify the Holder of) the address, person or office holder (if any) for each party is shown on the front page of this Proposal;
 - (b) no communication is to be effective until received. A communication will be deemed to be received by the addressee:

- (i) in the case of a facsimile, on the working day on which it is despatched or, if despatched after 5.00 p.m. on a working day or, if despatched on a non-working day, on the next working day after the date of dispatch;
- (ii) in the case of personal delivery (including, but not limited to, courier by a duly authorised agent of the person sending the communication), on the working day on which it is delivered, or if delivery is not made on a working day, on the next working day after the date of delivery; and
- (iii) in the case of a letter, on the fifth working day after mailing (postage paid).

26 Interpretation

26.1 Definitions

In this Proposal unless the context otherwise requires:

Act means the Crown Pastoral Land Act 1998;

Commissioner means the Commissioner of Crown Lands appointed under section 24AA of the Land Act 1948;

Commissioner's Consideration means the amount payable by the Commissioner to the Holder by equality of exchange for the surrender of the leasehold interest in the Lease in relation to the Crown Land, as specified in the Notice;

Commissioner's GST Date means the earlier of Settlement Date or the fifth working day before the day on which the Commissioner is due to pay to the Inland Revenue Department all GST payable by the Commissioner in respect of the supply made under this Proposal;

Commissioner's Payment means the balance of the Commissioner's Consideration payable by the Commissioner to the Holder by equality of exchange for the Crown Land, as specified in the Notice (if any);

Crown Land means the land (including any improvements) set out in Schedule One and the land (including any improvements) set out in Schedule Two (if any);

Default GST means any additional GST, penalty or other sum levied against either the Commissioner or the Holder under the Goods and Services Tax Act 1985 or the Tax Administration Act 1994 by reason of either the Commissioner or the Holder failing to pay GST as required by this Proposal. It does not include any sum levied against the Commissioner or the Holder by reason of a default by the Commissioner after payment of GST to the Commissioner by the Holder or by reason of a default by the Holder after payment of GST to the Holder by the Commissioner;

Default Rate means the floating rate agreement mid-point thirty day bank bill rate as at 10.45 a.m. on Reuters' page BKBM on the date on which the relevant payment becomes due and payable plus 500 basis points and compounded monthly;

Final Plan means the final plan for the Land prepared and submitted by the Commissioner to the Surveyor-General under sections 62(4)(c) and (d) of the Act;

Freehold Land means the land set out in Schedule Three;

GST means all goods and services tax payable by the Commissioner or the Holder under the Goods and Services Tax Act 1985 in respect of their respective supplies evidenced by this Proposal;

Holder means holder shown on the front page of this Proposal (being the lessee under the Lease);

Holder's Consideration means the amount payable by the Holder to the Commissioner by equality of exchange for the freehold of the Freehold Land, as specified in the Notice;

Holder's Payment means the balance of the Holder's Consideration payable by the Holder to the Commissioner by equality of exchange for the freehold of the Freehold Land, as specified in the Notice (if any);

Land means the land subject to the Tenure Review identified on the front page of this Proposal;

Lease means the lease described on the front page of this Proposal;

Mortgage means any mortgage (registered or unregistered) over the Land;

Mortgagee means the holder of any Mortgage;

Notice means the notice to the Holder setting out:

- (a) the Holder's Consideration;
- (b) the Commissioner's Consideration; and
- (c) the Holder's Payment or the Commissioner's Payment (as the case may be);

which includes amounts proposed to be paid by way of equality of exchange and accompanies this Proposal, but is not part of this Proposal;

Plan means the plan of the Land showing all designations on page 2 of this Proposal;

Registrar means the Registrar-General of Lands appointed pursuant to section 4 of the Land Transfer Act 1952;

Settlement Date means the settlement date defined in clause 3.1;

Surveyor-General means the Surveyor-General appointed under section 5 of the Cadastral Survey Act 2002;

Tenure Review means the tenure review of the Land being undertaken by the Commissioner under the Act;

Unconditional Date means the date that the Commissioner receives from the Holder an executed copy of this Proposal signed by the Holder containing the signed consents of all persons having an interest in the Land to the Holder's acceptance of this Proposal which results in the acceptance taking effect under the Act;

Vesting Date means the date on which the Crown Land vests in the Crown pursuant to the Act;

working day means a day that is not a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's birthday, Labour Day, or a day during the period commencing on any Christmas Day and ending with the 15th day of the following January or a day which is a provincial holiday in the place where the obligation is to be performed.

26.2 Construction of certain references

In this Proposal, unless inconsistent with the context:

- (a) a reference to a certificate of title includes a reference to a computer register;
- (b) words importing a gender include all genders;
- (c) reference to a statute includes reference to all enactments that amend or are passed in substitution for the relevant statute and to all regulations relating to that statute;
- (d) words in the singular include the plural and vice versa;
- (e) reference to a month means a calendar month;
- (f) reference to a person means an individual, a body corporate, an association of persons (whether corporate or not), a trust or a state or agency of a state (in each case, whether or not having separate legal personality);
- (g) references to sections, clauses, sub-clauses, parts, annexures, attachments, appendices, schedules, paragraphs and sub-paragraphs are references to such as they appear in this Proposal and form part of this Proposal;
- (h) headings are included for ease of reference only and will not affect the construction or interpretation of this Proposal;
- (i) all monetary amounts are expressed in New Zealand currency;
- (j) references to obligations includes reference to covenants, undertakings, warranties and, generally, obligations or liabilities of any nature properly arising whether directly or indirectly, under or in respect of the relevant contract, agreement or arrangement;

- (k) all references to times are references to times in New Zealand;
- (l) if the Holder comprises more than one person, each of those person's obligations, as Holder, will be both joint and several.

Schedule One: Provisions relating to the Schedule One Land

1 Details of Designation

- 1.1 Under this Proposal the land shown marked in pink and labelled "CA1" on the Plan, being 7922 hectares (approximately), is designated as land to be restored to or retained in full Crown ownership and control as conservation area subject to:
- (a) the continuation in force of the easement in gross in document 812220 in favour of The Hawkdun Idaburn Irrigation Company Limited. A copy of this easement is attached as Appendix 6.
 - (b) the continuation in force of the unregistered easement in gross dated 4th May 1994 in favour of The Hawkdun Idaburn Irrigation Company Limited. A copy of this easement is attached as Appendix 4.

These easements are marked in blue on the Plan.

2 Hut

- 2.1 The proposal is subject to the holder having the right to remove the hut located at GR 774942 (NZMS 260 H40) prior to 31 March 2007.

3 Schedule One Improvements

Nil

Schedule Two: Provisions relating to the Schedule Two Land

1 Details of designation

- 1.1 Under this Proposal the land shown as a red strip on the Plan, being 14 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control for the purpose of a public access agreement public access way. The width of the red strip marked on the Plan will be a minimum of 10 metres either side of the existing road formation.

2 Easement

- 2.1 On registration of the approved plan under Section 64 Crown Pastoral Land Act 1998 the Commissioner will offer the holders an easement pursuant to Section 60 Land Act 1948 over the land in Schedule Two. The term of this easement will be until such time as the underlying land is gazetted as road. The conditions of the easement will be to allow full rights of ingress and egress. This easement will be substantially as set out in Appendix 7.

3 Schedule Two Improvements

Nil

Schedule Three: Provisions relating to the Schedule Three Land

1 Details of designation

- 1.1 Under this Proposal the land shown marked in green on the Plan, being 4571 hectares (approximately) is designated as land to be disposed of by freehold disposal to the Holder subject to:
- (a) Part IVA of the Conservation Act 1987;
 - (b) Section 11 of the Crown Minerals Act 1991;
 - (c) the easement shown as a dashed orange line and marked as a-b on the Plan and substantially as set out in Appendix 5; and
 - (e) the continuation in force of the easement in gross in document 812220 in favour of The Hawkdun Idaburn Irrigation Company Limited and shown as a blue line on the Plan. A copy of the easement is attached as Appendix 6; and
 - (f) the continuation in force of the unregistered easement in gross dated 4th May 1994 in favour of the Hawkdun Idaburn Irrigation Company Limited and shown as a blue line on the Plan. A copy of the easement is attached as Appendix 4.

2 Undertaking

- 2.1 The holders have undertaken to manage the land in such a manner as to retain the natural character of Johnstones Creek Gorge within the areas marked as "V-W" and "Y-Z" on the Plan. The holders have also agreed to pass on this undertaking to any successors in title.

Schedule Four: Conditions

Nil

Appendix 1: Consents – Example of Mortgagee Consent

[] as Mortgagee under Mortgage [] ("the Mortgage"), hereby:

- (a) consents to acceptance of the Proposal dated [] ("the Proposal") by [the Holder] ("the Holder") pursuant to the Crown Pastoral Land Act 1998 and agrees and consents to the registration of the documents affecting the Freehold Land referenced in the Proposal prior to the registration of any new mortgage to be granted in its favour over the Freehold Land ; and
- (b) agrees to sign and execute all deeds, agreements, schedules and other documents and do all acts and things as may be reasonably required by the Holder or the Commissioner to register a discharge of the Mortgage and any new mortgage over the Freehold Land.

Dated:

SIGNED by [])
in the presence of:)

Witness Signature:

Witness Name:
Occupation:
Address:

Appendix 1: Consents (continued) - Example of "Other" Consent

[], being the party entitled to the benefit of [] registered against Lease [], hereby consents to the acceptance of the Proposal dated [] by [the Holder] pursuant to the Crown Pastoral Land Act 1998.

Dated:

SIGNED for and on behalf of)
[])
in the presence of:)

Witness Signature:

Witness Name:
Occupation:
Address:

Appendix 2: Example of Solicitors Certificate

Certifications

I [] hereby certify as follows:

1. [[insert name of Holder] ("the Holder") is a duly incorporated company under the Companies Act 1993. The Holder's entry into and performance of its obligations under the Proposal dated [] ("the Proposal") have been duly authorised by the directors and, if required, by the shareholders of the Holder. The Holder has executed the Proposal in accordance with its constitution.] **OR**

The entry into the Proposal dated [] ("the Proposal") by [insert name of Holder] ("the Holder") and performance of the Holder's obligations under the Proposal have been duly authorised by the trustees of the [insert name of trust] in accordance with its trust deed **OR**

[insert name of Holder] ("the Holder") has delegated responsibility for signing the Proposal on its behalf to an attorney in accordance with its constitution. The attorney of the Holder has properly executed the Proposal in accordance with this power of attorney and in accordance with the Holder's constitution and a certificate of non-revocation is enclosed.]

2. The consent of each person that has an interest (registered or unregistered) in the Land (as that term is defined in the Proposal), to the Holder's acceptance of the Proposal has been obtained and included in the copy of the Proposal, signed by the Holder, that has been provided to the Commissioner.
3. [No consent, licence, approval or authorisation by any court, regulatory authority or governmental agency is required to enable the Holder to accept the Proposal, perform the Holder's obligations under the Proposal and to acquire the freehold interest in the Land (as defined in the Proposal).] **OR**

[All necessary consents, licences, approvals and authorisations required to enable the Holder to accept the Proposal, perform its obligations under it and to acquire the freehold interest in the Land (as defined in the Proposal) have been obtained. Evidence of the consents, licences, approvals and authorisations are attached to this letter.]

Yours faithfully
[signed by principal of law firm]

Appendix 3: Indicative Fencing and Construction Requirements

Fenceline

Length and location: 2.35 Kilometres marked A-B-C on the Plan.

Type: Seven wire fence

Gates: A maximum number of three gateways are to be constructed on the new fence. The exact location of the gates is to be decided by the Commissioner in consultation with the Holder at the time of fence construction. All gates are to be swung and be "Cyclone Stressmaster" of 4.2 metres wide.

Specifications:

1. Fence to be constructed of six HT (2.4 mm) wires and one bottom No. 8 wire.
2. 2.1 metre (7") treated timber strainers with treated timber stay to be used for gateways.
3. 125 mm (5") treated timber posts to be used where required.
4. All strainers, angle posts and dip posts to be driven or dug in and rammed and footed with acceptable footing material. Number 9 wire to be used on foots. All dips and hollows to be tied down to waratahs of a minimum length of 75 cm on rocky ground and 130 cm on soft ground.
5. Netting to be hung on creek crossings and left to swing.
6. All strainers and angles to be mortised, stayed and blocked. Stays to be one-third of the way up posts.
7. Tie backs are permitted on both sides of the fence.
8. All wires are to be securely and neatly tied off and strained evenly. Bottom wire to be kept 15 cm off the ground. Line to be benched where required. Most of the line will need to be cleared manually as required.
9. Post staples (barbed) to be driven well in but allow the wire to run through.
10. Strains not to exceed 400 metres for HT wire and 250 metres for No. 8 wire on easy country.
11. Posts to be driven or dug in to such a depth that 112 cm (44") remains out of the ground.
12. Strainers and angle posts to be dug in to such a depth that 117 cm (46") remains out of the ground.
13. Under no circumstances are any strainers, posts or stays to be shortened either prior to or subsequent to their placement in the ground.
14. Six waratah standards per 20 metres to be used. Waratah standards to be mostly 150 cm (5') long with 135 cm (4' 6") standards on rocky ground and 165 cm (5' 6") standards on soft ground.
15. Triplex strainers to be used on all strains.
16. Lightning droppers to be used where required on either side of gateways.

Construction

Nil

**Appendix 4: Copy of unregistered easement in favour of the Hawkdun Idaburn Irrigation
Company Limited**

THIS DEED is made this ^{4th} day of ^{MAY} 1994
 BETWEEN HAWKDUN IDABURN IRRIGATION COMPANY LIMITED a duly
 incorporated company having its registered office at Ranfurly (herein
 called "the Grantee") of the one part and HER MAJESTY THE QUEEN
 acting through the Commissioner of Crown Lands (herein called "the
 Grantor") of the other part WHEREAS the Grantor is the owner of the
 land described in the Schedule hereto AND WHEREAS the Grantor has
 agreed to grant in favour of the Grantee an easement in the terms and
 conditions hereinafter appearing pursuant to Section 60 of the Land
 Act 1948.

AND WHEREAS the Grantee is a company involved in the supply of water
 under an irrigation scheme purchased from the Crown by the Grantee to
 which Scheme the provisions of the Irrigation Schemes Act 1990
 applied AND WHEREAS the Grantee is entitled pursuant to the
 provisions of the Irrigation Schemes Act 1990 to obtain a registered
 easement over and across the land of all persons or bodies over whose
 land the irrigation scheme water races natural gullies syphons
 pipelines and other structures existed at the time the irrigation
 scheme was purchased by the Grantee from the Crown AND WHEREAS the
 land owned by the Grantor as hereinbefore set out is land meeting
 that requirement and the Grantor has agreed to Grant to the Grantee
 an easement in gross over that land in the terms hereinafter
 contained AND WHEREAS there is annexed hereto a diagram or diagrams
 of the land owned by the Grantor and referred to herein on which
 diagram or diagrams are shown the course of the irrigation races
 owned by the Grantee and as purchased from the Crown AND WHEREAS the
 term "irrigation races" whenever used herein shall mean and include
 all water races natural gullies ditches channels tunnels pipelines
 syphons measuring boxes structures and other constructions and
 chattels used by the Grantee as part of the Hawkdun Idaburn
 Irrigation Scheme NOW THEREFORE IN CONSIDERATION of the premises and
 pursuant to the provisions of Section 60 of the Land Act 1948 and of
 the Irrigation Schemes Act 1990 the Grantor DOTH HEREBY TRANSFER AND
GRANT unto the Grantee and its successors AS AN EASEMENT IN GROSS
FOREVER upon the terms and conditions as follows:

- A. The full free uninterrupted and unimpeded right to have and maintain irrigation races over the land of the Grantor in positions shown on the diagram or diagrams annexed hereto.
- B. The full free uninterrupted and unimpeded right to convey and transport water over along and through those irrigation races across the land of the Grantor.
- C. The full free uninterrupted and unimpeded right for all or any irrigation races presently existing to remain on the land of the Grantor in such site as it may presently occupy.
- D. The full free uninterrupted and unimpeded right for the Grantee with or without its agents servants workmen engineers and employees and with or without any necessary vehicles implements tools pipes machines and equipment of any nature or kind whatsoever to enter upon the lands of the Grantor at any time and from time to time for the purpose of maintaining repairing renewing or replacing the said irrigation races owned by the Grantee and situated upon the land of the Grantor including the right to open up soil of the land as may be necessary.

- B. The full free uninterrupted and unimpeded right to occupy and use the land forming the course of the irrigation races on each side of each and every irrigation race to a reasonable distance necessary for the proper operation of the irrigation scheme and to enable access along the course of the race by people vehicles and machinery and for benching and construction of new benching as necessary and the deposit of soil and other matter removed therefrom PROVIDED THAT the area of such land shall not exceed a strip ten metres wide along the entire length of the course of the irrigation races and measured either wholly on one side of its course or partly on one side and partly on the other but so nevertheless that at no point of the course shall the total width measured on both sides exceed more than 10 metres.

UPON the terms and conditions as follows:

1. The Grantee shall ensure that in exercising the right hereby conferred there is caused as little damage as possible to the land of the Grantor AND that all necessary works undertaken shall be completed with all reasonable despatch and any damage caused to the land of the Grantor shall be promptly remedied by the Grantee at the cost of the Grantee.
2. The Parties acknowledge that any fences or gateways on or adjacent to the irrigation races on the land of the Grantor are the property of the Grantor who is solely responsible for the repair and maintenance thereof SAVE that in the event of any damage to them done by the Grantee the same shall be remedied by the Grantee at the expense of the Grantee.
3. The Grantee shall be responsible for any damage caused to the land of the Grantor by any escape of water carried in the irrigation races unless the same shall have come about as a result of the action or omission of some other person or body or by Act of God (as for example a cloudburst overflowing the race) AND in the event of any such escape of water the Grantee will immediately and at its own cost repair any damage so caused and re-instate the land the same as nearly as is reasonably possible to the condition it was in prior to such escape AND shall compensate the Grantor for any cost or damage caused to the Grantor as a result of the escape of such water save that the Grantor shall not be entitled to compensation for or in respect of or matters associated to the loss of use of land of the Grantor unless it shall be proved the Grantee has been dilatory in carrying out its obligation under this provision.
4. The Grantee and its servants agents employees contractors and workmen shall have the right at any time and from time to time without being deemed to commit a trespass and without payment of compensation or damages to enter upon the land of the Grantor as hereinbefore set out or upon any other land owned connected or associated to the Grantor and which the Grantee has in the past customarily used for the purpose of access so that the Grantee may fully exercise the rights given to it under this easement and for the operation of the irrigation scheme including (but not exclusively) the maintaining repairing cleaning replacing or reconstructing the irrigation races and all other works owned by the Grantee and the gauging or otherwise determining the quantity of water in or delivered by the irrigation race or races or any pipe and for the viewing of the condition of such irrigation races.

S. (B)

5. The Grantor shall ensure that access by the Grantee to any such irrigation race owned by the Grantee and used in the operation of the irrigation scheme is not in any way restricted or imperilled and at all times is kept available to the Grantee and to its servants agents workmen contractors employees and all or any other person or persons acting for or on behalf of the Grantee AND in respect to any future development by the Grantor alongside any such irrigation races the Grantor will ensure that such development does not impede restrict limit or otherwise in any way inhibit or impair that access AND will ensure that no trees are permitted to grow or fences erected adjacent to or in the vicinity of such irrigation races so as to cause any blocking or interference with the same or any damage thereto or impede or prevent access thereto or cleaning thereof AND will at the Grantor's own cost in all things remove any tree or tress fence or fences that may be determined by the Grantee as causing or contributing to any such impedence or prevention of access or cleaning or blockage or interference or damage and will remedy or repair any such immediately and to the Grantee's satisfaction.

6. The Grantor will ensure that in any farming or other operation upon the land of the Grantor no damage is done to the irrigation races of the Grantee and that no interference is caused thereto or blockage impediment or limitation created in respect thereof AND in the event that any such should happen or occur the Grantor will immediately and at the cost of the Grantor in all things repair and remedy such to the satisfaction of the Grantee and in the event that the Grantor should fail or omit to do so then the Grantee shall be entitled to do so and to charge the cost of the same to the Grantor and recover the same from the Grantor as liquidated damages.

7. The Grantor and the Grantee may by mutual agreement vary these terms and conditions as applicable to the easement hereby granted.

8. All costs and expenses of and relating to the creation and registration of this easement shall be paid by the Grantee.

9. In any case where the Grantee shall be involved in maintenance and renewal or replacement of any irrigation races as presently existing and in the course of such activities should wish to increase the size of or alter the nature of (as for example by piping a presently open race) any such irrigation race from that as existing at the time of the grant of this easement then the Grantee shall be entitled to do so PROVIDED ONLY that such actions by the Grantee cause no or minimal loss of use or damage to the land of the Grantor AND in the event that any such proposed actions by the Grantee are considered as likely to cause more than a minimal loss or damage to the land of the Grantor then the same may be done with the consent of the Grantor and thereafter this easement shall be applicable fully to the same and IT IS FURTHER AGREED that in the event of any such activities being carried out by the Grantee and the Grantor failing to lodge a written objection with the Grantee within one year of the completion of such work then the Grantor shall be deemed to have consented to the same and the same shall for all purposes be deemed to be legally and properly done pursuant to this provision and to fall within the terms of the easement hereby granted.

10. The Grantee shall ensure that at all times the operation of the irrigation scheme and the cleaning maintenance repair and replacement thereof shall be done so as to cause as little

interference as possible to the Grantor in the Grantor's use of the land and the Grantee will make all efforts as might be reasonable or practicable to minimise such interference and to reduce or minimise any nuisance caused by the existence or operation of the irrigation scheme on the land of the Grantor PROVIDED HOWEVER that this provision shall not require the Grantee to reduce or minimise any interference or nuisance below the level existing at the time of acquisition of the irrigation scheme by the Grantee from the Crown.

11. The Grantee shall be entitled following consultation with the Grantor and with the consent of the Grantor to undertake any major repair replacement or reconstruction works on the Scheme and to upgrade or alter the alignment of the Scheme so that following such work they would occupy a position on the land of the Grantor different from that which they occupied at the time of granting of this easement and in such case this easement shall be deemed to apply in all aspects to the irrigation races as they exist following completion of work by the Grantee.

12. In any case where the present area of land occupied by the Grantee forming the course of the irrigation race presently exceeds the total width authorised by this easement then such presently existing use by the Grantee shall be deemed to be within the terms granted by this easement and this easement shall apply in full to such area as if the maximum width authorised had not been exceeded and as if the irrigation races and works were existing within the maximum total width authorised by this easement. In any case of repair reconstruction or re-alignment of any irrigation race where the completed works exceed the total maximum width authorised by this easement then this easement shall apply wholly thereto as if that total width was not exceeded in any case where the consent of the Grantor has been obtained either prior to or subsequent to the carrying out of such works and which Grantors consent shall be deemed to have been given if the Grantor fails to lodge a written objection with the Grantee to such works within twelve months of the completion of same.

13. That so long as the fee simple estate of the Grantor in the land set out in the schedule hereto is subject to a Lease or Licence then:

- (a) Any right of action or remedy which shall at any time hereafter accrue to the Grantee by reason of any breach of non-observance of any of the covenants herein expressed or implied and on the part of the Grantor to be observed or performed shall be enforced only against the registered proprietor for the time being of the Lease/Licence in respect of which such breach or non-observance shall occur or against the registered proprietor thereof at the time of such occurrence aforesaid to the intent that the liability of any registered proprietor for the time being of the Lease/Licence shall cease (except as to the Act and defaults occurring in respect of the land of which he is registered proprietor and while he is so registered) upon his ceasing to be the registered proprietor of the Lease/Licence in respect of which such breach or non-observance shall occur.

A AB

- (b) Any consents or approvals to be given by the Grantor shall not be required PROVIDED that the Lessee/Licencee has given consent or approval pursuant to a like easement granted by the Lessee/Licencee.
- (c) References herein to the Grantor shall where necessary and relevant to the context be deemed to include any such Lessee or Licencee from the Grantor and where necessary or relevant in the context shall be deemed to be a reference to such Lessee or Licencee in lieu of the Grantor.

SCHEDULE OF LAND

<u>Title</u>	<u>Area</u>	<u>Description</u>
386/142	6969.9198 Ha	Part Section 5 Block III Ahuriri Survey District and Run 322E Ahuriri Hawkdun and Gala Survey Districts. <u>Subject to:</u> Pastoral Lease No. P 209
338/148	10298.5675 Ha	Section 94 Block I St Bathans Survey District and Runs 227A and 582 Gala Hawkdun St Bathans and Turnagain Survey Districts <u>Subject to:</u> Pastoral Lease No. P.85
338/139	5719.7687 Ha	Section 19 Block X Section 5 Block XI Blackstone Survey District Part Runs 224A and 227 Blackstone St Bathans and Turnagain Survey Districts <u>Subject to</u> Pastoral Lease No.92
386/75	12355.0527 Ha	Runs 227B and 227C Turnagain, St Bathans, Idaburn and Blackstone Survey Districts <u>Subject to</u> Pastoral Lease No. P181
3B/847	2339.3350 Ha	Part Run 790 in Blocks II, III and IV Idaburn Survey Districts and Blocks IV, V, VIII and IX Naseby Survey District <u>Subject to</u> Pastoral Lease No. 321
B2/1276	1815.8799 Ha	Part Run 306 and part Section 30 and Sections 34,37 and 38 Block VII Naseby Survey District and Sections 1,2 and 3 S.O. Plan 22565 <u>Subject to</u> Pastoral Lease No. P268
386/68	2639.9229 Ha	Sections 27, 28, 29, 34, 35, 36, 37, 38, 39, 43, 50, 51, 107, 143 part 106 Block I Section 17 Block II and Parts Run 219C Naseby Survey District <u>Subject to</u> Pastoral Lease No. P.74

I N W I T N E S S whereof these presents have been

[Handwritten initials]

RELEASED UNDER THE OFFICIAL INFORMATION ACT

executed the day and year first before written.

THE COMMON SEAL of HAWKDUN IDABURN)
COMPANY LIMITED was hereunto affixed)
in the presence of:)



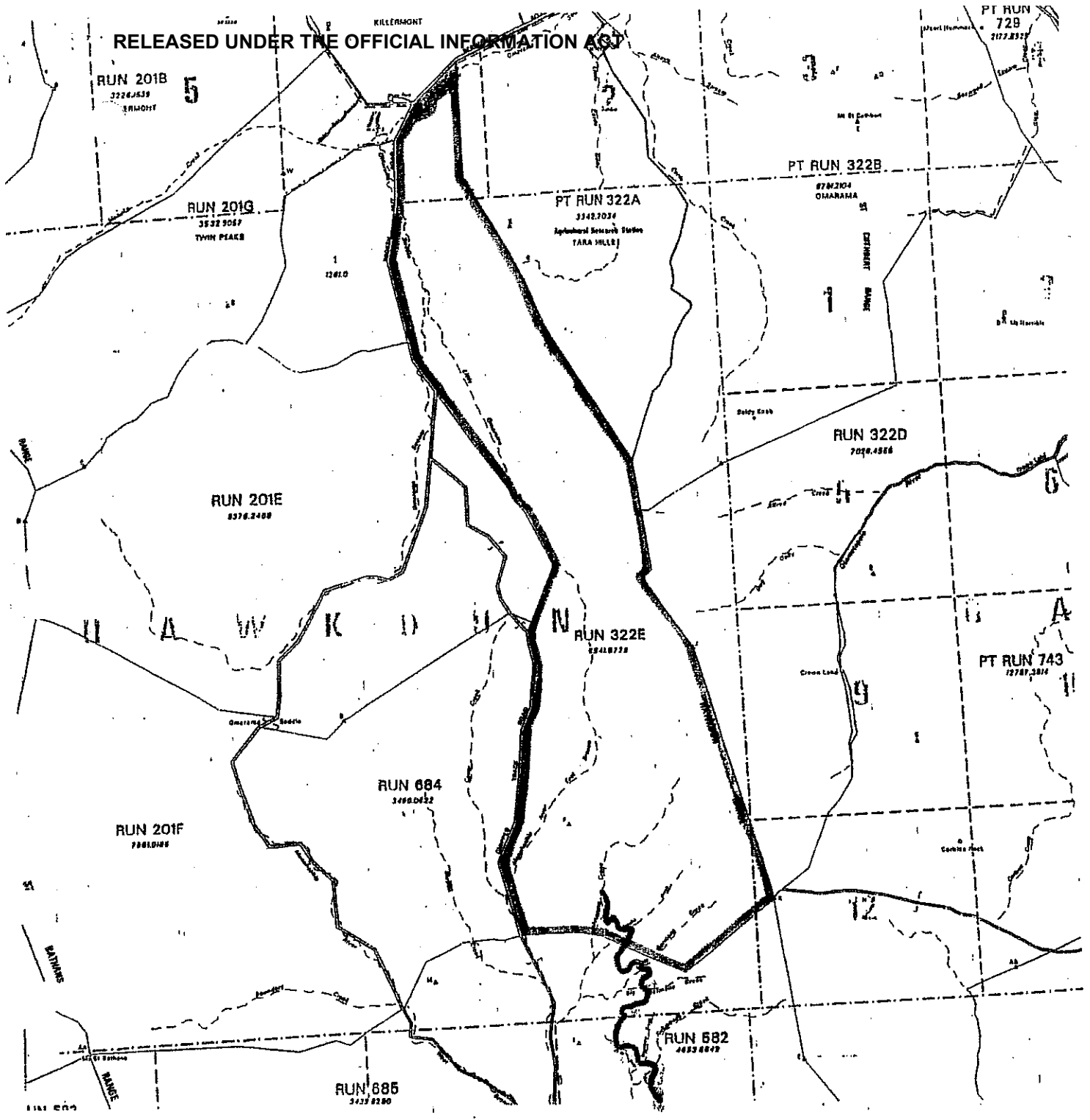
..... Director

..... Director/Secretary

SIGNED for and on behalf of)
HER MAJESTY THE QUEEN)
by the Commissioner of Crown)
Lands in the presence of:)
in the presence of:)

[Handwritten signature]
.....
Commissioner of Crown Lands

Witness: *Bullen*
Occupation: *Pastoral Administration Officer*
Department of Survey and Land Information
Address: *Wellington*.....



OPTIONAL EASEMENTS IN GROSS

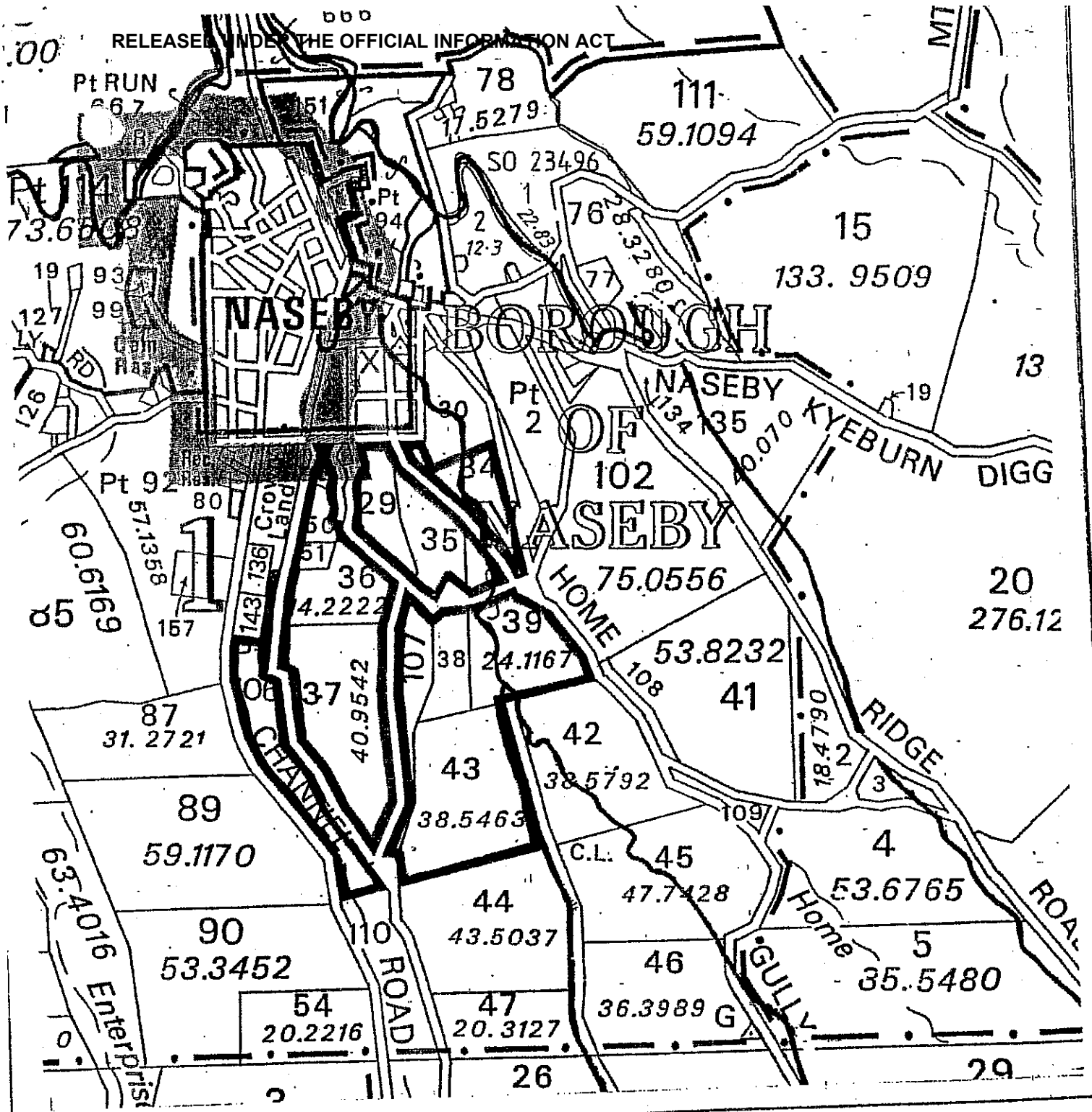
PURPOSE	COMPRISED IN	SHOWN	SERVIENT TENEMENT	GRANTEE
Right to Convey Water	CL 386/142		Run 322E & Sec 5	Hawkdun-Idaburn Irrigation Company Limited

Plan of Easement Over
 Sec 5 Blk III Ahuriri S.D. and
 Run 322E Ahuriri, Hawkdun and Gala S.D.'s

OTAGO LAND DISTRICT
 CENTRAL OTAGO DISTRICT COUNCIL

SCALE 1:130 000
 DATE 28-11-91

PREPARED BY
 DEPT. OF SURVEY AND LAND INFORMATION



OPTIONAL EASEMENTS IN GROSS

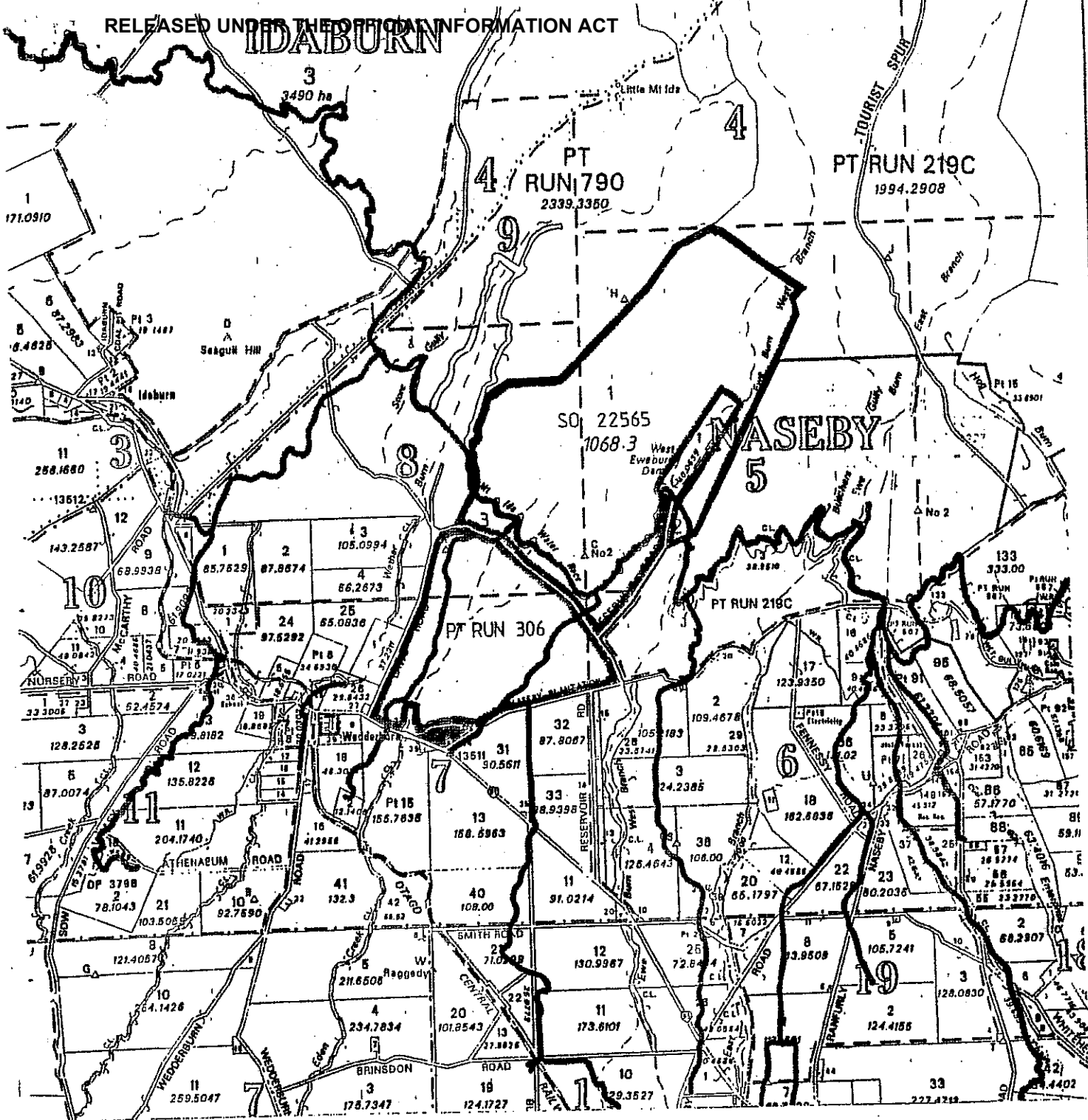
PURPOSE	COMPRISED IN	SHOWN	SERVIENT TENEMENT	GRANTEE
Right to Convey Water	Pt CL 386/68	—	Sec's 27-29, 34-39, 43, 50, 51 & 107 and Pt Sec 106.	Hawkdun-Idaburn Irrigation Company Limited

Plan of Easement Over
 Sec's 27-29, 34-39, 43, 50, 51 & 107 and Pt Sec 106 Blk I Naseby S.

OTAGO LAND DISTRICT
 CENTRAL OTAGO DISTRICT COUNCIL

SCALE 1:25 000
 DATE 5-12-91

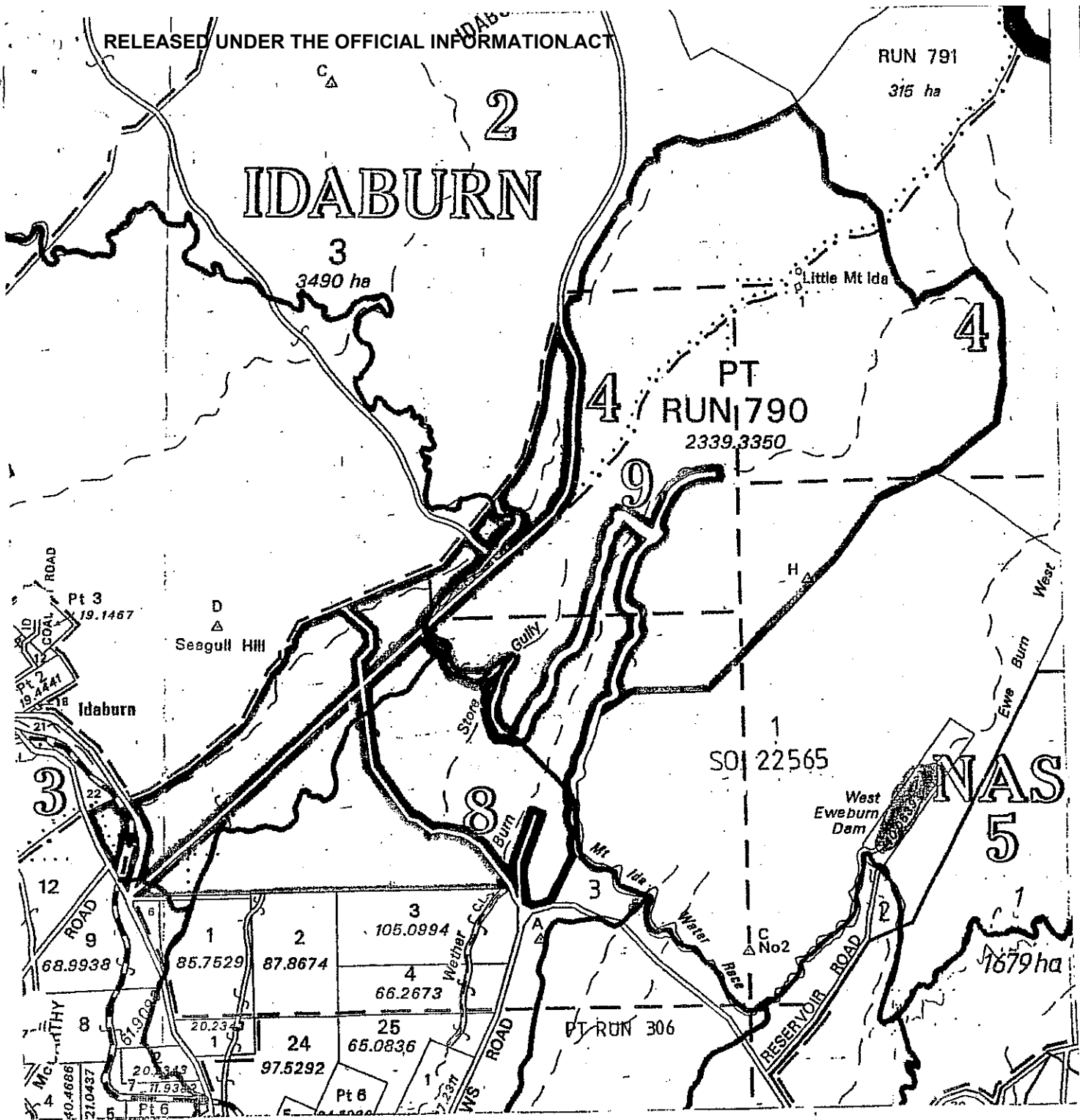
PREPARED BY
 DEPT. OF SURVEY AND LAND INFORMATION



OPTIONAL EASEMENTS. IN GROSS

PURPOSE	COMPRISED IN	SHOWN	SERVIENT TENEMENT	GRANTEE
Right to Convey Water	CL B2/1276		Sec's 1,2,3, Pt Sec 30 and Pt Run 306	Hawkdun-Idaburn Irrigation Company Limited

EOB Plan of Easement Over
 Sec's 1, 2 & 3 SO 22565, Pt Sec 30 and Pt Run 306 Naseby S.D.

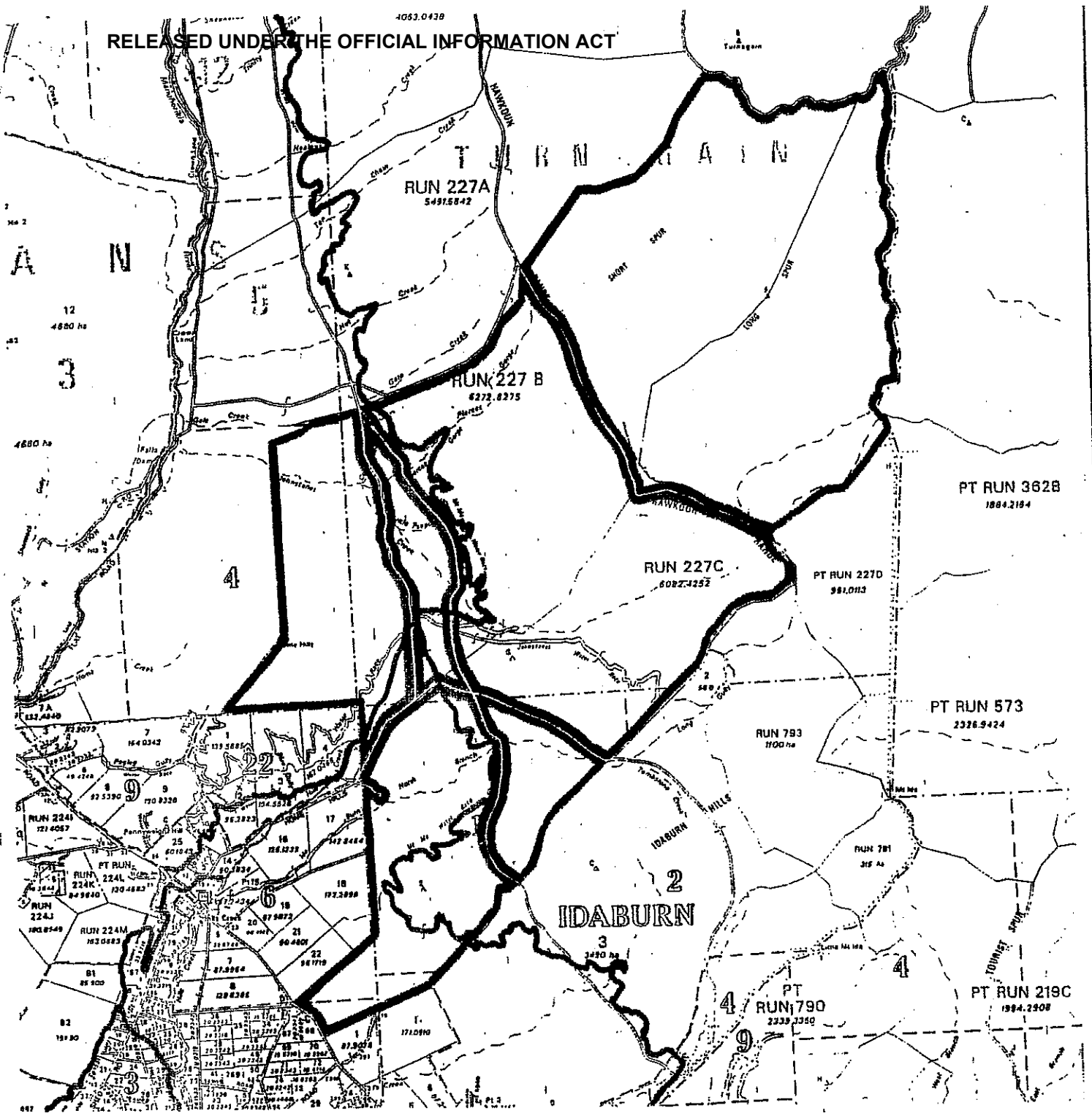


OPTIONAL EASEMENTS IN GROSS

PURPOSE	COMPRISED IN	SHOWN	SERVIENT TENEMENT	GRANTEE
Right to Convey Water	CL 38/847		Pt Run 790	Hawkdun-Idaburn Irrigation Company Limited

E B Plan of Easement Over
Pt Run 790 Idaburn and Naseby S.D's.

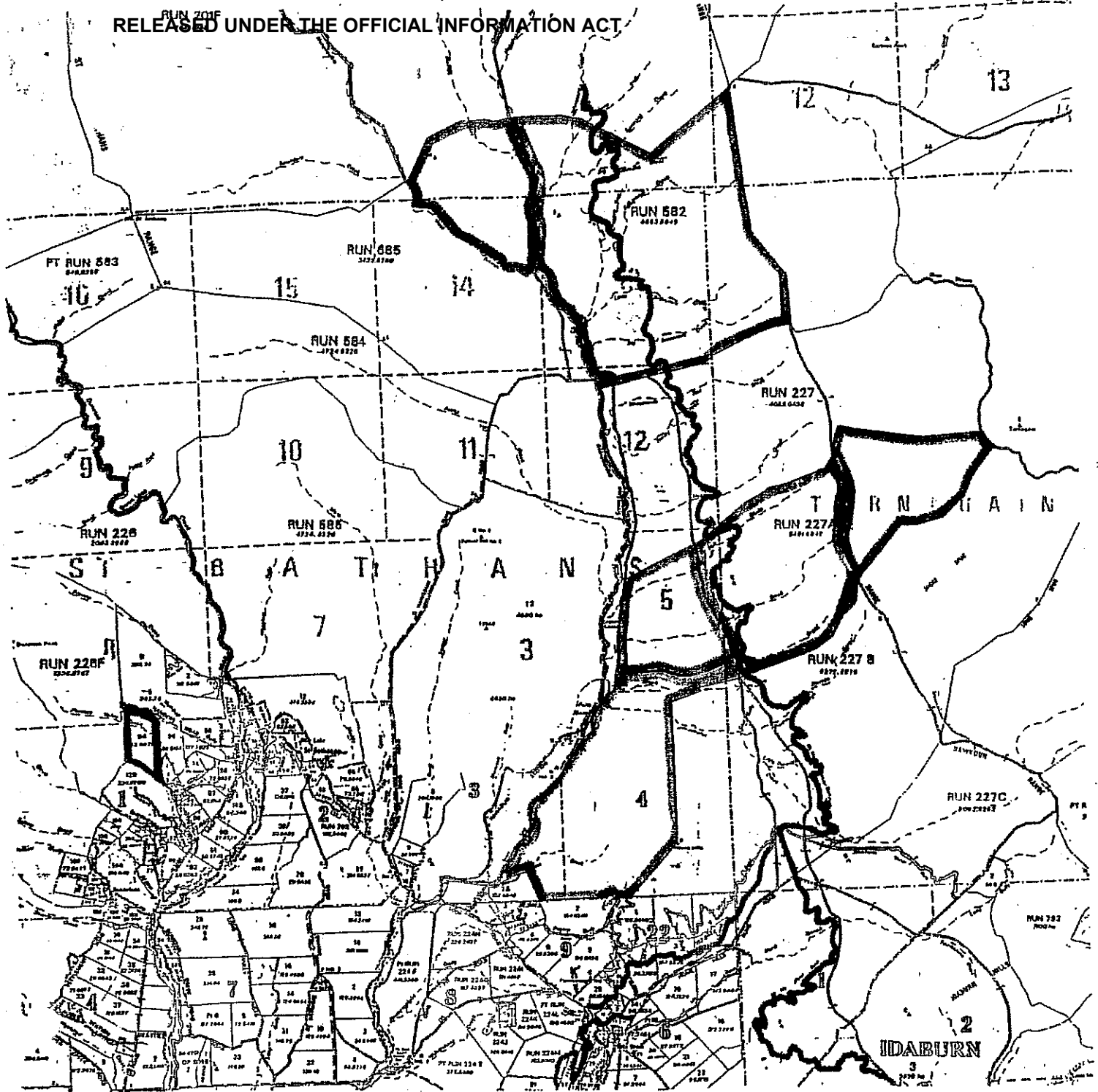
4083.0438



OPTIONAL EASEMENTS IN GROSS

PURPOSE	COMPRISED IN	SHOWN	SERVIENT TENEMENT	GRANTEE
Right to Convey Water	CL 386/75		Runs 227B & 227C	Hawkdun-Idaburn Irrigation Company Limited

E B Plan of Easement Over
 Runs 227B & 227C Turnagain, St Bathans, Idaburn & Blackstone SD



OPTIONAL EASEMENTS IN GROSS

PURPOSE	COMPRISED IN	SHOWN	SERVIENT TENEMENT	GRANTEE
Right to Convey Water	CL 338/148		Sec 94 and Runs 227A. & 582.	Hawkdun-Idaburn Irrigation Company Limited

R B Plan of Easement Over
 Sec 94 Blk I St Bathans S.D.
 and Runs 227A & 582 Gala, St Bathans, Hawkdun & Turnagain S.D.'s

DATED _____ 19__

HAWKDUH IDABURN IRRIGATION CO. LTD
Grantee

HER MAJESTY THE QUEEN
Grantor

DEED OF GRANT OF BASEMENT

FRASER MACDONALD MARTIN & CO
SOLICITORS
RANFURLY

Appendix 5: Form of Easement to be created

**TRANSFER GRANT OF
EASEMENT IN GROSS**

1. Public Access
2. Access for Management Purposes

Land Transfer Act 1952

This page does not form part of the Transfer.

RELEASED UNDER THE OFFICIAL INFORMATION ACT
TRANSFER

Land Transfer Act 1952

If there is not enough space in any of the panels below, cross-reference to and use the approved Annexure Schedule: no other format will be received.

Land Registration District

--

Certificate of Title No. All or Part? Area and legal description - *Insert only when part or Stratum, CT*

--	--	--	--

Transferor *Sumames must be underlined*

<u>COMMISSIONER OF CROWN LANDS</u> , acting pursuant to section 80 of the Crown Pastoral Land Act 1998

Transferee *Sumames must be underlined*

<u>H.M. MAJESTY THE QUEEN</u> , acting by and through the Minister of Conservation

Estate or interest or Easement to be created: *Insert e.g. Fee simple; Leasehold in Lease No.; Right of way etc.*

Public Access and Management Purposes Easement in Gross under section 7(2) of the Conservation Act 1987 (continued on pages 2, 3 and 4 of Annexure Schedule).

The various considerations set out in a substantive proposal accepted under the Crown Pastoral Land Act 1998 on the _____ day of _____
--

Operative Clause

For the above consideration (receipt of which is acknowledged) the TRANSFEROR TRANSFERS to the TRANSFEE all the transferor's estate and interest in the land in the above Certificate(s) of Title and if an easement is described above such is granted or created.

Dated this _____ day of _____

Attestation

Signed by acting under written delegation from the Commissioner of Crown Lands	Signed in my presence by the Transferor Signature of Witness _____ (continued on page 4 of Annexure Schedule)
	Witness to complete in BLOCK letters (unless typewritten or legibly stamped) Witness name _____ Occupation _____ Address _____
Signature, or common seal of Transferor _____	

Certified correct for the purposes of the Land Transfer Act 1952 **Certified** that Part IIA of the Land Settlement Promotion and Land Acquisition Act 1952 does not apply

--

Approved by Register-General of Land under No. 1995/5003
Annexure Schedule

Insert below
"Mortgage", "Transfer", "Lease", etc

Dated

Page of Pages

Definitions

1. In this transfer unless the context otherwise requires:
 - 1.1 "Easement Area" means that part of the Servient Land being 20 metres wide which is marked [a-b on proposed designations plan] "[]" on Deposited Plan/S.O. Plan No [].
 - 1.2 "Management Purposes" means:
 - the protection of a significant inherent value of the land managed by the Transferee (not being a member of the public), in the vicinity of the easement area.
 - The management of the land administered by the Transferee (not being a member of the public) in a way that is-ecologically sustainable.
 - 1.3 "Servient Land" means the land owned by the Transferor and described on page 1.
 - 1.4 "Transferee" means Her Majesty the Queen acting by and through the Minister of Conservation and, the Transferee's tenants, agents, contractors, and licensees; and any employee or contractor of the Director-General of Conservation; and any member of the public; but for the purposes of clause 2.2 means the Transferee's tenants, agents, contractors, and invitees; and any employee or contractor of the Director-General of Conservation only.
 - 1.5 "Transferor" means the owner of the Servient Land described on page 1 and includes the Transferor's tenants and invitees.

Standard Easement Terms

Access

2. The Transferee has the right:
 - 2.1 In common with the Transferor to pass and re-pass at any time over and along the Easement Area on foot, on or accompanied by horses, or by motorised or non-motorised vehicle powered by a person or persons.
 - 2.2 To pass and re-pass at any time over and along the Easement on foot, or on or accompanied by horses, or by motor vehicle, with or without machinery and implements of any kind, or with or without guns and dogs, for Management Purposes.
3. The Transferor must keep the Easement Area clear at all times of obstructions whether, caused by parked vehicles, deposit of materials or unreasonable impediment to the use and enjoyment of the Easement Area, where such event or outcome is caused by or under the control of the Transferor.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.

OTACO-37091 - Easement in Gross: Public Access and Management Purposes to Conservation Area 28 July 2004
CHCRO-70088 - Easement Document 2 Braeside

4. The Transferee must take all reasonable care to avoid damage to the soil and vegetation of the Easement Area and, in particular, avoid using the Easement Area when conditions such as softening during frost thaw render the Easement Area vulnerable to damage.

Exclusion of Schedules

5. The rights and powers contained in Schedule 4 of the Land Transfer Regulations 2002 and the Ninth Schedule of the Property Law Act 1952 are expressly negated.

Term

6. The easement created by this transfer is to be in perpetuity.

Temporary Suspension

7. The Transferee (not being a member of the Public) may, at any time in exercise of her/his powers, temporarily close all or part of the Easement Area for such period as she/he considers necessary.

Dispute Resolution

- 8.1 If a dispute arises between the Transferor and Transferee (not being a member of the Public) concerning the rights, management and operation created by this transfer the parties are to enter into negotiations in good faith to resolve it.
- 8.2 If the dispute is not resolved within 14 days of written notice by one party to the other it is to be referred to mediation.
- 8.3 If the dispute is not resolved within 21 days or such other period as agreed to in writing between the parties after the appointment of the mediator, the parties must submit to the arbitration of an independent arbitrator appointed jointly by the parties or, if one cannot be agreed within 14 days, to an independent arbitrator appointed by the President for the time being of the District Law Society in which the Servient Land is situated.
- 8.4 The arbitration is to be determined in accordance with the Arbitration Act 1996 and its amendments or any enactment passed in substitution.

Notice

- 9.1 A notice to be given under this transfer by one party to the other is to be in writing and must:
 - (a) be hand delivered to the receiving party; or
 - (b) be sent by ordinary post to the receiving party;
 - (c) be sent by facsimile to the receiving party.
- 9.2 If clause 8.1(b) applies the notice will be deemed to be received by the receiving party on such date on which the ordinary post would be delivered.
- 9.3 If clause 8.1(c) applies the notice will be deemed to have been received on the day on which it is dispatched or, if dispatched after 5.00pm, on the next day after the date of dispatch.

Special Easement Terms

- 10 The standard easement terms contained above must be read subject to any special easement terms set out below.

OTACO-37091 - Easement in Gross: Public Access and Management Purposes to Conservation Area 28 July 2004
CHCRO-70088 - Easement Document 2 Braeside

Point

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.

- 10.1 The transferee is under no obligation to maintain the Easement Area to any standard other than that which is necessary for his own purposes.
- 10.2 The cost of maintenance carried out on the road will be borne by the transferee.
- 10.3 The public have the right to use the easement with guns and dogs, subject to holding a hunting permit for adjoining Conservation Areas or Reserves.
- 10.4 For the following conditions, the transferee is defined as the Director-General of Conservation's tenants, agents, contractors, and invitees; and any employee or contractor, only.
 - 10.4.1 The Transferee has the right:
 - (a) To mark the Easement Area as appropriate.
 - (b) To erect and maintain stiles.
 - (c) To erect and maintain signs informing the public
 - (i) of the location of land managed by the Crown and available for public access and recreation; and
 - (ii) of their rights and responsibilities in relation to the Easement Area.
 - 10.4.2 In doing any of the matters specified in clause 2.2, the Transferee must take reasonable and proper care not to damage any property of the Transferor and must properly repair any such damage.
 - 10.4.3 The transferee may close the easement area to public motorised vehicle access, during winter months, or when considered necessary if ground conditions render the easement area prone to damage.
 - 10.4.4 The Transferee to take all reasonable care to avoid damage to the soil and vegetation of the Easement Area.

Continuation of "Attestation"

Signed for and on behalf of)
 Her Majesty the Queen by)
 under a written delegation in the)
 presence of:)

 Witness (Signature)
 Name _____
 Address _____
 Occupation _____

Footnote: In substitution of the SO Plan (which has yet to be prepared), the proposed easement described in clause 1 is marked on the Plan.

Approved by Registrar-General
of Land under No. 1995/1004

TRANSFER GRANT OF EASEMENT IN GROSS

1. Public Access
2. Vehicles for Management Purposes

Land Transfer Act 1952

Law Firm Acting
Conservancy Solicitor Department of Conservation Dunedin

Auckland District Law Society
REF:4135

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures on this page. **This page is for Land Registry Office use only.**
(except for "Law Firm Acting")
OTACO-37091 - Easement in Gross: Public Access and Management Purposes to Conservation Area 28 July 2004
CHCRO-76088 - Easement Document 2 Braeside