



Crown Pastoral Land Tenure Review

Lease name: HUXLEY GORGE I & II

Lease number: PT 139

Substantive Proposal

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

June 2018

PROPOSAL FOR REVIEW OF CROWN LAND
Relating to Multiple Tenure Review for the Huxley Gorge Pastoral Leases
Under Part 2 of the Crown Pastoral Land Act 1998

**Commissioner of Crown Lands acting under
the Crown Pastoral Land Act 1998**

and

Huxley Gorge Limited

as lessee under the **Huxley Gorge I Lease**
and as lessee under the **Huxley Gorge II Lease**

being the Holder of the relevant Leases.

**PROPOSAL FOR MULTIPLE REVIEW OF CROWN LAND
HUXLEY GORGE GROUP**

Date: 18.12.2017

Parties :

Commissioner of Crown Lands:

C/- Crown Property
CBRE House
112 Tuam Street
Christchurch 8140
Private Bag 4721

Attention: Kevin Gallagher

And

Holder: Huxley Gorge Limited as lessee under both the Huxley Gorge I Lease and the Huxley Gorge II Lease
6 Queen Street
TIMARU

The Land

Lease: Huxley Gorge I

Legal Description: Run.314

Area: 6860 ha

Certificate of Title/Unique Identifier: CB529/213

Lease: Huxley Gorge II

Legal Description: Runs 528 and 727

Area: 7506.9187

Certificate of Title/Unique Identifier: OT386/33

Summary of Designations

Under this Proposal, the Land in relation to each lease is designated as follows:

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

1 The Designation Plans for Huxley Gorge I and Huxley Gorge II

2 Conditions

- 2.1 This Proposal is put to the Holder and any agreement arising therefrom, is subject to the conditions contained in Schedule Four of the relevant Lease schedule.

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.
- 3.3 Notwithstanding anything to the contrary, if, as at the Settlement Date (as determined pursuant to clause 3.1), the rent payable under any Lease is subject to a Rent Review, then in respect of settlement with the Holder of that Lease the Commissioner may elect to:

(a) settle on the Settlement Date on the basis that the Commissioner may retain from the Commissioner's Payment an amount which the Commissioner, acting reasonably, estimates will be payable by the Holder to the Commissioner following agreement or determination of the Rent Review ("the Retention"). The Retention shall be held by the Crown Law Office in an on-call, interest-bearing trust account in the joint names of the parties for their respective rights and interests. Upon agreement or determination of the Rent Review, the Commissioner shall calculate the rent shortfall payable by the Holder to the Commissioner in respect of the period from the effective date of the Rent Review to the Settlement Date, both dates inclusive ("the Shortfall"). If:

(i) the Shortfall is less than the Retention and the net interest earned thereon, the balance shall be paid by the Commissioner to the Holder within TEN (10) working days; or

(ii) the Shortfall is more than the Retention and the net interest earned thereon, the balance shall be paid by the Holder to the Commissioner within TEN (10) working days;

or

(b) defer the Settlement Date until TEN (10) working days after the rent payable as a consequence of the Rent Review;

(i) has been agreed or determined; and

(ii) is not and will not be subject to any appeal, rehearing or other proceedings.

4 Holder's Payment

- 4.1 By 3.00 p.m. on the Settlement Date, each Holder must pay its 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 any Holder fails to pay its 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 each Holder of each relevant Lease on the Settlement Date.
- 5.2 No interest shall be payable to any 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 certificates to the Registrar pursuant to section 116 of the Land Act 1948 (to enable certificates of title to issue for the Freehold Land to each Holder) unless and until:
 - (a) the Commissioner has received each Holder's Payment from that Holder under clause 4, and all other money payable by that Holder under this Proposal and the Notice;
 - (b) that 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) that Holder has signed and returned to the Commissioner all documents required by the Commissioner to be signed by that Holder to give effect to this Proposal (including, without limitation, any permit, covenant, easement and/or any other document); and
 - (d) that 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 relevant Lease) and any new mortgage documents to be registered against the certificates of title to be issued for the Freehold Land so that the certificates of title for the Freehold Land will issue subject to the encumbrances provided in this Proposal. Any new mortgage documents will be registered after any other encumbrances such as any easements and/or covenants are registered.

9 Consents

- 9.1 Each Holder must obtain the written consent to each Holder's acceptance of this Proposal from all persons having an interest in that Holder's Land (other than that 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 relevant Lease and/or the Holder's Land; and
 - (c) any other person that the Commissioner reasonably believes has an interest in that Holder's Land or who that Holder reasonably believes has an interest in that Holder's 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 each Holder. Examples of the form of consents required under clause 9.1 are set out in Appendix 1.
- 9.3 Each Holder must also obtain, and provide to the Commissioner if requested, all consents necessary for that 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.

- 9.4 Each Holder will procure the Mortgagee to execute a registrable discharge of the Mortgage and, if required by the Mortgagee, that 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 relevant certificates of title for the Freehold Land at the same time as the certificates of title for the relevant Freehold Land issue.

10 Continuation of Lease

- 10.1 Each relevant Lease will remain in full force and effect until certificates of title issue for the Freehold Land. Notwithstanding when Settlement Date occurs, until certificates of title issue for the Freehold Land each Holder will duly and punctually comply with all obligations on its part under the relevant Lease (other than as set out at clause 12.1 (b)) and that Lease will remain in full force and effect.
- 10.2 From the date that certificates of title issue for the Freehold Land the relevant Lease is deemed to be surrendered and, subject to clause 10.3, the Commissioner releases and discharges each Holder from the performance and observance of all covenants, conditions and obligations under the relevant 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 each Lease (except as varied in accordance with clause 12.1(b)); and
 - (b) will not release or discharge that Holder from any liability under each Lease, arising prior to the date that certificates of title for the Freehold Land issue, under any statute or by any reason where such liability is due to the fault of that Holder.
- 10.4 As from the Vesting Date, each 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). Each 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 Works

- 11.1 If all of the Holders have accepted this Proposal and that acceptance has taken effect pursuant to the Act, the Commissioner will, subject to clauses 11.2 and 14.4, erect at the Commissioner's cost new fencing:
- (a) approximately along the line marked "New Fences" on the Plan; and
 - (b) to the specifications in Appendix 3;
- ("the Fencing").
- 11.2 If the Fencing requires a resource consent or any other consent from any local or territorial authority ("the Fencing Consent"), the following provisions shall apply:
- (a) The Commissioner shall use reasonable endeavours to obtain the Fencing Consent within 6 months of this Proposal taking effect pursuant to the Act.
 - (b) If the Fencing Consent:
 - (i) is not obtained within 6 months of this Proposal taking effect pursuant to the Act; and/or

- (ii) is obtained on terms which are not satisfactory to the Commissioner in all respects; the Commissioner may, acting reasonably, elect to do any one or more of the following:
 - (iii) erect the Fencing in a position different from that shown on the Plan;
 - (iv) erect the Fencing over a shorter distance than that shown on the Plan; or
 - (v) erect the Fencing to specifications different from those in Appendix 3.
- 11.3 If the Commissioner has not completed the Fencing by the Settlement Date, the Holders agree 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 the Fencing. Each Holder will do all things necessary (including signing any document) to enable the Commissioner to register such a covenant.
- 11.4 The ongoing maintenance of the Fencing referred to in clauses 11.1 and 11.2 will be subject to the terms of the Fencing Act 1978.
- 11.5 If all of the Holders have accepted this Proposal and that acceptance has taken effect pursuant to the Act, the Commissioner will, subject to clause 11.6, undertake the construction works set out in Appendix 3 on the terms and conditions set out in Appendix 3 ("the Construction Works").
- 11.6 If any Construction Works for which the Commissioner is liable, or jointly liable with any Holder, require a resource consent or any other consent from any local or territorial authority ("the Works Consent"), the following provisions shall apply:
 - (a) The Commissioner shall use reasonable endeavours to obtain the Works Consent within 6 months of this Proposal taking effect pursuant to the Act.
 - (b) If the Works Consent:
 - (i) is not obtained within 6 months of this Proposal taking effect pursuant to the Act; and/or
 - (ii) is obtained on terms which are not satisfactory to the Commissioner in all respects; the Commissioner may, acting reasonably, elect to vary the extent of the Construction Works in question and/or the terms and conditions upon which they are carried out.

12 Apportionments

- 12.1 Rent payable under each 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 relevant Lease continues in effect until certificates of title issue for the Freehold Land, the Holder shall not be required to pay any rent under its relevant Lease for the Freehold Land from the Settlement Date.
- 12.2 Rent paid or payable under each Lease for the Crown Land will be apportioned (on a pro rata basis in respect of the Land if they cannot be separately assessed) 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 for each Lease.

- 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 in relation to each Lease.
- 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 certificates of title issue for the Freehold Land, the Commissioner will undertake a final apportionment and either the Commissioner will pay to each Holder, or each Holder will pay to the Commissioner, any additional amounts due because of any payments made or received by one of the parties on behalf of the other for the period from the Settlement Date to the date on which new certificates of title issue 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 each Holder. For the avoidance of doubt, each Holder's current risk in respect of matters arising under the relevant Lease, including, without limitation, each Holder's risk in respect of all improvements, buildings, fencing, fixtures, fittings and chattels, will continue to remain with each Holder until the relevant Lease is deemed to be surrendered under clause 10.2.
- 13.2 Each 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 Plans. The measurements of the areas may therefore alter on the Final Plans.
- 14.2 No error, misdescription or amendment of any part of the Land will annul, vary, or derogate from this Proposal, or each Holder's acceptance of this Proposal.
- 14.3 For the avoidance of doubt, none of the Holders will be entitled to cancel or withdraw its acceptance of this Proposal, nor will any Holder, or any successor in title of any 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 each Holder accepts this Proposal and that acceptance takes effect under the Act, each Holder acknowledges that:
 - (a) It is obtaining the freehold interest in the land specified in Schedule Three as being freehold to that Holder:
 - (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) each Holder has carried out all inspections of the land specified in Schedule Three as being freehold to that Holder which each Holder considers necessary to satisfy itself as to all matters relating to the Freehold Land;

- (c) each Holder, at its cost, is entirely responsible for all work to ensure that the land specified in Schedule Three as being freehold to that Holder 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 2004; and

each 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 each 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 relevant Land; and
- (e) each 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 for the relevant Lease or this Proposal or in any notice, or any correspondence or other information provided to each 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 each 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 Subject to s60(3) and (4) of the Crown Pastoral Land Act 1998 each Holder's acceptance of this Proposal is irrevocable and constitutes a binding agreement between the Commissioner and each Holder.

17.2 If the Commissioner does not receive an acceptance to this Proposal signed by each Holder, including the written consents of all persons referred to in clause 9, within three (3) months of putting it (in its substantive form) to each Holder, each Holder is deemed to have rejected this Proposal.

18 Solicitor's Certificate

18.1 Each Holder must instruct its solicitor 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 each Holder's execution of this Proposal and each 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 Each Holder must return the completed solicitor's certificate to the Commissioner with this Proposal on its acceptance by that 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 that Holder to the Commissioner is not paid on the due date that Holder will pay to the Commissioner interest at the Default Rate on the part of that Holder's Payment or any other money payable by that 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 Unless the context otherwise requires, words and phrases used in this clause have the same meaning as in the GST Act.
- 20.2 If the supplies evidenced by the Holder's Consideration and the Commissioner's Consideration are taxable supplies under the GST Act, then:
- (a) the Commissioner and each Holder warrant to each other that they are registered for GST purposes as at such Holder's acceptance of this Proposal and that they will be so registered on the Settlement Date;
 - (b) the Commissioner and each Holder confirm that as at the Settlement Date:
 - (i) each is acquiring the goods supplied with the intention of using the goods for making taxable supplies; and
 - (ii) the Commissioner and any associated person in terms of section 2A(1)(c) of the GST Act do not intend to use the Crown Land and each Holder and any associated person in terms of section 2A(1)(c) of the GST Act do not intend to use the Freehold Land as a principal place of residence; and
 - (c) the Commissioner and each Holder agree that the supplies evidenced by the Holder's Consideration and the Commissioner's Consideration are to be zero-rated for GST purposes under section 11(1)(mb) of the GST Act.
- 20.3 If any of the circumstances set out in clause 20.2 change between the date of the Holder's acceptance of this Proposal and the Settlement Date, then the relevant party will notify the others of the changed circumstances as soon as practicable and in any event not later than 2 working days before the Settlement Date and such party shall warrant that the changed circumstances are correct as at the Settlement Date. If the GST treatment of the supplies evidenced by the Holder's Consideration and the Commissioner's Consideration changes as a result of the changed circumstances and a party has already provided the other with a GST invoice, then that party will issue a debit note or credit note, as the case may be, for GST purposes.
- 20.4 On the 10th working day following the Unconditional Date, the Commissioner will provide to each Holder a GST invoice in respect of the supply evidenced by the Holder's Consideration. The invoice will specify the Commissioner's GST Date.
- 20.5 The Holder will pay GST (if any) on the Holder's Consideration to the Commissioner by bank cheque on the Commissioner's GST Date, time being of the essence.
- 20.6 On the 10th working day following the Unconditional Date, each Holder will provide to the Commissioner a GST invoice in respect of the supply evidenced by the Commissioner's Consideration.
- 20.7 The Commissioner will pay GST (if any) on the Commissioner's Consideration to each Holder on the Commissioner's GST Date, time being of the essence.
- 20.8 Where any GST is not paid to the Commissioner or to any Holder (as the case may be) in accordance with this clause 20, such Holder will pay to the Commissioner, or the Commissioner will pay to such 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 Each Holder's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the land specified in Schedule Three as being freehold to that Holder under section EW 32(3) of the Income Tax Act 2007 is equal to that 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 EW 32(3) of the Income Tax Act 2007 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 Plans and for certificates of title to issue for the Freehold Land.
- 22.2 Each Holder is responsible for all costs that Holder incurs in respect of and incidental to the Tenure Review. In particular, but without limitation, each 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 each Holder.

23 No nomination or assignment

- 23.1 Each Holder is currently the lessee under one of the relevant Leases.
- 23.2 Each Holder is not entitled to, and is expressly prohibited from, nominating another person to perform its obligations under this Proposal or assigning to another person that Holder's interest (or any part) under this Proposal.

24 Recreation Permit

- 24.1 Immediately on the registration of the Final Plan in relation to the relevant Lease 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 Consents for Activities

- 25.1 If the Holder has been granted a consent by the Commissioner to do an activity on the land under sections 15 or 16 of the Act, and the area over which the consent is exercised is designated in this Proposal as Crown Land, then the Holder agrees to act in good faith whilst exercising such consent and not damage or destroy the Crown Land or anything thereon.

26 General

- 26.1 This Proposal and the Notice:
 - (a) constitute the entire understanding and agreement between the Commissioner, the Crown and each Holder in relation to the Tenure Review; and
 - (b) supersede and extinguish all prior agreements and understandings between the Crown, the Commissioner and each Holder relating to the Tenure Review.
- 26.2 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.
- 26.3 Each Holder must comply with the Commissioner's requirements for the implementation and settlement of the Tenure Review contemplated by this Proposal.

- 26.4 The Commissioner and each 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.
- 26.5 This Proposal is governed by, and must be construed under, the laws of New Zealand and the Commissioner and each Holder irrevocably submits to the jurisdiction of the New Zealand courts or other New Zealand system of dispute resolution.
- 26.6 The illegality, invalidity or unenforceability of any provision in this Proposal will not affect the legality, validity or enforceability of any other provision.
- 26.7 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 each Holder is to send its acceptance of this Proposal (which the Commissioner will specifically notify each Holder of) the address, person or office holder (if any) for each party is shown on page 2 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).

27 Interpretation

27.1 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 each 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 each Holder by equality of exchange for the Crown Land, as specified in the Notice (if any);

Crown Land means collectively the land (including any improvements) set out in Schedule One and collectively 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 each Holder under the Goods and Services Tax Act 1985 or the Tax Administration Act 1994 by reason of either the Commissioner or any Holder failing to pay GST as required by this Proposal. It does not include any sum levied against the

Commissioner or any Holder by reason of a default by the Commissioner after payment of GST to the Commissioner by any Holder or by reason of a default by that Holder after payment of GST to that Holder by the Commissioner;

Default Rate means the rate of 11 per cent per annum;

Fencing means any stock-proof farm fence;

Fencing Consent means any and all consents for fencing required under the Resource Management Act 1991

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 specified in Schedule Three as being freehold to the Holders individually

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;

GST Act means the Goods and Services Tax Act 1985;

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

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

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

Lease means those leases known as the:

Huxley Gorge I Lease; and

Huxley Gorge II Lease

each of these leases being identified on page 2 of this Proposal;

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

Mortgagee means the mortgage-holder of any Mortgage;

Notice means the notice to each Holder setting out:

- (a) that Holder's Consideration;
- (b) the Commissioner's Consideration; and
- (c) that 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, covenant areas, easement routes, indicative fence lines as attached and shown at clause 1, Designation of Plans, on this Proposal;

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

Rent Review means the process for the determination of the rent payable under any Lease as set out in sections 6 to 8 of the Act;

Relevant Land means the land in the relevant Lease described on the front page of this Proposal.

Relevant Lease means the Lease described on the front page of the Proposal

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 each Holder an executed copy of this Proposal signed by each Holder containing the signed consents of all persons having an interest in the Land to each 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;

Works Consent means any and all consents required under the Resource Management Act 1991; and/or the Building Act 2004.

27.2 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 a Holder comprises more than one person, each of those person's obligations as Holder shall be joint and several.

Schedule One: Provisions relating to the Schedule One Land

1 Details of Designation

- 1.1 Under this Proposal part of the land shown marked in pink on the Plan (CA4), being 537 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control as conservation area.

Schedule Two: Provisions relating to the Schedule Two Land

1 Details of designation

- 1.1 Under this Proposal part of the land shown marked in pink on the Plan (CA1, CA2, CA3 and CA5), being 13,173 hectares (approximately) is designated as land to be restored to or retained in Crown control as conservation area subject to:
- (a) the granting of the tourism concession over the total area substantially as set out in Appendix 6;
 - (b) the granting of the grazing concession over the area GC shown on the Plan shaded in pink with diagonal lines substantially as set out in Appendix 7;
 - (d) the granting of the easement concession marked as 'c-d' on the Plan and substantially as set out in Appendix 9;
 - (e) the granting of the easement concession marked as 'e-f' on the Plan and substantially as set out in Appendix 10;
- 1.2 Under this Proposal part of the land shown marked in dark pink on the Plan (CL), being 202 hectares (approximately) is designated as land to be restored to or retained in Crown control as Crown land (riverbed) under the Land Act 1948.

Information Concerning Proposed Concessions

2.1 Tourism Concession

Explanatory note: This information is required in the event that the CCL accepts the recommendation of the Director-General to designate land as land to be restored to or retained in Crown control subject to the granting of a Concession or over which a Concession is granted. This information must be provided for each Concession if more than one is proposed. The Concession may require the provisional consent of the Minister of Conservation (section 41 CPL Act)

- 1 Description of the proposed activity:
Tourism Concession Licence for the adjoining landholder for the purpose of the business of guided: walking, tramping, climbing, rock climbing, mountaineering, mountain biking, horse trekking, ATV and 4WD touring, guided ground based hunting, guided fishing, Scenic snow landings, and aerial positioning of recreationists and guided parties.
- 2 Description of area where proposed activity to be carried out and proposed status:
The area of the Concession Activity is over the area designated as Conservation Area of 12,850 hectares approximately on the plan attached to the proposal. The area covers the western slopes of the Naumann Range and the mountains surrounding Rabbiter's Peak all formerly part of Huxley Gorge pastoral lease.
- 3 Description of potential affects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse affect
The Tourism Concession is limited to the activities listed in 1 above. The potential affects include potential damage to the flora and fauna by people moving through the area, although this may also happen with general public use of the Conservation Area for similar purposes, and the impacts of helicopter activities. The Concession Licence document ensures that the provisions of the Conservation Act apply and includes monitoring of the concession activity. Through Schedule 2 limitations are placed on party sizes and restrictions on aircraft activities.

Schedule 2 ensures the rights of the public are not restricted. The concession provisions ensure that all potential effects will be minimised.

- 4 Details of the proposed type of concession:
A Tourism Concession Licence under S. 17Q (1) Conservation Act 1987.

- 5 Proposed duration of concession and reason for proposed duration.

Proposed duration: 20 years. There is no right of renewal.

The Tourism Concession Licence has been sought to allow the holders to continue with their existing tourism operations on the property for which current recreation permits are already held. It will also allow for the diversification of the holders farming activities in the future.

- 6 Relevant information:

The holders of Huxley Gorge Pastoral Lease have entered into this review voluntarily. The proposed tourism concession is needed for the continuation of the existing tourism operations run by the holders. Huxley Gorge has until now successfully run their extensive pastoral farming operation for a number of decades. Surrender an extensive area of the pastoral lease means that the lessee's will have to expand and diversify their existing tourism activities. The Holders knowledge of the property and location provides them with an excellent opportunity to expand. This concession allows for this opportunity to be created in exchange for an extensive area of public conservation land and recreational access. The proposed tourism activities will have minimal impact on the area.

2.2 Grazing Concession.

Explanatory note: This information is required in the event that the CCL accepts the recommendation of the Director-General to designate land as land to be restored to or retained in Crown control subject to the granting of a concession or over which a concession is to be granted. This information must be provided for each concession if more than one is proposed.

1. Description of proposed activities [s.39(a)]:

The grazing concession provides for grazing of 400 ewes within the period 1 November to 31 July and for a maximum of 50 cattle for the period 1 June to 31 July inclusive during each year of concession term

2. Description of place(s) where proposed activity to be carried out and proposed status [s.39(b)]

The grazing concession is to provide grazing over an area of land proposed to become conservation area. Currently labelled GC over part of CA3 on the proposed designations plan.

3. Description of potential effects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse effects [s.39(c)] noting the requirements of s.51(3)(a) and s.51(2)(d) of the CPLA

Grazing has traditionally been a component of this area. In order to achieve an outcome as part of the tenure review process some grazing was agreed to over a smaller area. It was considered that in order to avoid, mitigate, or remedy any adverse effect on the land during the term of the Grazing Concession, the Grazing Concession should contain a number of conditions including, but not limited to, the following.

- a) *Should the Concessionaire feed supplements e.g. hay and/or salt licks they are restricted to being placed at the bottom of each block to encourage sheep to graze the lower slopes of the Land below 900 m. a.s.l.*

- b) *Stock type and unit limits as detailed during the proposed term of the Grazing Concession.*
- c) *Pest control if required by the Minister of Conservation, the costs to be borne by the Concessionaire.*
- d) *The Concessionaire must, at no expense to the Grantor, ensure that stock is adequately contained within the Land.*
- e) *The Minister of Conservation may set up a monitoring system to ascertain the effects of on-going grazing and this monitoring system will be reviewed every three years. The Minister of Conservation reserves the right to adjust the stock numbers in order to meet conservation objectives.*

4. Details of the proposed types of concession:

The grazing concession will be under section 17(Q) (1) Conservation Act 1987

5. Proposed duration of concession and reasons for proposed duration [s.39(e)]:

- a) *Proposed duration- 20 years – no right of renewal*
- b) *Reasons for proposed duration- to allow security of tenure to the Concessionaire for farm management purposes as a result of the tenure review and to allow for monitoring results and adjustments in stock numbers if required.*

6. Relevant information about the proposed grantee including information relevant to the grantee's ability to carry out the proposed activity [s.39(f)]:

- a) *Proposed grantee – Huxley Gorge Limited*
- b) *Relevant information- The Concessionaire currently already grazes the area which is part of Huxley Gorge Pastoral Lease. The significant inherent values have been surviving under a grazing regime of cattle and sheep.*

2.3 Easement Concession

1. Description of proposed activities [s.39(a)]:

To provide access for farm management purposes, access by foot, motor vehicles, horse, machinery and implements of any kind and with or without farm dogs and farm stock

2. Description of place(s) where proposed activity to be carried out and proposed status [s.39(b)]:

Area outlined in pink and labelled CA3 marked "c-d" on the proposed designations plan.

3. Description of potential effects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse effect, [s.39(c)] noting the requirements of s.51(3)(a) and s.51(2)(d) of the CPLA

DOC staff will periodically visit the easement area over the proposed conservation land for a range of activities including surveillance and control of wild animals and weeds and will therefore be aware if the concession activity is having any negative effects.

4. Details of the proposed types of concession:

The proposed easement concession will be under Section 17(Q) (1) Conservation Act 1987.

5. Proposed duration of concession and reasons for proposed duration [s.39(e)]:

- a) *Proposed duration- 60 years*

b) Reasons for proposed duration- *The proposed concessionaire currently already uses the formed tracks over which the easement is proposed, and will need to continue to do this for farm management purposes..*

6. Relevant information about the proposed grantee including information relevant to the grantee's ability to carry out the proposed activity [s.39(f)];

a) Proposed grantee- *Huxley Gorge Limited*

b) Relevant information- *The proposed concessionaire currently already uses the formed tracks over which the easement is proposed. No negative effects associated with the current use of the track have been noted. It is expected that the concessionaires will honour the terms and conditions of the concession and will have a positive working relationship with the Department staff.*

N.B. *The preparation of this information is not intended to imply consent under s.41 of the CPLA.*

2.4 Easement Concession

1. Description of proposed activities [s.39(a)];

To provide access for farm management purposes, access by foot, motor vehicles, horse, machinery and implements of any kind and with or without farm dogs, guns and farm stock.

2. Description of place(s) where proposed activity to be carried out and proposed status [s.39(b)]

Area outlined in pink and labelled CA5 marked "e-f" on the proposed designations plan.

3. Description of potential effects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse effect, [s.39(c)] noting the requirements of s.51(3)(a) and s.51(2)(d) of the CPLA

DOC staff will periodically visit the easement area over the proposed conservation land for a range of activities including surveillance and control of wild animals and weeds and will therefore be aware if the concession activity is having any negative effects.

4. Details of the proposed types of concession;

The proposed easement concession will be under Section 17(Q) (1) Conservation Act 1987.

5. Proposed duration of concession and reasons for proposed duration [s.39(e)];

a) Proposed duration- *In Perpetuity but subject to a special condition.*

b) Reasons for proposed duration- *The proposed concessionaire currently farms two pastoral leases (Huxley Gorge PL and Glen Lyon PL). Both leases are divided by the Hopkins River. Stock has traditionally been driven between the two leases across the Hopkins River. The easement concession allows for this to continue post tenure review. The easement concession is only valid while the concessionaire of Huxley Gorge Limited has the same shareholders as Glen Lyon Limited.*

6. Relevant information about the proposed grantee including information relevant to the grantee's ability to carry out the proposed activity [s.39(f)];

a) Proposed grantee- *Huxley Gorge Limited*

b) Relevant information- *The proposed concessionaire currently already uses the route over which the easement is proposed. No negative effects associated with the current use of the route have been noted. It is expected that the concessionaires will honour the terms and conditions of the concession and will have a positive working relationship with the Department staff.*

N.B. *The preparation of this information is not intended to imply consent under s.41 of the CPLA.*

Schedule Three: Provisions relating to the Schedule Three Land

1 Details of designation

- 1.1 Under this Proposal the land shown shaded in green and yellow on the Plan, being 642 hectares (approximately) is designated as land to be disposed of by freehold disposal to the Holder of the Huxley Gorge II Lease subject to:
- (a) Part IVA of the Conservation Act 1987;
 - (b) Section 11 of the Crown Minerals Act 1991;
 - (c) the easement marked as 'a-b' on the Plan and substantially as set out in Appendix 4.
 - (d) the covenant shown in yellow wash and labelled CC on the Plan substantially as set out in Appendix 5.
 - (e) the continuation in force of an Electricity Agreement registered as 300604, securing the supply of electricity to Huxley Gorge, substantially as set out in Appendix 8.

Schedule Four: Conditions

1. This Proposal is conditional on the acceptance of all the Holders and its acceptance by a Holder does not take effect unless it is also accepted by all the Holders.
2. The land described in Schedule 3 will continue to be subject to an existing interest which is not a designation under section 36 of the Crown Pastoral Land Act 1998.

This proposal is conditional upon the following existing interest continuing with the land:

- An Electricity Agreement registered as 300604, securing the supply of electricity to Huxley Gorge, substantially as set out in Appendix 8.

General

Pursuant to Clause 9.1(c) of this proposal, the consent of the holder of the above interest must be obtained.

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 that 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 Solicitor's 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 for Huxley Gorge I and II

Fence line

Length and location:

515 metres (approximately) located along the line marked "A-B" on the designation plan.

2000 metres (approximately) located along the line marked "C-D" on the designation plan.

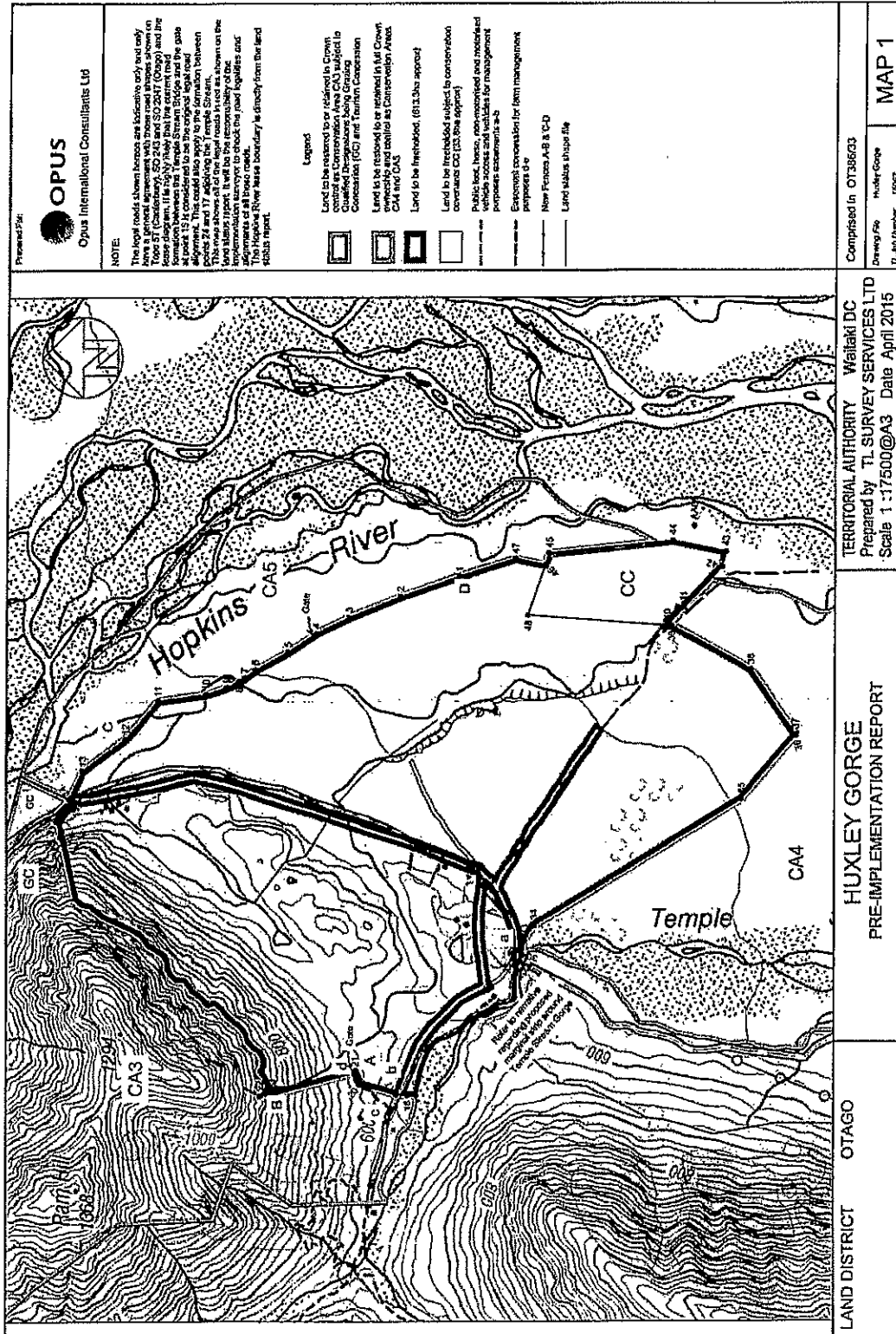
Type:

Seven-wire sheep/cattle fence with T irons or posts

Specifications:

- Fence to be constructed of five HT (2.5mm) wires, one barbed on top and one bottom galvanised medium tensile 4mm (No.8) wire, with wires located on the proposed freehold side of the boundary, (on flat land) except where there is a high risk of snow damage where they shall be placed on the leeward side away from the prevailing snow. Wires to be on uphill side of fence unless snow is a major risk. Barbed wire to be 2 strand, 2.5mm reverse twist, 150mm barb spacing, secured with 3.55mm wire
- 2.4 metre x 200mm treated timber strainers with treated timber stay to be used for gateways and ends of strains. 2.4m x 125mm stays to be used
- 4.2 metre heavy duty galvanised pipe (e.g. Cyclone Heavy Duty) gates to be erected at two sites – the first being across the vehicle track immediately to the north of point "A" and the second at an appropriate location in "C-D" at a point generally indicated on the plan (Map 1) below with the label "gate".
- Gates to be swung to open fully and close against opposite strainer and secured with wrap around type chain and hook.
- 1.8m x 125mm treated timber posts or 1.65m T irons to be used on all high points and at a maximum spacing of 20m.
- Six steel Y standards (e.g. Waratah) per 20 metres to be used. Y standards to be 1.65m with a minimum weight of 2.0kg/m
- All strainers to be and footed with acceptable footing material or tied down.
- No.8 wire to be used on foots, tie backs and tie downs
- Netting to be hung on creek crossings and left to swing in the upper section of fence line A-B.
- Flood gates are to be installed where fence line C-D crosses a flood channel in three places.
- Flood gates and netting creek crossings to be constructed of wire netting and vertical wooden batons, swung off 4 x strands of 4.00mm wire twisted and secured to anchor points on either side of creek above the high water level. The floodgates will remain and operate independent to fence whilst maintaining a stock proof boundary.
- A Bluff off fence end may be required beyond point "B". Constructed of netting with a top barb wire to form a stock proof boundary.
- All strainers and angles to be mortised, stayed and blocked. Stays to be one-third of the way up posts.
- Tie-backs are permitted on both sides of the fence. To have at least 2 anchor points and a minimum of 2 wires on each.
- All wires to be securely and neatly tied off. Bottom wire to be between 100mm – 150mm above the ground. Line to be benched by hand where required. Most of the line will need to be cleared manually as required.
- Post staples to be 50mm x 40mm galvanised slice pointed barb and be driven well in, while still allowing the wire to run through.
- Strains not to exceed 300 metres for 2.5mm HT wire and 250m for 4.00mm wire and strained to a tension recommended by the wire manufacturer.
- Strainers and angle posts to be dug in to such a depth that 1170mm remains out of the ground.

- Under no circumstances are any strainers, posts of stays to be shortened either prior to or subsequent to their placement in the ground.
- Ratchet strainers (e.g. Triplex) to be used on all strains.
- Droppers to be used near gateways where appropriate.



Construction

Lines must be cleared manually as required.

For the avoidance of doubt there is to be no line clearance other than by hand. If, in the course of fencing work it is considered that a specific section of line should be cleared using machinery, then a separate consent from LINZ will be required prior to any work being undertaken. Such consent is to be sought by LINZ's implementation contractor and approval will require an undertaking of:

- Minimal vegetation disturbance
- Not to cause slope instability
- Not to cause erosion or siltation

Should any earthworks be considered then consent from the Canterbury Regional Council must be obtained under the Resource Management Act 1991.

Appendix 4: Form of Easement

In Gross Easement: Public Access and Management Access -- Version 6

DOCDM- 928452 -- Huxley Gorge -- December 2014

TRANSFER GRANT OF EASEMENT IN GROSS

- 1. Public Access**
- 2. Management Access**

Land Transfer Act 1952

This page does not form part of the Transfer.

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

Canterbury

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

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

Grantor Surnames must be underlined

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

Grantee Surnames must be underlined

HER MAJESTY THE QUEEN, 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 12 of the Reserves Act 1977 (continued on pages 2, 3 and 4 of Annexure Schedule).

Consideration

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 GRANTOR TRANSFERS to the GRANTEE all the grantor'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 Signature, or common seal of Grantor | Signed in my presence by the Grantor 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 |
|--|---|

Certified correct for the purposes of the Land Transfer Act 1952

Certified that Part 11A of the Land Settlement Promotion and Land Acquisition Act 1952 does not apply
 Certified that no conveyance duty is payable by virtue of Section 24(1) of the Stamp and Cheque Duties Act 1971.
 (DELETE INAPPLICABLE CERTIFICATE)

Solicitor for the Grantee

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 "[]" 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 Grantee; and/or
 - the ecological sustainable management of the land managed by the Grantee.
 - 1.3 "Servient Land" means the land owned by the Grantor and described on page 1.
 - 1.4 "Grantee" means Her Majesty the Queen acting by and through the Minister of Conservation and includes tenants, agents, invitees, contractors, licensees and employees of the Minister of Conservation and the Director-General of Conservation; and for the purposes of clause 2.1 only, includes any member of the public.
 - 1.5 "Grantor" means the owner of the Servient Land described on page 1 and includes the Grantor's tenants and invitees.

Standard Easement Terms

Access

2. The Grantee has the right in common with the Grantor:
 - 2.1 To pass and re-pass at any time over and along the Easement Area marked "a-c" on foot or on or accompanied by horses, or by non-motorised vehicle powered by a person or persons, or by motor vehicle, subject to the Special Easement Terms.
 - 2.2 To pass and re-pass at any time over and along the Easement Area marked "a-c" on foot, or on or accompanied by horses, or by non-motorised vehicle, or by motor vehicle, with or without machinery and implements of any kind, for Management Purposes, subject to the Special Easement Terms.
3. The Grantor 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 Grantor, subject to Special Easement Terms.

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.

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

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

Dated Page of Pages

Exclusion of Schedules

4. The rights and powers contained in Schedule 4 of the Land Transfer Regulations 2002 and the Fifth Schedule of the Property Law Act 2007 are expressly negated.

Term

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

Temporary Suspension

6. The Grantee 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

- 7.1 If a dispute arises between the Grantor and Grantee concerning the rights, management and operation created by this transfer the parties are to enter into negotiations in good faith to resolve it.
- 7.2 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.
- 7.3 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 of the New Zealand Law Society.
- 7.4 The arbitration is to be determined in accordance with the Arbitration Act 1996 and its amendments or any enactment passed in substitution.

Notice

- 8.1 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 email to the receiving party.
- 8.2 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.
- 8.3 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 working day after the date of dispatch.

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.

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

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

[]

Dated []

Page [] of [] Pages

Special Easement Terms

- 9. The standard easement terms contained above must be read subject to any special easement terms set out below.
- 10. The Grantee will:
 - 10.1 Mark the Easement Area as appropriate.
 - 10.2 Erect and maintain stiles/and or gates.
 - 10.3 Erect and maintain signs informing the public:
 - (a) of the location of the land managed by the Crown and available for public access and recreation; and
 - (b) of their rights and responsibilities in relation to the Easement Area.
 - 10.4 From time to time to modify the surface of the Easement Area so that it becomes and remains fit for the purpose of clauses 2.1 and 2.2
 - 10.5 To use whatever reasonable means of access he/she thinks fit over the Easement Area to carry out the works in clause 10.1 to 10.4.
- 11. Where the Grantor erects fences across the Easement Area the Grantee may install gates no less than 1metre in width and keep gates unlocked at all times unless otherwise agreed with the Grantee.

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.

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.

[]

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

TRANSFER GRANT OF EASEMENT IN GROSS

1. Public Access to Conservation Areas
2. Management Access

Land Transfer Act 1952

Law Firm Acting

Solicitor
Legal Services
Department of Conservation
Dunedin

Auckland District Law Society
REF:4135

This page is for Land Registry Office use only.
(except for "Law Firm Acting")

Appendix 5: Form of Conservation Covenant

DATED _____

Between

COMMISSIONER OF CROWN LANDS
Pursuant to Section 80 of the Crown Pastoral Land Act 1998

and

MINISTER OF CONSERVATION
("the Minister")

COVENANT UNDER RESERVES ACT 1977
FOR CROWN PASTORAL LAND ACT 1998 PURPOSES



Department of Conservation
Te Papa Atawhai

- “Minister”** means the Minister of Conservation.
- “Natural Water”** includes water contained in streams the banks of which have, from time to time, been realigned.
- “Owner”** means the person or persons who from time to time is or are registered as the proprietor(s) of the Land.
- “Party” or “Parties”** means either the Minister or the Owner or both.
- “Values”** means any or all of the Land’s natural environment, landscape amenity, wildlife habitat, freshwater life habitat, marine life habitat or historic values as specified in Schedule 1.
- “Working Day”** means the period between any one midnight and the next excluding Saturdays, Sundays, and statutory holidays in the place where the Land is located.

1.2 For avoidance of doubt:

- 1.2.1 the reference to any statute in this Covenant extends to and includes any amendment to or substitution of that statute;
- 1.2.2 expressions defined in clause 1.1 bear the defined meaning in the whole of this Covenant including the Background. Where the parties disagree over the interpretation of anything contained in this Covenant and in determining the issue, the parties must have regard to the matters contained in the Background;
- 1.2.3 clause and other headings are for ease of reference only and are not to be treated as forming any part of the context or to affect the interpretation of this Covenant;
- 1.2.4 words importing the singular number include the plural and vice versa;
- 1.2.5 words importing one gender include the other gender;
- 1.2.6 any obligation not to do anything must be treated to include an obligation not to suffer, permit or cause the thing to be done;
- 1.2.7 the agreements contained in this Covenant bind and benefit the parties and their administrators and executors, successors and assigns in perpetuity.

2. OBJECTIVE OF THE COVENANT

- 2.1 The Land must be managed so as to preserve the Values.

3. THE OWNER’S OBLIGATIONS

- 3.1 Unless agreed in writing by the parties, the Owner must not carry out or allow to be carried out on or in relation to the Land:
- 3.1.1 grazing of the Land by livestock;
- 3.1.2 subject to clauses 3.2.1 and 3.2.3, felling, removal or damage of any tree, shrub or other plant;
- 3.1.3 the planting of any species of tree, shrub or other plant;

- 3.1.4 the erection of any Fence, building, structure or other improvement for any purpose;
- 3.1.5 any burning, chemical spraying, top dressing or sowing of seed;
- 3.1.6 any cultivation, earth works or other soil disturbances;
- 3.1.7 any archaeological or other scientific research involving disturbance of the soil;
- 3.1.8 the damming, diverting or taking of Natural Water;
- 3.1.9 any action which will cause deterioration in the natural flow, supply, quantity, or quality of water of any stream, river, lake, pond, marsh, or any other water resource affecting the Land;
- 3.1.10 any other activity which might have an adverse effect on the Values.
- 3.1.11 any prospecting or mining for Minerals, coal or other deposit or moving or removal of rock of any kind on or under the Land;
- 3.1.12 the erection of utility transmission lines across the Land.

3.2 The Owner must:

- 3.2.1 eradicate or control all weeds and pests on the Land to the extent required by any statute; and in particular comply with the provisions of, and any notices given under, the Biosecurity Act 1993;
- 3.2.2 if it is safe to do so, assist the Fire Authority to extinguish any wildfire upon or threatening the Land;
- 3.2.3 keep the Land free from exotic tree species;
- 3.2.4 keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
- 3.2.5 grant to the Minister or authorised agent of the Minister or any employee or contractor of the Director-General, a right of access at all times on and to the Land, with or without motor vehicles, machinery, and implements of any kind, for purposes associated with the management of this Covenant;
- 3.2.6 keep all Fences on the boundary of the Land in good order and condition and, notwithstanding clause 3.1.4, rebuild or replace all such Fences when reasonably required except as provided in clause 4.2.

4. THE MINISTER'S OBLIGATIONS

- 4.1 The Minister must have regard to the objective specified in clause 2.1 when considering any requests for approval under this Covenant.
- 4.2 The Minister must repair and replace to its former condition any Fence or other improvement on the Land or on its boundary which may have been damaged in the course of the Minister or any person referred to in clause 3.2.5 exercising any of the rights conferred by this Covenant.

5. IMPLEMENTATION OF OBJECTIVES

- 5.1 The Minister may;

- 5.1.1 provide to the Owner technical advice or assistance as may be necessary or desirable to assist in meeting the objectives specified in clause 2.1;
- 5.1.2 prepare, in consultation with the Owner, a joint plan for the management of the Land to implement the objectives specified in clause 2.1;
- 5.1.3 prepare, in consultation with the Owner, a monitoring plan to assist the parties to meet the objectives specified in clause 2.1.

6. DURATION OF COVENANT

- 6.1 This Covenant binds the Minister and Owner in perpetuity to the rights and obligations contained in it.

7. OBLIGATIONS ON SALE, ASSIGNMENT OR OTHER DEPOSAL OF LAND

- 7.1 If the Owner sells, leases, or parts with possession of the Land, or hands over control of the Land to any other person, the Owner must ensure that the Owner obtains the agreement of the purchaser, lessee, assignee or manager to comply with the terms of this Covenant, including any agreement by the purchaser, lessee, assignee or manager to ensure that on any subsequent sale, lease, assignment, or change in control of the Land, any subsequent purchaser, lessee, assignee or manager must also comply with the terms of this Covenant including this clause.
- 7.2 A Transferee of the land will at law be bound by the registered Covenant. Such transfer is deemed to provide the agreement to comply with the terms of this covenant required by Clause 7.1

8. MISCELLANEOUS MATTERS

8.1 Rights

- 8.1.1 The rights granted by this Covenant are expressly declared to be in the nature of a covenant.

8.2 Trespass Act:

- 8.2.1 Except as provided in this Covenant, the Covenant does not diminish or affect the rights of the Owner to exercise the Owner's rights under the Trespass Act 1980 or any other statute or generally at law or otherwise;
- 8.2.2 For avoidance of doubt these rights may be exercised by the Owner if the Owner reasonably considers that any person has breached the rights and/or restrictions of access conferred by this Covenant.

8.3 Reserves Act

- 8.3.1 Subject to the terms and conditions set out in this Covenant, sections 93 to 105 of the Reserves Act 1977, as far as they are applicable and with the necessary modifications, apply to the Land as if the Land were a reserve, notwithstanding that the Land may from time to time be sold or otherwise disposed of.

8.4 Titles

- 8.4.1 This Covenant must be signed by the Commissioner of Crown Lands and the Minister and registered against the Certificate of Title to the Land.

8.5 Acceptance of Covenant

8.5.1 The parties agree to be bound by the provisions of this Covenant including during the period prior to the Covenant's registration.

8.6 Fire

8.6.1 The Owner must notify, as soon as practicable, the appropriate Fire Authority and the Minister in the event of wild fire threatening the Land;

8.6.2 If the Minister is not the appropriate Fire Authority for the Land, the Minister will render assistance to the Fire Authority in suppressing the fire if:

8.6.2.1 requested to do so; or

8.6.2.2 if there is in place between the Minister and the Fire Authority a formalised fire agreement under section 14 of the Forest and Rural Fires Act 1977.

9. NOTICES

9.1 A notice to be given under this Covenant by one party to the other is to be in writing and made by personal delivery, by pre-paid post, or by email addressed to the receiving party at the address or email address set out in Schedule 1.

9.2 A notice given in accordance with clause 9.1 will be deemed to have been received:

- (a) in the case of personal delivery, on the date of delivery;
- (b) in the case of pre-paid post, on the third Working Day after posting;
- (c) in the case of email, on the day on which it is dispatched if that is a Working Day or, if it is not a Working Day or if it is dispatched after 5.00pm, on the next Working Day after the date of dispatch.

9.3 The Owner must notify the Minister of any change of ownership or control of all or part of the Land and must supply the Minister with the name and address of the new owner or person in control.

10. DEFAULT

10.1 Where either the Minister or the Owner breaches any of the terms and conditions contained in this Covenant the other party:

10.1.1 may take such action as may be necessary to remedy the breach or prevent any further damage occurring as a result of the breach; and

10.1.2 will also be entitled to recover from the party responsible for the breach as a debt due all reasonable costs (including solicitor/client costs) incurred by the other party as a result of remedying the breach or preventing the damage.

10.2 Should either the Minister or the Owner become of the reasonable view that the other party (the defaulting party) has defaulted in performance of or observance of its obligations under this Covenant then that party (notifying party) may, by written notice:

10.2.1 advise the defaulting party of the default.

10.2.2 state the action reasonably required of the defaulting party to perform or observe in accordance with this Covenant; and

- 10.2.3 state a reasonable period within which the defaulting party must take action to remedy the default.

11. DISPUTE RESOLUTION PROCESSES

- 11.1 If any dispute arises between the Minister and the Owner in connection with this Covenant, the parties must, without prejudice to any other rights they may have under this Covenant, attempt to resolve the dispute by negotiation or other informal dispute resolution technique agreed between the parties.

11.2 Mediation

- 11.2.1 if the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to mediation with a mediator agreed between the parties;
- 11.2.2 if the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.

11.3 Failure of Mediation

- 11.3.1 in the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions in the Arbitration Act 1996 will apply;
- 11.3.2 notwithstanding anything to the contrary in the Arbitration Act 1996, if the parties do not agree on the person to be appointed as arbitrator, the appointment is to be made by the President of the New Zealand Law Society;
- 11.3.3 the parties further agree that the results of arbitration are to be binding upon the parties.

12. JOINT OBLIGATIONS

- 12.1 The Owner or the Minister may, by mutual agreement, carry out any work or activity or improvements or take any action either jointly or individually to better preserve the Values.

13. FURTHER AGREEMENT AND APPROVAL

- 13.1 Where clauses in this Covenant require further agreement between the parties such agreement must not be unreasonably withheld.
- 13.2 Where clauses in this Covenant require the approval of the Minister such approval must not be unreasonably withheld.

14. SPECIAL CONDITIONS

- 14.1 Special conditions relating to this Covenant are set out in Schedule 2.
- 14.2 The standard conditions contained in this Covenant must be read subject to any special conditions.

Executed as a Deed

Signed by _____ acting under a)
delegation from the Commissioner of Crown Lands)
deemed pursuant to section 80(5) of the Crown Pastoral)
Land Act 1998 to be the Owner of the Land for the)
purposes of section 77 of the Reserves Act 1977)
in the presence of : _____)

Witness: _____

Address : _____

Occupation: _____

Signed by _____ exercising his/her)
powers under section 117 of the Reserves Act 1977)
as designated Commissioner and acting for and on)
behalf of the Minister of Conservation)
in the presence of : _____)

Witness: _____

Address : _____

Occupation: _____

SCHEDULE 1

1. Description of Land

All that piece of land containing 31 hectares approximately shown shaded yellow on the plan attached to the Proposal and labelled CC.

2. Address for Service¹

The address for service (including email address) of the Minister is:

Minister of Conservation
C/- Director Conservation Partnerships
South and Eastern South Island Region
Department of Conservation
Conservation House
77 Stuart Street
P O Box 5244
DUNEDIN 9058
Phone: (03) 477 0677
Fax: (03) 474 7090
E-mail: dunedinvc@doc.govt.nz

The address for service (including email address) of the Owner is:

Huxley Gorge Limited
6 Queen Street
TIMARU
Phone: (03) 4389644
E-mail: glenlyon@farmside.co.nz

3. Values of Land to be Protected (Section 77, Reserves Act 1977)

CC Hopkins River Flats – Natural Environment

- The area supports original wetland vegetation (red tussock, shrublands, and sedgelands) in an area that is otherwise modified.
- The wetland contains the threatened plant, *Olearia lineata* (At Risk: Declining).
- The wetland provides feeding habitat for the threatened bird species Grey Duck (Threatened – Nationally Critical)
- The wetland provides feeding habitat for the threatened bird species Marsh Crake (At Risk – Relict)
- The wetland provides feeding habitat for the threatened bird species Pied Stilt (At Risk – Declining)
- The wetland provides feeding habitat for the threatened bird species South Island pied oystercatcher (At Risk – Declining)
- The wetland provides feeding habitat for the native bird species, White-faced heron, Spur-winged plover and Paradise shelduck.

¹ State street address as well as any Post Office Box number.

SCHEDULE 2

Special Conditions

- 1.0 Notwithstanding the provisions of clause 3.1 the following shall apply;
 - 1.1 Grazing of the Land by 30 ewes for a total of eight weeks only is allowed during the period between 1 February and 31 July inclusive.
 - 1.2 Grazing of the Land by 40 cows for a total of eight weeks only is allowed during the period between 1 February and 31 July inclusive.
 - 1.3 Grazing of the Land by 40 calves for a total of four weeks only is allowed during the period between 1 February and 31 July inclusive.
 - 1.4 The Owner is to maintain the fences. (The Owner is to ensure the Land is fenced before a substantive proposal is signed).
- 2.0 Monitoring:
 - 2.1 The Minister may establish a series of photo monitoring points to record the condition and trends of a representative range of Values present on the Land
 - 2.2 The Minister may also at his discretion design and undertake a more comprehensive monitoring programme to enable a quantitative assessment of any effects on the Values arising from the Owner's use of the Land.
 - 2.3 If implemented the more comprehensive monitoring programme will be reviewed at regular intervals and if in the opinion of the Minister there are any issues identified with the ongoing viability of the Values he reserves the right to take appropriate measures to further protect the Values. Such measures may include but are not limited to fencing of specific areas and adjusting stocking rates. The Minister will liaise with the Owner in implementing these measures."
- 3.0 Minister's and Director-General's access to the Land:
 - 3.1 The Owner will allow the Director General's staff and contractors entry upon and to the Land at all times, for purposes associated with management of the Covenant.
 - 3.2 In exercising other rights of access on and to the Land under clause 3.2.5, prior to the Minister any authorised agent of the Minister or any employee or contractor of the Director-General accessing the Land, they will take all reasonable efforts to advise the Owner at least 24 hours in advance. The Owner may offer the use of an alternative access route at that time which should be used if it provides more practical access.

GRANT of

Correct for the purposes of the
Land Transfer Act 1952
Solicitor for the Minister

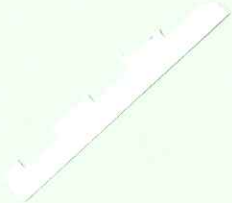
CONSERVATION COVENANT UNDER
SECTION 77 OF THE RESERVES ACT 1977 FOR
CROWN PASTORAL LAND ACT 1998 PURPOSES

COMMISSIONER OF CROWN
LANDS

to

MINISTER OF CONSERVATION

Solicitor
Department of Conservation
DUNEDIN/CHRISTCHURCH



Appendix 6: Form of Tourism Concession

Concession number: _____

DATED _____

Between

THE MINISTER OF CONSERVATION
("the Grantor")

and

HUXLEY GORGE LIMITED
("the Concessionaire")

CONCESSION DOCUMENT
UNDER THE CROWN PASTORAL LAND ACT 1998
(for Tourism Activities)



Department of Conservation
Te Papa Atawhai

THIS LICENCE is made on this day of

PARTIES:

1. **MINISTER OF CONSERVATION**, ("the Grantor")
2. **HUXLEY GORGE LIMITED**, ("the Concessionaire")

BACKGROUND

- A. The Grantor manages the Land described in Schedule 1 as a Conservation Area.
- B. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorize the Grantor to grant a Concession for a Concession Activity in a Conservation Area.
- C. The Concessionaire wishes to carry out the Concession Activity on the Land subject to the terms and conditions of this Document.

OPERATIVE PARTS

TERMS AND CONDITIONS

1.0 DEFINITIONS AND INTERPRETATION

1.1 In this Document, unless the context otherwise requires:

"Access" means the right, in common with others, to pass and repass over the Land and any roads of the Grantor for ingress to and egress from the Land as is reasonably necessary for the Concessionaire to exercise its rights under this Licence.

"Administration Fee" means the amount specified in Item 6(b) of Schedule 1 and is the annual fee for administering the Concession imposed by the Grantor under section 60D of the Conservation Act 1987. It includes any variation in that amount following a Concession Fee Review.

"Background" means the matters referred to under the heading 'Background' on page 1 of this Document.

"Concession" means a concession as defined in section 2 of the Conservation Act 1987.

"Concessionaire" includes the Concessionaire's successors, assigns, executors, and administrators.

"Concession Activity" means the use of the Land for purposes of the activity carried out by the Concessionaire and specified in Item 2 of Schedule 1.

"Concession Fee" means the amount specified in Item 6(a) of Schedule 1 and charged by the Grantor for the Concessionaire's right to carry out the Concession Activity on the Land. It includes any variation in that amount following a Concession Fee Review. It also includes, where relevant, the amount which the parties agree to be the new Concession Fee on a renewal of the Document.

"Concession Fee Payment Date" means the date specified in Item 7 of Schedule 1 on which the Concession Fee falls due for payment.

"Concession Fee Review" means a review of the Concession Fee determined in accordance with clause 6 of this Document.

"Concession Fee Review Date" means the date specified in Item 9 of Schedule 1 on which the Concession Fee Review occurs being at 3 year intervals calculated from the date of commencement of the term of this Document; and includes any additional dates inserted into Item 9 of Schedule 1 following a renewal of this Document.

"Conservation Area" has the same meaning as "Conservation area" in section 2 of the Conservation Act 1987.

"Co-Site" means the use of the Concessionaire's structures or facilities on the Land by a third party for an Activity and **"Co-Sitee"** and **"Co-Siting"** have corresponding meanings.

"Director-General" means the Director-General of Conservation.

"Document" means this Licence and any subsequent amendments and all schedules, annexures, and plans attached to it.

"Final Expiry Date" means the date specified in Item 5 of Schedule 1.

"Land" means a Conservation Area or a Reserve (whichever is relevant in the circumstances) being the area more particularly described in Item 1 of Schedule 1.

"Licence" for purposes of this Document is the Licence granted under this Document by the Grantor to the Concessionaire under section 17Q(1) of the Conservation Act 1987.

"Penalty Interest Rate" means the rate specified in Item 8 of Schedule 1.

"Renewal Date" means the date specified in Item 4(a) of Schedule 1.

"Renewal Period" means the period specified in Item 4(b) of the Schedule 1.

"Structure" includes a bridge, a culvert, and a fence.

"Term" means the period of time specified in Item 3 of Schedule 1 during which this Document operates. It includes, where relevant, any period of renewal of the Term.

"Working Day" means the period between any one midnight and the next excluding Saturdays, Sundays and Statutory holidays in the place where the Concession Activity is being carried out.

1.2 In this Document unless the context otherwise requires:

- (a) a reference to a party is a reference to a party to this Document;
- (b) schedules and annexures form part of this Document and have effect accordingly;
- (c) words appearing in this Document which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
- (d) a provision of this Document to be performed by two or more persons binds those persons jointly and severally;
- (e) words in a singular number include the plural and vice versa;
- (f) words importing a gender include other genders;
- (g) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date of this Document;
- (h) where the Grantor's consent or approval is expressly required under a provision of this Document, the Concessionaire must seek the consent or approval of the Grantor for each separate occasion it is required notwithstanding that the Grantor has granted consent or approval for a like purpose on a prior occasion.

1.3 Words used in the Background to this Document have the same meaning given to them in clause 1.1.

2.0 GRANT OF LICENCE

2.1 In exercise of the Grantor's powers under either section 66 of the Crown Pastoral Land Act 1998 the Grantor **GRANTS** to the Concessionaire a **LICENCE** under section 17Q(1) of the Conservation Act 1987 to carry out the Concession Activity on the Land subject to the terms and conditions contained in this Document.

3.0 TERM

3.1 The Licence is for the Term specified in Item 3 of Schedule 1.

4.0 CONCESSION FEE AND ADMINISTRATION FEE

4.1 The Concessionaire must pay to the Grantor in the manner directed by the Grantor on or before the Concession Fee Payment Date specified in Item 7 of Schedule 1:

(a) the Concession Fee plus GST specified in Item 6(a) of Schedule 1; and

(b) the Administration Fee plus GST specified in Item 6(b) of Schedule 1.

4.2 If the Concessionaire defaults in payment of the Concession Fee and Administration Fee for 14 days after a Concession Fee Payment Date the Concessionaire is to pay interest on the unpaid Concession Fee and Administration Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 8 of Schedule 1.

4.3 For purposes of clause 6.0, a reference to Concession Fee includes a reference to the Administration Fee.

5.0 OTHER CHARGES

5.1 In addition to the Concession Fee and Administration Fee the Concessionaire must pay all rates, levies, taxes, duties, assessments, charges, and other outgoings which may be charged, levied, or reasonably assessed, or which become payable in relation to the Land as a result of the grant of this Licence.

6.0 CONCESSION FEE REVIEW

6.1 The Grantor will review the Concession Fee on the Concession Fee Review Dates.

6.2 The Grantor will commence the review not earlier than 3 months before a Concession Fee Review Date and no later than 9 months following the Concession Fee Review Date by giving written notice to the Concessionaire.

6.3 The notice must specify the Concession Fee which the Grantor considers to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987.

6.4 If, within 28 days of receipt of the Grantor's notice, the Concessionaire gives written notice to the Grantor that the Concessionaire disputes the proposed new Concession Fee the new Concession Fee is to be determined in accordance with clause 18.

6.5 Until determination of the new Concession Fee, the Concession Fee payable by the Concessionaire from the Concession Fee Review Date is to be the Concession Fee payable immediately before the Concession Fee Review Date. On determination of the new Concession Fee an adjustment is to be made and paid, either by the Grantor or by the Concessionaire, whichever is applicable.

6.6 If the Concessionaire does not give notice to the Grantor under clause 6.4 the Concessionaire will be deemed to have accepted the Concession Fee specified in the Grantor's notice.

7.0 CONCESSION ACTIVITY

7.1 The Concessionaire is not to use the Land for any purpose other than the Concession Activity.

8.0 COMPLIANCE

8.1 The Concessionaire will comply where relevant:

- (a) with the provisions of any conservation management strategy or conservation management plan under Part IIIA of the Conservation Act 1987 together with any amendment or review of the strategy or plan whether approved before, on, or after the date on which this Document takes effect; and
- (b) with the Conservation Act 1987, the Reserves Act 1977, the Health and Safety in Employment Act 1992, the Resource Management Act 1991, Heritage New Zealand Pouhere Taonga Act 2014 and any other statute, ordinance, regulation, bylaw, or other enactment affecting or relating to the Land, or affecting or relating to the Concession Activity.

9.0 CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS

9.1 The Concessionaire must not erect or bring on to the Land any Structure, install any facility, or alter the Land in any way without the prior written consent of the Grantor.

9.2 The Concessionaire must keep and maintain at the Concessionaire's cost any Structures, facilities and alterations to the Land in good repair.

9.3 On expiry or early termination of this Document either as to the whole or any part of the Land, the Concessionaire will not be entitled to compensation for any improvements (including pasture) and any Structures or facilities remaining on the Land are to become the property of the Grantor.

9.4 If requested by the Grantor, the Concessionaire must, within such time as the Grantor determines, remove all Structures, facilities or other improvements erected or installed by the Concessionaire and make good at the Concessionaire's own expense all damage done by the removal and must leave the Land in a clean and tidy condition to the satisfaction of the Grantor.

10.0 PROTECTION OF THE ENVIRONMENT

10.1 Except as approved in writing by the Grantor the Concessionaire will not, whether by act or omission:

- (a) interfere with, remove, damage, or endanger the natural features, indigenous animals and plants, or historic resources on the Land; or
- (b) bring any plants, or animals on to the Land; or
- (c) deposit on the Land debris, rubbish or other dangerous or unsightly matter, or contaminate any water body on the Land; or
- (d) pile or store materials in any place on the Land where they may obstruct the public or create a nuisance; or
- (e) conduct any noxious, noisome, dangerous or offensive activity on the Land; or
- (f) top-dress, burn, cultivation, sow seed, or carry out earthworks (including tracking, drainage or ditching) on the Land; or
- (g) disturb or allow stock to disturb any stream or watercourse on the Land; or

(h) light any fire on the Land.

10.2 The Concessionaire, must at the Concessionaire's expense:

(a)(i) if required by the Grantor take all steps necessary to control any pest, insect, or rodent infestation occurring on or emanating from the Land described in Schedule 1 Item 1 or any Structure or facility on the Land;

(a)(ii) if considered necessary by the Grantor, engage a pest exterminator approved by the Grantor; and

(b) comply strictly with the provisions of the Biosecurity Act 1993.

10.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 10.

10.4 The Concessionaire may bring firearms (subject to a permit) on to the Land for use in connection with the Concession Activity and pest control operations.

10.5 The Concessionaire for purposes of the Concession Activity may take onto or use vehicles on the Land.

11.0 HEALTH AND SAFETY

11.1 The Concessionaire is to carry out the Concession Activity on the Land in a safe and reliable manner and must comply with the Health and Safety in Employment Act 1992 and its regulations and an independently audited safety plan, prepared to the satisfaction of the Grantor.

11.2 The Concessionaire must notify the Grantor of any natural events or activities on the Land or the surrounding area which may endanger the public or the environment.

12.0 TEMPORARY SUSPENSION

12.1 The Grantor may suspend this Document:

(a) if, in the opinion of the Grantor the activities of the Concessionaire, its employees, agents, contractors, licensees or invitees are having or may have an adverse effect on the environment and the Grantor considers that the effect can be avoided, remedied or mitigated to an extent satisfactory to the Grantor;

(b) while the Grantor investigates any of the circumstances contemplated by this clause and also while the Grantor investigates any potential breach or possible offence by the Concessionaire related to the Concession Activity under the Conservation Act 1987 or any of the Acts mentioned in the First Schedule of that Act of which the Grantor has become aware.

12.2 The Grantor is not liable to the Concessionaire for any loss sustained by the Concessionaire by reason of a suspension under clause 12.1 including loss of profits.

12.3 During any period of temporary suspension the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.

13.0 ASSIGNMENT

13.1 The Concessionaire is not to transfer, sublicense, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Document or any part of it.

13.2 Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire will be deemed to be an assignment and will require the consent of the Grantor.

14.0 TERMINATION

14.1 The Grantor may terminate this Document by notice in writing to the Concessionaire if:

- (a) the Concession Fee or the Administration Fee or any other money payable to the Grantor under this Document is in arrears and unpaid for 14 days after any of the days appointed for payment whether it has been lawfully demanded or not; or
- (b)(i) the Concessionaire breaches any terms of this Document; and
- (b)(ii) the Grantor has notified the Concessionaire in writing of the breach; and
- (b)(iii) the Concessionaire does not rectify the breach within 28 days of receiving notification; or
- (c) the Concessionaire ceases to conduct the Concession Activity; or
- (d) the Concessionaire is convicted of an offence, related to the Concession Activity, under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act; or the Resource Management Act 1991; or the Biosecurity Act 1993; or the Health and Safety in Employment Act 1992; or
- (e) the Concessionaire is dissolved; or enters into any composition with or assignment for the benefit of its creditors; or is adjudged bankrupt; or being a company has a receiver appointed; or is put into liquidation; or is placed under statutory management; or has a petition for winding up presented against it; or is otherwise unable to pay its debts as they fall due; or the estate or interest of the Concessionaire is made subject to a writ of sale or charging order; or the Concessionaire cease to function or operate.

14.2 If the Grantor terminates the Document under this clause 14 all rights of the Concessionaire are to cease absolutely; but the Concessionaire is not to be released from any liability to pay the Concession Fee or Administration Fee or other monies up to the date of termination or for any breach of any term up to the date of termination.

14.3 The Grantor may exercise the Grantor's right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Grantor or any indulgence granted by the Grantor for any matter or default.

15.0 INDEMNITIES AND INSURANCE

15.1 The Concessionaire will indemnify and keep indemnified the Grantor against all claims made by any person in respect of any injury, loss, or damage, including fire, caused or suffered as a result of or arising out of any acts or omissions of the Concessionaire, its employees, contractors, or invitees or otherwise caused as a result of its use of the Land or the Concessionaire's carrying out of the Concession Activity on the Land.

15.2 This indemnity is to continue after the expiry or other determination of this Document in respect of those acts or omissions occurring or arising before its expiry or determination.

15.3 Without prejudice to or in any way limiting its liability under clause 15.1 the Concessionaire must take out and keep in force during the Term if required by the Grantor:

- (a) a policy of public liability insurance against liability for loss, damage or injury from any one single accident or event arising out of its conduct of the Concession Activity on the Land and covering:

- (i) general indemnity for a sum not less than the amount specified in Item 10 of Schedule 1; and
 - (ii) Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 11 of Schedule 1; and
- (b) statutory liability insurance for the amount specified in Item 12 of Schedule 1; and
- (c) such other policy or policies of insurance against any other liability and for such other sums which the Grantor specifies in Item 13 of Schedule 1.

15.4 With respect to clause 15.3 the Concessionaire must, before commencing the Concession Activity and on each renewal of insurance provide the Grantor with certificates of insurance issued by the Concessionaire's insurer confirming the nature, amount and duration of cover.

16.0 ENVIRONMENTAL MONITORING

16.1 The Concessionaire must, during the Term, if required in writing by the Grantor, pay to the Grantor the annual environmental monitoring contribution specified in Item 14 of Schedule 1 to enable the Grantor to design and undertake a programme to monitor the environmental effects of the Concessionaire's conduct of the Concession Activity on the Land.

17.0 FORCE MAJEURE

17.1 Neither party will be liable to the other party for any delay in performance of, or failure to perform, its obligations (other than a payment of money) under this Document as a result of any cause beyond its reasonable control.

18.0 DISPUTE RESOLUTION AND ARBITRATION

18.1 If any dispute arises between the parties in connection with this Document, the parties must, without prejudice to any other rights they have under this Document, attempt to resolve the dispute by negotiation or other informal dispute resolution techniques agreed by the parties.

18.2 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to mediation with a mediator agreed between the parties.

18.3 If the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.

18.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.

18.5 Notwithstanding anything in the Arbitration Act 1996, if the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the District Law Society in the region in which the Land is situated is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.

18.6 All arbitration proceedings are to take place in New Zealand and to be governed by New Zealand law.

18.7 The parties agree that the results of any arbitration are to be binding on the parties.

19.0 NOTICES

- 19.1 Any notice to be given under this Document by one party to the other is to be in writing and made by personal delivery, by pre-paid post, by facsimile or by email addressed to the receiving party at the address or facsimile number set out in Item 15 of Schedule 1.
- 19.2 A notice given in accordance with clause 19.1 will be deemed to have been received:
- (a) in the case of personal delivery, on the date of delivery;
 - (b) in the case of pre-paid post, on the third working day after posting;
 - (c) in the case of facsimile, on the Working Day on which it is dispatched or, if dispatched after 5.00pm on a Working Day, or if dispatched on a non-working day, on the next Working Day after the date of dispatch.
 - (d) in the case of email, on the Working Day or, if dispatched after 5.00pm on a Working Day, or if it is dispatched on a non working day, on the next Working Day after the date of dispatch.

20.0 RELATIONSHIP OF PARTIES

- 20.1 Nothing expressed or implied in this Document shall be construed as:
- (a) conferring on the Concessionaire any right of exclusive occupation or use of the Land;
 - (b) derogating from the rights of the Grantor and the public to have access across the Land;
 - (c) preventing the Grantor from granting other concessions (except a grazing licence) to other persons.

21.0 OFFENCES

- 21.1 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act:
- (a) no waiver or failure to act by the Grantor under this Document is to preclude the Grantor from prosecuting the Concessionaire; and
 - (b) no failure by the Grantor to prosecute the Concessionaire is to preclude the Grantor from exercising the Grantor's remedies under this Document; and
 - (c) any action of the Grantor in prosecuting the Concessionaire is not to preclude the Grantor from exercising the Grantor's remedies under this Document.

22.0 ADVERTISING.

- 22.1 The Concessionaire must not erect or display any signs or advertising on the Land without the prior written approval of the Grantor. At the expiry or termination of this Concession the Concessionaire must remove all signs and advertising material and make good any damage caused by the removal.
- 22.2 Where required by the Grantor, the Concessionaire must ensure that all its advertising and promotional material specifies that it is carrying out the Concession Activity under a Concession granted by the Grantor on land administered by the Department.
- 22.3 If required by the Grantor in writing the Concessionaire must include information in its advertising and promotional material which assists its clients to understand the features and values of the natural and historic resources of the Land and the surrounding area.
- 22.4 In preparing such information the Concessionaire must obtain information from and have regard to the views of tangata whenua.

23.0 EMPLOYMENT OF STAFF.

- 23.1 The Concessionaire must ensure that the Concession Activity is conducted at all times by a person or persons suitably trained and qualified to carry out the Concession Activity.
- 23.2 The Concessionaire must provide the Grantor with evidence of the competency and qualifications of its employees if the Grantor so requests.
- 23.3 The Concessionaire must comply with all statutes relating to employment of staff.

24.0 VARIATIONS

- 24.1 The provisions of section 17ZC of the Conservation Act 1987 apply to all variations sought by the Concessionaire.
- 24.2 The Grantor may vary any conditions of this Document if the variation is necessary:
- (a) to deal with significant adverse effects of the Activity that were not reasonably foreseeable at the time this Licence was granted; or
 - (b) because the information made available to the Grantor by the Concessionaire for the purposes of the Concessionaire's application contained inaccuracies which materially influenced the decision to grant the Licence and the effects of the Activity permitted by this Document require more appropriate conditions.
- 24.3 The Concessionaire is to be bound by every such variation.

25.0 CO-SITING.

- 25.1 The Concessionaire must, if directed by the Grantor, allow Co-Siting except when a Concessionaire demonstrates to the reasonable satisfaction of the Grantor that the Co-Siting by a third party:
- (a) would impact on the ability of the Concessionaire to conduct its Concession Activity; or
 - (b) would result in a substantial change to the Concession Activity carried out by the Concessionaire on the Land.
- 25.2 The Grantor will be entitled to require the Concessionaire to obtain at the Concessionaire's expense a report prepared by an independent consultant acceptable to the Grantor confirming the matter specified in clause 25.1.
- 25.3 For the avoidance of doubt, a Co-Sitee permitted on the Land must enter into a separate agreement with the Grantor in terms of which the Co-Sitee will be required to pay a fee to the Grantor to conduct an Activity on the Land. This separate agreement will not contain provisions that conflict with the Concessionaire's rights and obligations in relation to the Land.

26.0 SPECIAL CONDITIONS

- 26.1 Special conditions relating to this Document are set out in Schedule 2
- 26.2 The standard conditions contained in this Document must be read subject to any special conditions.

Signed by _____)
_____)

for and on behalf of the Minister of
Conservation pursuant to a written
delegation in the presence of :

Witness _____

Occupation _____

Address _____

Signed by : **Huxley Gorge Limited** by its Directors:

[name _____] as Concessionaire

[name _____] as Concessionaire

SCHEDULE 1

1. **Land:** Conservation area of 12,850 hectares approximately on the Neumann Range being part of _____ situated in the Land District of Otago and Canterbury and shown on the plan attached to the Proposal as CA1, CA2 and CA3 being shaded pink and herein referred to as the Land.
(see definition of Land in clause 1.1)
2. **Concession Activity:**
 - (A) Tourism Concession (CA1, CA2 and CA3);
The use of the Land for the purpose of the business of:
 - Guided; walking, tramping, climbing, mountaineering, rock climbing, mountain biking, horse trekking, ATV and 4WD touring, fishing, camping, commercial ground based hunting,.
 - Scenic snow landings.
 - Heli-landings for the purposes of positioning recreationists and commercially guided groups.
 - Heli-landings for the drop off and/or pick up of heli-hiking, heli-biking and heli-fishing clients.
3. **Term:** (A) Tourism Concession;
20 years commencing on the date of registration of an approved plan affecting Certificate of Title xxxxxxx (Otago and Canterbury Registry) (the commencement date).
3. **Renewal:** (A) Tourism Concession; No right of renewal
5. **Expiry Date:** (A) The 20th anniversary of the commencement date.
6. **Concession Fee:**
 - (a) (i) Tourism Concession fee: \$10.00 + GST per person per full day activity, \$5.00 +GST per person per half day activity.

(ii) Heliskiing fee: \$26 + GST per person per day.

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(iii) Irregular landing fee: \$15 + GST per person landed.

(see clause 4)

(b) Administration Fee: \$500.00 per annum + GST

(see clause 4)

7. **Concession Fee Payment Date:** Calculation and payment of concessions activity fee owing for the preceding year due in arrears yearly from the commencement date. The concessionaire is to supply client activity return forms and declaration of fees form attached as Schedule 3.

(see clause 4)

8. **Penalty Interest Rate:** Double the Grantor's bank's current highest 90 day bank bill buy rate.

(see clause 4.2)

9. **Concession Fee Review Date:** Every three years from the commencement date.

(see clause 6)

10. **Public Liability General Indemnity Cover:** for \$2,000,000

(see clause 15.3)

11. **Public Liability Forest & Rural Fire Extension:** for \$2,000,000
15.3)

(see clause

12. **Statutory Liability:** \$500,000

(see clause 15.3)

13. **Other Types of Insurance:** NIL

(see clause 15.3)

Amounts Insured for Other Types of Insurances: NIL

(see clause 15.3)

14. **Environmental Monitoring Contribution:** To be negotiated between the Grantor and the Concessionaire if required as per Clause 16 (Environmental Monitoring and Land Rehabilitation) of the concession document.
16)

(see clause

15. **Address for Notices:**

(see clause 19)

(a) Grantor

Minister of Conservation
C/- Director Conservation Partnerships
South and Eastern South Island Region
Department of Conservation
Conservation House
77 Stuart Street
P O Box 5244
DUNEDIN 9058
Phone: (03) 477 0677
Fax: (03) 474 7090
E-mail: dunedinvc@doc.govt.nz

(b) Concessionaire

Huxley Gorge Limited
6 Queen Street
TIMARU
Phone: (03) 4389644
E-mail: glenlyon@farmside.co.nz

SCHEDULE 2

Special Conditions

(A) General Conditions: (to apply to CA1, CA2 and CA3 as outlined in Item 1 of Schedule 1).

1. The public have unrestricted access rights to the Land. The Grantor may erect signposts and mark the access routes through the Land for the benefit of the public.
2. The Concessionaire may use the Dodger Hut and Erceg Hut, situated on the Land, for accommodation associated with the concession activities. Such use will be on an equitable basis in conjunction with other visitors to the Land. The huts are to be maintained by the Grantor.
3. The Grantor will have no obligation to maintain any of the tracks within the Land. The Grantor shall have all rights and powers whether on the track or necessarily adjacent thereto to take all reasonable steps to repair and maintain the tracks to a standard suitable for Conservation management use and public pedestrian access. The Concessionaire may maintain any existing 4WD tracks within the Land. Maintenance of existing 4WD tracks is to be done in consultation with the Te Manahuna/ Twizel Conservation Services Manager.
4. The Concessionaire shall actively promote and, by all practicable means, cause all clients to adhere to the attached Environmental Care Code and the Water Care Code at all times. (Schedule 4)
5. Before commencing any of the Concession Activities, the Concessionaire must prepare a safety plan and have it audited, pursuant to Clause 11.0 of this Licence.
6. The Concessionaire shall provide evidence (at the same time as providing their activity return) satisfactory to the Grantor that the Concessionaire safety plan is current and operational. If the evidence provided by the Concessionaire is not satisfactory to the Grantor, the Concessionaire shall (at the Concessionaires expense) provide the Grantor with a recently completed audit (no more than 30 days old) of the safety plan.
7. The Concessionaire must report all incidents and accidents of what so ever nature and whether or not the subject of an official search and rescue operation to the Grantor. At the request of the Grantor the Concessionaire must supply a report in writing of any inquiry into the cause of an incident, or accident, and if in the opinion of the Grantor the inquiry reveals that a reasonable standard of safety was not maintained and/or the Concessionaire, their servants, or employees or agents were negligent then the Grantor may determine this concession. The Concessionaire must at the request of the Grantor make available any employee, servant or agent who in the opinion of the Grantor might assist in any such enquiry.
8. The Concessionaire and their servants, agents, invitees and staff shall be solely responsible for the safety and conduct of all persons participating in the said helicopter landings and shall be held vicariously liable for any breach, non-observance or non-performance of any of the conditions herein contained or implied caused by any act or omission of the Concessionaires servants or invitees.
9. The Concessionaire shall remove all rubbish, including waste food, associated with the Concession Activity from the Land at the conclusion of each trip.
10. If in the opinion of the Te Manahuna/ Twizel Conservation Partnerships Manager , excessive impact (including visual and noise impact) is occurring to any part of the area to which this permit applies, the Concessionaire shall modify the method of operation to the satisfaction of the Te Manahuna/ Twizel Conservation Partnerships Manager, to avoid, remedy or mitigate the adverse effects. The Grantor shall have the right to amend the conditions of this licence to reflect any such modification to methods of operation, including the location and the maximum numbers of landings permitted.

11. On the 5th, 10th, 15th, 20th and 25th anniversary of the signing of this concession, a review may be undertaken based on the Concessionaire's Activity Returns. If it is determined from the Concessionaire's Activity Returns that the full allocation of their concession is not being used, the Grantor reserves the right to review the allocation quota of the Concessionaire and amend the Concession document accordingly (using the following formula: maximum number of trips guided/landings undertaken in any of the preceding five years of the concession plus 4.5% (compounding) for each of the next five remaining years of the concession). In the same way, the Department may at this time consider a variation to the concession to increase numbers if demand is demonstrated and effects of any increase can be remedied, mitigated or avoided.
12. The Concessionaire is requested to consult the relevant Papatipu Runanga (as set out below) if they wish to use Ngāi Tahu cultural information. If the concessionaire wishes to use the Tōpuni or statutory acknowledgement information contained in schedules 14-108 of the Ngāi Tahu Claims Settlement Act 1998, or any Department produced interpretative material in respect to Ngāi Tahu cultural information, they are requested to notify the relevant Papatipu Rūnanga, as a matter of courtesy.
Note: The Department of Conservation will, in relation to this clause, provide the Concessionaire with:
 - (a) *the contact details of the relevant Papatipu Rūnanga, and;*
 - (b) *the relevant Tōpuni information.*
13. The Concessionaire and any persons employed by the Concessionaire are requested to recognize and provide for Ngāi Tahu values in the conduct of their activities.
14. The Concessionaire shall, as far as practicable, attend any workshops held by the Department of Conservation for the purpose of providing information to concessionaires, which will include the Ngāi Tahu values associated with Tōpuni areas.
15. If sites of cultural or historical significance are located during the Term, the Grantor reserves the right to prohibit or restrict any Concession Activity relating to those sites.
16. The Grantor shall be entitled to send any officer of the Department of Conservation on any of the Concession Activities to assess their impact on conservation values, and compliance with terms and conditions of this Licence. The costs of such assessment are recoverable from the Concessionaire.
17. This Concession does not confer any right for the Concessionaire and clients to take any part or parts of
any indigenous plant on any land administered by the Department of Conservation
18. The Concessionaire shall ensure that all human waste, that cannot be disposed of in the already existing
toilet facilities, is buried a minimum of 50 metres away from water source and courses.
19. The Grantor reserves the right to apply restrictions on the Concession Activity of the Concessionaire, or withdraw all or part of the Land or Concession Activity approved, if in the opinion of the Grantor the Concession Activity granted is having, or may have, an adverse effect on the physical or social environment and the effect cannot be avoided, remedied or mitigated to an extent satisfactory to the Grantor. The concessionaire shall not be entitled to any compensation in the event of such action being taken.
20. The Concessionaire and their clients shall remain on formed tracks or well-used routes where these facilities have been designed to protect the natural and historic features of the land at all times. All safety signs must be adhered to at all times.
21. The Concessionaire shall ensure that in relation to camping activities;
 - a. Informal camping must ensure minimum impact is caused to the campsite. Existing campsites shall be used in preference to new sites.
 - b. Campsites (designated or informal) are not to be used for more than two consecutive nights.
 - c. Permanent or semi-permanent structures are not to be erected at any formal or informal campsite.

22. The Concessionaire shall complete the Client Activity Return forms, attached as Schedule 3, six monthly from the commencement date of the concession each and every year. The Activity Return forms should clearly illustrate, where the activities have occurred using the catchment locations provided by the Department. This can be by grid references, GPS points or a physical description, or marked on the attached map This will help the Department with planning for the area.

23. The Concessionaire must comply with the Didymo prevention and cleaning protocols as set out in Schedule 5 after contact (including equipment, boats, clothing and other items) with any waterway.

Tourism Activities: (to apply to CA1, CA2 and CA3 as outlined in Clause 1 of Schedule 1).

(B) Guided Ground Based Hunting Conditions:

24 The activity is limited to the following;

| DOC Facilities (eg huts) or informal campsites | Max. Party Size (incl. guides) | Frequency of Use (trips) per Year | Max. number of trips per week | Duration of visit (half or full days?) |
|--|--------------------------------|-----------------------------------|-------------------------------|--|
| | 5 | | 4 | |

25 The Concessionaire is to limit the party size to the maximum party size (including guide) identified in the table above.

26 The Grantor will be responsible for controlling the tahr numbers on the Land. The tahr numbers are to be maintained at a level that is in keeping with current DOC policies on tahr number control. The Grantor reserves the right to monitor the tahr numbers from time to time as they consider appropriate and if numbers are not at an acceptable level the Grantor reserves the right to bring the numbers down to a figure that is appropriate to current control policies.

27 The Concessionaire shall not guide any hunting party in the concession area without having first obtained hunting permits to cover all members of the specific hunting party.

28 The Concessionaire shall pay, as a charge additional to the concession fee, all standard hut fees for all members of the Concessionaire's party for the use of any hut.

(C) Guided Walking, and Tramping, Conditions: (to apply to CA1, CA2 and CA3 as outlined in Clause 1 of Schedule 1).

Conditions:

29 The activity is limited to the following;

| DOC Facilities (eg huts) or informal campsites | Max. Party Size (incl. guides) | Frequency of Use (trips) per Year | Max. number of trips per week | Duration of visit (half or full) |
|--|--------------------------------|-----------------------------------|-------------------------------|----------------------------------|
| | | | | |

| | | | | |
|--|----|-----|---|--------|
| | | | | days?) |
| | 15 | 260 | 5 | |

- 30 The Concessionaire is to limit the party size to the maximum party size (including guide) identified in the table above.
- 31 The Grantor reserves the right to request further or different activity related information in order to best monitor and determine any effects of the Concession Activity on the Land.

(D) Guided Climbing and Rock Climbing Conditions: (to apply to CA1, CA2 and CA3 as outlined in Clause 1 of Schedule 1).

- 32 The activity is limited to the following:

| DOC Facilities (eg huts) or informal campsites | Max. Party Size (incl. guides) | Frequency of Use (trips) per Year | Max. number of trips per week | Duration of visit (half or full days?) |
|--|--------------------------------|-----------------------------------|-------------------------------|--|
| | 8 | | 2 | |

- 33 The Concessionaire is to limit the party size to the maximum party size (including guide) identified in the table above.
- 34 The Grantor reserves the right to request further or different activity related information in order to best monitor and determine any effects of the Concession Activity on the Land.
- 35 The Concessionaire is to ensure that there is no brushing or preparing of any rock surfaces.
- 36 The Concessionaire is to ensure that any cracks, clefts or other hollows or depressions in the rock surface that support vegetative growth are not cleaned out or "gardened".
- 37 The Concessionaire is to ensure that rock bolts are not placed on new climbing routes and existing bolts are not replaced.
- 38 The Concessionaire is to ensure that minimal trampling of plants at rock bases occurs.
- 39 The Concessionaire is to ensure all equipment is removed from the area.

(E) Guided Mountaineering Conditions: (to apply to CA1, CA2 and CA3 as outlined in Clause 1 of Schedule 1).

- 40 The activity is limited to the following:

| DOC Facilities (eg huts) or informal campsites | Max. Party Size (incl. guides) | Frequency of Use (trips) per Year | Max. number of trips per week | Duration of visit (half or full days?) |
|--|--------------------------------|-----------------------------------|-------------------------------|--|
| | 8 | | 2 | |

- 41 The Concessionaire is to limit the party size to the maximum party size (including guide) identified in the table above.
- 42 The Grantor reserves the right to request further or different activity related information in order to best monitor and determine any effects of the Concession Activity on the Land.
- 43 All persons employed to conduct high guiding activity will only take clients out on routes on which they are suitably qualified or experienced to do so.

(F) Guided Mountain Biking Conditions: (to apply to CA1, CA2, and CA3 as outlined in Clause 1 of Schedule 1).

44 The activity is limited to the following;

| DOC Facilities (eg huts) or informal campsites | Max. Party Size (incl. guides) | Frequency of Use (trips) per Year | Max. number of trips per week | Duration of visit (half or full days?) |
|--|--------------------------------|-----------------------------------|-------------------------------|--|
| | 8 | | 2 | |

- 45 The Concessionaire is to limit the party size to the maximum party size (including guide) identified in the table above.
- 46 The Grantor reserves the right to request further or different activity related information in order to best monitor and determine any effects of the Concession Activity on the Land.
- 47 The Concessionaire shall ensure that mountain bikes avoid wet and swampy areas.
- 48 The Concessionaire shall ensure that mountain bikes remain on formed tracks where possible and conform to the mountain bike code of conduct (Schedule 6). If the party size is larger than eight, the party shall split into two groups of no more than eight people per group with a 15-30 minute gap between groups on the tracks.

(G) Guided Horse Trekking Conditions: (to apply to CA1, and CA2 as outlined in Clause 1 of Schedule 1).

49 The activity is limited to the following;

| DOC Facilities (eg huts) or informal campsites | Max. Party Size (incl. guides) | Frequency of Use (trips) per Year | Max. number of trips per week | Duration of visit (half or full days?) |
|--|--------------------------------|-----------------------------------|-------------------------------|--|
| | 8 | | 2 | |

- 50 The Concessionaire is to limit the party size to the maximum party size (including guide) identified in the table above.

- 51 The Concessionaire shall limit the number of horses transporting party members on any one guided trek to eight (including guide's horse) at a time.
- 52 The Concessionaire shall in respect to horse management:
- a. Ensure that horses eat cooked feeds/grains or other treated hard feed during the two days before entering the Land so as to minimize the risk of weed seed spread or the Concessionaire shall take all practical steps to ensure that horse food originates from the Concessionaire's property and does not contain any weed seeds not already in the area.
 - b. Ensure horses' hooves are cleaned before being transported to the land.
 - c. Ensure horse manure is scattered so as not to create a nuisance for other users of these areas. Manure should not be scattered onto river beds or waterways, wetlands and tarns or any other unmodified or sensitive ecosystem.
 - d. Ensure horses are discouraged from grazing on native foliage whilst on the Land.
 - e. Ensure horses are fed from nose-bags if they need feeding whilst on the Land.
 - f. Ensure horses stay on designated tracks and roads at all times.
 - g. Ensure that wet weather trekking is avoided in order to minimize track and road damage.
 - h. Ensure that horses are tethered or penned away from accommodation buildings so that flies and manure do not create a nuisance.
 - i. Ensure that horses avoid wet and swampy areas.

(H) Guided Fishing Conditions:

- 53 The Concessionaire shall limit party size, including guides, to 4 people per trip.
- 54 The Concessionaire shall ensure that all guides and clients hold all applicable licences, (including NZ Fish and Game Licences) and all other permissions that are required to be held.
- 55 The Concessionaire is to ensure that fish waste of any fish killed is disposed of well away from any water bodies.
- 56 The Concessionaire is not to target any indigenous fish species and shall immediately release any indigenous fish species that are caught.
- 57 The Concessionaire shall ensure guides record any sightings of indigenous fish and shall forward these records to the closest Department of Conservation Office.
- 58 The Concessionaire shall ensure that footwear and waders worn on the Land or any water within the Land are cleaned prior to entering the Land to avoid the transportation of weeds and plant seeds.
- 59 The Concessionaire shall ensure that guides and clients show courtesy and consideration to other users of the Land at all times. Fishing areas shall not be monopolized or used in a manner that would detract from the enjoyment of other visitors.
- 60 The Concessionaire shall not, during the nesting season for riverbed dwelling birds, use any river bed that is administered by the Department for vehicle access other than on a formed vehicle track.
- 61 The concession is for the fishing of "sports fish" only, as listed in Fish and Game New Zealand's *Sports Fishing Regulations Guide*.
- 62 The Concessionaire shall comply with all restrictions, regulations or guidelines issued by Fish and Game New Zealand.

(I) Aircraft Landing conditions for irregular/regular positioning of recreationists or commercially guided groups (including heli-hiking, heli-biking and heli-fishing):

- 63 The Concessionaire shall not land within 250m of any hut where possible.

- 64 The Grantor may close access to any part of the Land for management purposes on a temporary basis, and shall give notice in writing to the Concessionaire prior to the temporary closure. The Concessionaire shall not land at any site that has been closed under this clause until given notice in writing by the Grantor that the temporary closure has been lifted.
- 65 The concessionaire shall submit activity return forms which clearly illustrate where the landings were made e.g. grid reference or GPS points, and declaration of fees form, attached as Schedule 3 on a six monthly basis or on demand as requested by the Department.
- 66 This concession does not confer on the concessionaire or their agents, employees, invitees or clients the right to use huts or other public facilities on the Land in priority to any other legitimate users of the Land.
- 67 The concessionaire must avoid, where possible, overflying tramping routes, tracks and other visitor facilities.
- 68 The concessionaire must not refuel, leave any fuel drums or construct any fuel dumps on the Land.
- 69 All helicopter operations under this licence shall be in compliance with Civil Aviation Authority regulations.
- 70 The helicopters to be operated are restricted to the following type and model of aircraft _____ unless otherwise approved in writing by the Grantor or the Grantor's nominee thereof.
- 71 The concessionaire must advise any of their clients or invitees that are anglers or hunters that they require a valid hunting permit or fishing license to conduct their activities on public conservation land.
- 72 The concessionaire requires a wild animal recovery concession for transporting wild animal products issued under the section 22 of the Wild Animal Control Act 1977 in accordance with Part 3B of Conservation Act 1987.
- 73 The Concessionaire shall not carry underslung loads into Public Conservation Lands. Sling loads (for example deer or thar shot by recreational hunters) may be removed from the Land.
- 74 The Concessionaire must adhere to the Helicopter Association International 'Fly Neighborly Guide'.
- 75 The Concessionaire must not refuel, leave any fuel drums or construct any fuel dumps on the Land.
- 76 The Concessionaire must possess a current Civil Aviation Authority Air Operator Certificate, or Transitional Air Operator Certificate (Air Service Operations), as appropriate, as well as appropriate airworthiness certificates for all aircraft used, pursuant to Clause 11 of this concession. Before commencing this activity, copies of these certifications must be submitted to the Grantor.
- 77 Safety and survival equipment is to be carried at all times to the standards of the licensee's Flight Operations manual and as specified by CAA regulations.

Summary

| | Total number of Clients per 1/2 day | Fee/Client per 1/2 day | Total number of Clients per whole day | Fee/Client per whole day | Total Fees Payable |
|------------------------|-------------------------------------|------------------------|---------------------------------------|--------------------------|--------------------|
| | | \$5.00 | | \$10.00 | \$ |
| Plus GST | | | | | |
| SUB TOTAL | | | | | |
| Less Minimum Fees Paid | | | | | |
| TOTAL FEE PAYABLE | | | | | |
| | | | | | \$ |
| | | | | | \$ |
| | | | | | \$ |
| | | | | | \$ |
| | | | | | \$ |

I certify that the above figures are a true and accurate copy of records held by the Company.

Signed by:

Date / /

Thanks again for your help

SCHEDULE 4

Environmental Care Code

Protect Plants and Animals

Treat New Zealand's forest and birds with care and respect. They are unique and often rare.

Remove Rubbish

Litter is unattractive, harmful to wildlife and can increase vermin and disease. Plan your visits to reduce rubbish, and carry out what you carry in.

Bury Toilet Waste

In areas without toilet facilities, bury your toilet waste in a shallow hole well away from waterways, tracks, campsites and huts.

Keep Streams and Lakes Clean

When cleaning and washing, take the water and wash well away from the water source. Because soaps and detergents are harmful to water life, drain used water into the soil to allow it to be filtered. If you suspect the water may be contaminated, either boil it for at least three minutes, or filter it, or chemically treat it.

Take Care With Fires

Portable fuel stoves are less harmful to the environment and are more efficient than fires. If you do use a fire, keep it small, use only dead wood and make sure it is out by dousing it with water and checking the ashes before leaving.

Camp Carefully

When camping, leave no trace of your visit.

Keep to the Track

By keeping to the track, where one exists, you lessen the chance of damaging fragile plants.

Consider Others

People visit the back-country and rural areas for many reasons. Be considerate of other visitors who also have a right to enjoy the natural environment.

Respect Our Cultural Heritage

Many places in New Zealand have a spiritual and historical significance. Treat these places with consideration and respect.

Enjoy Your Visit

Enjoy your outdoor experience. Take a last look before leaving an area; will the next visitor know that you have been there?

Protect the environment for your own sake, for the sake of those who come after you, and for the environment itself.

Water Care Code

Find Out First

Find out and follow the regulations governing recreational use of waterways and access. They are designed to minimise conflict between users and protect everyone's health and safety.

Stay on Established Tracks and Use Existing Facilities

By using existing facilities, where these are provided, you run less chance of disturbing wildlife and damaging riverbanks and foreshores.

Take Care of Your Gear

Careless use of equipment can harm wildlife and other users.

Remove Rubbish

Litter is unattractive, harmful to wildlife and pollutes water. Plan your visit to reduce rubbish, and carry out what you carry in.

Dispose of Toilet Waste Properly

Improper disposal of toilet waste can contaminate water, damage the environment and is culturally offensive. Use disposal facilities where provided or bury waste in a shallow hole at least 50 metres away from waterways.

Be Careful with Chemicals

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Use chemicals sparingly, and refuel with care. Dispose of cooking or washing water well away from the source.

Respect Our Cultural Heritage

Many New Zealand waterways have special cultural, spiritual or historical values. Treat these places with consideration and respect.

Take Only the Food You Need

When taking food from the sea or freshwater, don't overdo it. Sustain life in our waterways by taking only what you need and no more than the legal limit.

Consider Plants and Animals

Remember we are only visitors to water environments. Other animal and plant species live there all the time.

Consider Other People

Respect other visitors ... everyone has the right to enjoy the environment in safety.

SCHEDULE 5

Didymo Prevention Guidelines

Stop the Spread

Didymo is an invasive freshwater alga that can form massive blooms, smothering rocks, submerged plants and other material. Didymo is made up of cells that cannot be seen with the naked eye until large colonies form. It only takes one of these cells to survive and be transported to a nearby waterway for Didymo to spread. Didymo cells thrive in freshwater and if you are cleaning with freshwater you are helping to keep them alive.

Didymo is an unwanted organism under the Biosecurity Act 1993. Under the Act those knowingly spreading an unwanted organism can be liable for up to five years' imprisonment and/or a \$100,000 fine.

To ensure you do not spread Didymo, wherever possible restrict equipment, vehicles, boats, clothing and other items for exclusive use in a single waterway.

The Concessionaire shall, when moving items (including all persons, equipment and vehicles that have contact with water) between waterways:

1. **Check:** Before leaving the river or lake, remove all obvious clumps of algae and look for hidden clumps. Leave them at the affected site. If you find any later, do not wash them down drains. Treat them with the approved cleaning methods below and put them in a rubbish bin.

CLEAN: There are several ways to kill didymo. Choose the most practical treatment for your situation which will not adversely affect your gear.

Non-absorbent items

- **Detergent:** soak or spray all surfaces for at least one minute in 5% dishwashing detergent or nappy cleaner (two large cups or 500mls with water added to make 10 litres); OR
- **Bleach:** soak or spray all surfaces for at least one minute in 2% household bleach (one small cup or 200mls with water added to make 10 litres); OR
- **Hot water:** soak for at least one minute in very hot water *kept above* 60 °C (hotter than most tap water) or for at least 20 minutes in hot water *kept above* 45 °C (uncomfortable to touch).

Absorbent items require longer soaking times to allow thorough saturation.

- **Hot water:** soak for at least 40 minutes in hot water kept above 45 °C; OR
- **Hot water plus detergent:** soak for 30 minutes in hot water kept above 45 °C containing 5% dishwashing detergent or nappy cleaner; OR

Freezing any item until solid will also kill didymo.

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DRY: Drying will kill didymo, but slightly moist didymo can survive for months. To ensure didymo cells are dead by drying, the item must be *completely dry* to the touch, inside and out, then left dry for at least another 48 hours before use.

If cleaning or drying is not practical, restrict equipment to a single waterway.

2. Not move fish, plants, rocks and other river/lake items between waterways.
3. Ensure felt-soled waders and other felt-soled footwear and equipment are not worn in any waterway.

If you require more information please visit:

www.biosecurity.govt.nz/didymo

To report a suspected find of Didymo please call 0800 80 99 66

NB: When cleaning equipment, we recommend that you:

- soak porous materials for longer than the specified decontamination times to ensure cleaning solution has soaked right through the item before soaking for the required decontamination time
- choose a decontamination solution that will not adversely affect your equipment
- follow manufacturer's safety instructions when using products
- dispose of cleaning waste well away from waterways

SCHEDULE 6

Mountain Bike Code of Conduct

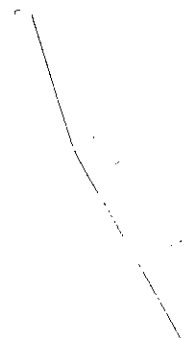


**mountain
Bikers
code**

| Respect others | Respect the rules | Respect the track |
|--|---|---|
| <ul style="list-style-type: none">- Stay in control.- Give way to walkers.- Signal your approach and pass with care.- Ride shared-use tracks in small groups. | <ul style="list-style-type: none">- Ride only where permitted.- Obtain permission from private land owners.- Leave gates as you find them.- Be prepared - take food, water, tools, First Aid and warm clothes. | <ul style="list-style-type: none">- Don't skid, cut corners or make new lines.- Avoid riding in the mud and rain.- Take rubbish home.- Clean your bike to prevent spreading weeds. |



Appendix 7: Form of Grazing Concession



Concession number: _____

DATED _____

Between

MINISTER OF CONSERVATION
("the Grantor")

and

HUXLEY GORGE LIMITED
("the Concessionaire")

GRAZING CONCESSION
UNDER CROWN PASTORAL LAND ACT 1998



Department of Conservation
Te Papa Atawhai

THIS LICENCE is made this day of

PARTIES:

1. **MINISTER OF CONSERVATION**, ("the Grantor")
2. **HUXLEY GORGE LIMITED** ("the Concessionaire")

BACKGROUND

- A. The Grantor manages the Land described in Schedule 1.
- B. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorise the Grantor to grant, under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances), a Concession for a Concession Activity to be carried out on the Land.
- C. The Concessionaire wishes to carry out the Concession Activity on the Land subject to the terms and conditions of this Document.

OPERATIVE PARTS

TERMS AND CONDITIONS

1.0 DEFINITIONS AND INTERPRETATION

- 1.1 In this Document, unless the context otherwise requires:

"Access" means the right, in common with others, to pass and repass over the Land and any roads of the Grantor for ingress to and egress from the Land as is reasonably necessary for the Concessionaire to exercise its rights under this Licence.

"Administration Fee" means the amount specified in Item 6(b) of Schedule 1 and is the annual fee for administering the Concession imposed by the Grantor under section 60D of the Conservation Act 1987. It includes any variation in that amount following a Concession Fee Review.

"Background" means the matters referred to under the heading "Background" on page 1 of this Document.

"Concession" means a concession as defined in section 2 of the Conservation Act 1987.

"Concessionaire" includes the Concessionaire's successors, assigns, executors, and administrators.

"Concession Activity" means the use of the Land for purposes of the activity carried out by the Concessionaire and specified in Item 2 of Schedule 1.

"Concession Fee" means the amount specified in Item 6(a) of Schedule 1 and charged by the Grantor for the Concessionaire's right to carry out the Concession Activity on the Land. It includes any variation in that amount following a Concession Fee Review. It also includes, where relevant, the amount which the parties agree to be the new Concession Fee on a renewal of the Document.

"Concession Fee Payment Date" means the date specified in Item 7 of Schedule 1 on which the Concession Fee falls due for payment.

"Concession Fee Review" means a review of the Concession Fee determined in accordance with clause 6 of this Document.

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"Concession Fee Review Date" means the date specified in Item 9 of Schedule 1 on which the Concession Fee Review occurs being at 3 year intervals calculated from the date of commencement of the term of this Document; and includes any additional dates inserted into Item 9 of Schedule 1 following a renewal of this Document.

"Conservation Area" has the same meaning as "Conservation area" in section 2 of the Conservation Act 1987.

"Director-General" means the Director-General of Conservation.

"Document" means this Licence and any subsequent amendments and all schedules, annexures, and plans attached to it.

"Final Expiry Date" means the date specified in Item 5 of Schedule 1.

"Land" means a Conservation Area or a Reserve (whichever is relevant in the circumstances) being the area more particularly described in Item 1 of Schedule 1.

"Licence" for purposes of this Document is the Licence granted under this Document by the Grantor to the Concessionaire under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).

"Penalty Interest Rate" means the rate specified in Item 8 of Schedule 1.

"Renewal Date" means the date specified in Item 4(a) of Schedule 1.

"Renewal Period" means the period specified in Item 4(b) of the Schedule 1.

"Reserve" has the same meaning as "reserve" in section 2 of the Reserves Act 1977.

"Structure" includes a bridge, a culvert, and a fence.

"Term" means the period of time specified in Item 3 of Schedule 1 during which this Document operates. It includes, where relevant, any period of renewal of the Term.

"Working Day" means the period between any one midnight and the next excluding Saturdays, Sundays and Statutory holidays in the place where the Concession Activity is being carried out.

1.2 In this Document unless the context otherwise requires:

- (a) a reference to a party is a reference to a party to this Document;
- (b) schedules and annexures form part of this Document and have effect accordingly;
- (c) words appearing in this Document which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
- (d) a provision of this Document to be performed by two or more persons binds those persons jointly and severally;
- (e) words in a singular number include the plural and vice versa;
- (f) words importing a gender include other genders;
- (g) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date of this Document;
- (h) where the Grantor's consent or approval is expressly required under a provision of this Document, the Concessionaire must seek the consent or approval of the Grantor for each separate occasion it is required notwithstanding that the Grantor has granted consent or approval for a like purpose on a prior occasion.

1.3 Words used in the Background to this Document have the same meaning given to them in clause 1.1.

2.0 GRANT OF LICENCE

2.1 In exercise of the Grantor's powers under either section 66 or section 68 of the Crown Pastoral Land Act 1998 (whichever is relevant in the circumstances) the Grantor **GRANTS** to the Concessionaire a **LICENCE** under either section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances) to carry out the Concession Activity on the Land subject to the terms and conditions contained in this Document.

3.0 TERM

3.1 The Licence is for the Term specified in Item 3 of Schedule 1.

3.2 Unless otherwise specified in Items 4 and 5 of Schedule 1, if the Concessionaire has not been in breach of this Document and has given to the Grantor written notice to renew the Document at least three months before the end of the Term, the Grantor will, at the cost of the Concessionaire, renew the Document from the Renewal Date for the next Renewal Period on the following terms:

- (a) the new Concession Fee is to be agreed upon before the end of the Term or, failing agreement, is to be determined as though it were a Concession Fee Review under clause 6;
- (b) the Concession Fee is to be subject to review during the Renewal Period on each Concession Fee Review Date;
- (c) the renewed Document is otherwise to be in accordance with and subject to the covenants and agreements expressed and implied in this Document except that the Term of the Document and all renewals, if any, end on the Final Expiry Date;
- (d) pending the determination of the new Concession Fee, the Concessionaire is to pay the new Concession Fee proposed by the Grantor. Upon determination an appropriate adjustment is to be made to the Concession Fee.

4.0 CONCESSION FEE AND ADMINISTRATION FEE

4.1 The Concessionaire must pay to the Grantor in the manner directed by the Grantor on or before the Concession Fee Payment Date specified in Item 7 of Schedule 1:

- (a) the Concession Fee plus GST specified in Item 6(a) of Schedule 1; and
- (b) the Administration Fee plus GST specified in Item 6(b) of Schedule 1.

4.2 If the Concessionaire defaults in payment of the Concession Fee and Administration Fee for 14 days after a Concession Fee Payment Date the Concessionaire is to pay interest on the unpaid Concession Fee and Administration Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 8 of Schedule 1.

4.3 For purposes of clause 6.0, a reference to Concession Fee includes a reference to the Administration Fee.

5.0 OTHER CHARGES

5.1 In addition to the Concession Fee and Administration Fee the Concessionaire must pay all rates, levies, taxes, duties, assessments, charges, and other outgoings which may be charged, levied, or reasonably assessed, or which become payable in relation to the Land as a result of the grant of this Licence.

6.0 CONCESSION FEE AND ADMINISTRATION FEE REVIEW

- 6.1 The Grantor will review the Concession Fee and the Administration Fee on the Concession Fee Review Dates.
- 6.2 The Grantor will commence the review not earlier than 3 months before a Concession Fee Review Date and no later than 9 months following the Concession Fee Review Date by giving written notice to the Concessionaire.
- 6.3 The notice must specify the Concession Fee which the Grantor considers to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987. The notice must also specify the Administration Fee which the Grantor intends to impose until the next Concession Fee Review Date.
- 6.4 If, within 28 days of receipt of the Grantor's notice, the Concessionaire gives written notice to the Grantor that the Concessionaire disputes the proposed new Concession Fee the new Concession Fee is to be determined in accordance with clause 18.
- 6.5 Until determination of the new Concession Fee, the Concession Fee payable by the Concessionaire from the Concession Fee Review Date is to be the Concession Fee payable immediately before the Concession Fee Review Date. On determination of the new Concession Fee an adjustment is to be made and paid, either by the Grantor or by the Concessionaire, whichever is applicable notwithstanding anything in this clause, the new Administration Fee will be payable by the Grantor upon receipt of the notice referred to in clause 6.3.
- 6.6 If the Concessionaire does not give notice to the Grantor under clause 6.4 the Concessionaire will be deemed to have accepted the Concession Fee specified in the Grantor's notice.

7.0 CONCESSION ACTIVITY

- 7.1 The Concessionaire is not to use the Land for any purpose other than the Concession Activity.

8.0 COMPLIANCE

- 8.1 The Concessionaire will comply where relevant:
- (a) with the provisions of any conservation management strategy or conservation management plan under Part 3A of the Conservation Act 1987 together with any amendment or review of the strategy or plan whether approved before, on, or after the date on which this Document takes effect; and
 - (b) with the Conservation Act 1987, the Reserves Act 1977, the Health and Safety in Employment Act 1992, the Resource Management Act 1991, and any other statute, ordinance, regulation, bylaw, or other enactment affecting or relating to the Land, or affecting or relating to the Concession Activity.

9.0 CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS

- 9.1 The Concessionaire must not erect or bring on to the Land any Structure, install any facility, or alter the Land in any way without the prior written consent of the Grantor.
- 9.2 The Concessionaire must keep and maintain at the Concessionaire's cost any Structures, facilities and alterations to the Land in good repair.

9.3 On expiry or early termination of this Document either as to the whole or any part of the Land, the Concessionaire will not be entitled to compensation for any improvements (including pasture) and any Structures or facilities remaining on the Land are to become the property of the Grantor.

9.4 If requested by the Grantor, the Concessionaire must, within such time as the Grantor determines, remove all Structures, facilities or other improvements erected or installed by the Concessionaire and make good at the Concessionaire's own expense all damage done by the removal and must leave the Land in a clean and tidy condition to the satisfaction of the Grantor.

10.0 PROTECTION OF THE ENVIRONMENT

10.1 Except as approved in writing by the Grantor the Concessionaire will not, whether by act or omission:

- (a) interfere with, remove, damage, or endanger the natural features, indigenous animals and plants, or historic resources on the Land; or
- (b) bring any plants, or animals (other than farm stock described in Item 2 of Schedule 1, farm dogs and horses for purposes of the Concession Activity) on to the Land; or
- (c) deposit on the Land debris, rubbish or other dangerous or unsightly matter, or contaminate any water body on the Land; or
- (d) pile or store materials in any place on the Land where they may obstruct the public or create a nuisance; or
- (e) conduct any noxious, noisome, dangerous or offensive activity on the Land; or
- (f) top-dress, burn, sow seed, or carry out earthworks (including tracking, drainage or ditching) on the Land; or
- (g) disturb or allow stock to disturb any stream or watercourse on the Land; or
- (h) light any fire on the Land.

10.2 The Concessionaire, must at the Concessionaire's expense:

- (a) if required by the Grantor:
 - (i) take all steps necessary to control any pest, insect, or rodent infestation occurring on or emanating from the Land or any Structure or facility on the Land;
 - (ii) engage a pest exterminator approved by the Grantor; and
- (b) comply strictly with the provisions of the Biosecurity Act 1993.

10.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 10.

10.4 The Concessionaire may bring firearms on to the Land for use in connection with the Concession Activity and pest control operations.

10.5 The Concessionaire for purposes of the Concession Activity may take onto or use farm vehicles on the Land on existing formed access tracks only.

11.0 HEALTH AND SAFETY

11.1 The Concessionaire is to carry out the Concession Activity on the Land in a safe and reliable manner and must comply with the Health and Safety in Employment Act 1992 and its regulations.

11.2 The Concessionaire must notify the Grantor of any natural events or activities on the Land or the surrounding area which may endanger the public or the environment.

12.0 TEMPORARY SUSPENSION

12.1 The Grantor may suspend this Document:

(a) if, in the opinion of the Grantor the activities of the Concessionaire, its employees, agents, contractors, licensees or invitees are having or may have an adverse effect on the environment and the Grantor considers that the effect can not be avoided, remedied or mitigated to an extent satisfactory to the Grantor;

(b) while the Grantor investigates any of the circumstances contemplated by this clause and also while the Grantor investigates any potential breach or possible offence by the Concessionaire related to the Concession Activity under the Conservation Act 1987 or any of the Acts mentioned in the First Schedule of that Act of which the Grantor has become aware.

12.2 The Grantor is not liable to the Concessionaire for any loss sustained by the Concessionaire by reason of a suspension under clause 12.1 including loss of profits.

12.3 During any period of temporary suspension the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.

13.0 ASSIGNMENT

13.1 The Concessionaire is not to transfer, sublicense, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Document or any part of it without the prior written consent of the Grantor. The Grantor may, in the Grantor's discretion, decline to grant consent under this clause.

13.2 If the Grantor gives consent under this clause the Concessionaire is to remain liable to observe and perform the terms and conditions of this Document throughout the Term and is to procure from the transferee, sublicensee, or assignee a covenant to be bound by the terms and conditions of this Document unless the Grantor otherwise provides in writing.

13.3 The Concessionaire must pay the costs reasonably incurred by the Grantor incidental to any application for consent, whether or not such consent is granted.

13.4 Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire will be deemed to be an assignment and will require the consent of the Grantor.

14.0 TERMINATION

14.1 The Grantor may terminate this Document by notice in writing to the Concessionaire if:

(a) the Concession Fee or the Administration Fee or any other money payable to the Grantor under this Document is in arrears and unpaid for 14 days after any of the days appointed for payment whether it has been lawfully demanded or not; or

(b) the Concessionaire breaches any terms of this Document; and

(i) the Grantor has notified the Concessionaire in writing of the breach; and

(ii) the Concessionaire does not rectify the breach within 28 days of receiving notification;
or

- (c) the Concessionaire ceases to conduct the Concession Activity; or
 - (d) the Concessionaire is convicted of an offence, related to the Concession Activity, under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act; or the Resource Management Act 1991; or the Biosecurity Act 1993; or the Health and Safety in Employment Act 1992; or
 - (e) the Concessionaire is dissolved; or enters into any composition with or assignment for the benefit of its creditors; or is adjudged bankrupt; or being a company has a receiver appointed; or is put into liquidation; or is placed under statutory management; or has a petition for winding up presented against it; or is otherwise unable to pay its debts as they fall due; or the estate or interest of the Concessionaire is made subject to a writ of sale or charging order; or the Concessionaire cease to function or operate.
- 14.2 If the Grantor terminates the Document under this clause 14 all rights of the Concessionaire are to cease absolutely; but the Concessionaire is not to be released from any liability to pay the Concession Fee or Administration Fee or other monies up to the date of termination or for any breach of any term up to the date of termination.
- 14.3 The Grantor may exercise the Grantor's right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Grantor or any indulgence granted by the Grantor for any matter or default.
- 15.0 INDEMNITIES AND INSURANCE**
- 15.1 The Concessionaire will indemnify and keep indemnified the Grantor against all claims made by any person in respect of any injury, loss, or damage, including fire, caused or suffered as a result of or arising out of any acts or omissions of the Concessionaire, its employees, contractors, or invitees or otherwise caused as a result of its use of the Land or the Concessionaire's carrying out of the Concession Activity on the Land.
- 15.2 This indemnity is to continue after the expiry or other determination of this Document in respect of those acts or omissions occurring or arising before its expiry or determination.
- 15.3 Without prejudice to or in any way limiting its liability under clause 15.1 the Concessionaire must take out and keep in force during the Term if required by the Grantor:
- (a) a policy of public liability insurance against liability for loss, damage or injury from any one single accident or event arising out of its conduct of the Concession Activity on the Land and covering:
 - (i) general indemnity for a sum not less than the amount specified in Item 10 of Schedule 1; and
 - (ii) Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 11 of Schedule 1; and
 - (b) statutory liability insurance for the amount specified in Item 12 of Schedule 1; and
 - (c) such other policy or policies of insurance against any other liability and for such other sums which the Grantor specifies in Item 13 of Schedule 1.
- 15.4 With respect to clause 15.3 the Concessionaire must, before commencing the Concession Activity and on each renewal of insurance, provide the Grantor with certificates of insurance issued by the Concessionaire's insurer confirming the nature, amount and duration of cover.

16.0 ENVIRONMENTAL MONITORING

16.1 The Concessionaire must, during the Term, if required in writing by the Grantor, pay to the Grantor the annual environmental monitoring contribution specified in Item 14 of Schedule 1 to enable the Grantor to design and undertake a programme to monitor the environmental effects of the Concessionaire's conduct of the Concession Activity on the Land.

17.0 FORCE MAJEURE

17.1 Neither party will be liable to the other party for any delay in performance of, or failure to perform, its obligations (other than a payment of money) under this Document as a result of any cause beyond its reasonable control.

18.0 DISPUTE RESOLUTION AND ARBITRATION

18.1 If any dispute arises between the parties in connection with this Document, the parties must, without prejudice to any other rights they have under this Document, attempt to resolve the dispute by negotiation or other informal dispute resolution techniques agreed by the parties.

18.2 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to mediation with a mediator agreed between the parties.

18.3 If the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.

18.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.

18.5 Notwithstanding anything in the Arbitration Act 1996, if the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the New Zealand Law Society is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.

18.6 All arbitration proceedings are to take place in New Zealand and to be governed by New Zealand law.

18.7 The parties agree that the results of any arbitration are to be binding on the parties.

19.0 NOTICES

19.1 Any notice to be given under this Document by one party to the other is to be in writing and made by personal delivery, by pre-paid post, by facsimile or by email addressed to the receiving party at the address or facsimile number set out in Item 15 of Schedule 1.

19.2 A notice given in accordance with clause 19.1 will be deemed to have been received:

- (a) in the case of personal delivery, on the date of delivery;
- (b) in the case of pre-paid post, on the third working day after posting;
- (c) in the case of facsimile, on the Working Day on which it is dispatched or, if dispatched after 5.00pm on a Working Day, or if dispatched on a non-working day, on the next Working Day after the date of dispatch.
- (d) in the case of email, on the Working Day or, if dispatched after 5.00pm on a Working Day, or it is dispatched on a non-working day, on the next Working Day after the date of dispatch.

20.0 RELATIONSHIP OF PARTIES

20.1 Nothing expressed or implied in this Document shall be construed as:

- (a) conferring on the Concessionaire any right of exclusive occupation or use of the Land;
- (b) derogating from the rights of the Grantor and the public to have access across the Land;
- (c) preventing the Grantor from granting other concessions (except a grazing licence) to other persons.

20.2 The Concessionaire acknowledges that the Land is open to the public for access and that the Grantor may close public access during periods of high fire hazard.

21.0 COSTS

21.1 The Concessionaire must pay the Grantor's legal costs and expenses associated with preparing and signing this Document or any extension or variation to it.

21.2 The Concessionaire must pay in full immediately and on demand all costs and fees (including solicitor's costs and the fees of debt collecting agencies engaged by the Grantor) arising out of and associated with steps taken by the Grantor to enforce or attempt to enforce the Grantor's rights and powers under this Concession including the right to recover outstanding money owed to the Grantor.

22.0 OFFENCES

22.1 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act:

- (a) no waiver or failure to act by the Grantor under this Document is to preclude the Grantor from prosecuting the Concessionaire; and
- (b) no failure by the Grantor to prosecute the Concessionaire is to preclude the Grantor from exercising the Grantor's remedies under this Document; and
- (c) any action of the Grantor in prosecuting the Concessionaire is not to preclude the Grantor from exercising the Grantor's remedies under this Document.

23.0 SPECIAL CONDITIONS

23.1 Special conditions relating to this Document are set out in Schedule 2.

23.2 The standard conditions contained in this Document must be read subject to any special conditions.

Signed by :

for and on behalf of
the Minister of Conservation
pursuant to a written delegation (or designation as the case may be)
in the presence of :

Witness _____

Occupation _____

Address _____

Signed by: **Huxley Gorge Limited** by its Directors:

[name _____] as Concessionaire

[name _____] as Concessionaire

SCHEDULE 1

1. **Land:** That part of CA3 as shown on the plan attached to the Proposal as GC, being approximately 465 hectares and shaded pink and herein referred to as the Land. *(see definition of Land in clause 1.1)*
2. **Concession Activity:** Grazing on the Land for up to a maximum of 400 ewes for the period from 1 November to 31 July inclusive, and grazing on the Land for up to a maximum of 50 cattle for the period from 1 June to 31 July inclusive, during each year of concession term
(see definition of Concession Activity in clause 1.1)
3. **Term:** 20 years commencing on the date of registration of an approved plan affecting Certificate of Title CB xxxx (Otago Registry) (the commencement date). *(see clause 3)*
4. **Renewal Date:** No right of Renewal. *(see clause 3.2)*
5. **Expiry Date:** The twentieth anniversary of the commencement date in accordance with item 3 above. *(see clause 3.2)*
6. (a) **Concession Fee:**
Ewes - \$5.00 per stock unit per annum + GST Total \$1500.00 + GST (\$5 x 400 x 0.75).
Cattle \$5.00 per stock unit per annum + GST Total \$255.00 + GST (\$5 x (6x50) x 0.17)
Total for ewes and cattle: \$1755.00 + GST
PROVIDED HOWEVER that in the event that the stock numbers in any one year are less than the 400 ewes and/or 50 cattle, the Grantor on application by the Concessionaire may at her sole discretion reduce the Concession Fee for that year only to reflect the reduced stocking rate.
(see clause 4)
- (b) **Administration Fee:** \$ 250 per annum + GST *(see clause 4)*
7. **Concession Fee Payment Date:** Annually by 30 September for each year with the first payment due on the first 30 September after the commencement date. *(see clause 4)*
8. **Penalty Interest Rate:** *(see clause 4.2)*
Double the Grantor's bank's current highest 90 day bank bill buy rate
9. **Concession Fee Review Date:** Every three years from the commencement date. *(see clause 6)*
10. **Public Liability General Indemnity Cover:** for \$500,000. *(see clause 15.3)*
11. **Public Liability Forest & Rural Fire Extension:** for \$500,000. *(see clause 15.3)*
12. **Statutory Liability Insurance:** NIL *(see clause 15.3)*
13. **Other Types of Insurance:** NIL *(see clause 15.3)*
14. **Environmental Monitoring Contribution:** To be negotiated between the Grantor and the Concessionaire if required under clause 16 (Environmental Monitoring) of this Document *(see clause 16)*

15. **Address for Notices (including facsimile number):**

(see clause 19)

- (a) **Grantor**
- Minister of Conservation
C/- Director Conservation Partnerships
South and Eastern South Island Region
Department of Conservation
Conservation House
77 Stuart Street
PO Box 5244
DUNEDIN 9058
Phone: (03) 477 0677
Fax: (03) 474 7090
Email: dunedinvc@doc.govt.nz
- (b) **Concessionaire**
- Huxley Gorge Limited
6 Queen Street
TIMARU
Glen Lyon
PO Box 11
TWIZEL
Phone: (03) 438 9644
Email: glenlyon@farmside.co.nz

SCHEDULE 2

Special Conditions

Land Management

1. Should the Concessionaire feed supplements e.g. hay and/or salt licks they are restricted to being placed at the bottom of each block to encourage sheep to graze the lower slopes of the Land below 900 m. a.s.l.
2. The public shall at all times have access on foot to and across all parts of the Land. Where fences occur the Grantor may erect gates or stiles in suitable places.
3. In addition to the foot access provided for in special condition 2, the public shall also have access across the Land by motor vehicle, non-motorised vehicle and horseback on a formed access track on the Land leading to Monument Hut. Where fences occur the Concessionaire is responsible for installing appropriate structures or facilities allowing for such access to continue. The Grantor shall be responsible for maintaining signs advising the public of the part(s) of the Land where such access is available including describing the conditions for this public use of the Land.
4. The Director-General will issue all hunting permits for the Land. All hunters will be responsible for obtaining access permission from the Concessionaire (including permission to utilize dogs on the Land) such permission will not be unreasonably withheld from:
 - a) hunters who hold a valid hunting permit issued by the Director-General of Conservation to hunt on the Land or
 - b) hunters seeking access across the Land.
5. The Grantor will be responsible for all wilding pine tree control on the Land.

Fencing

6. The Concessionaire must, at no expense to the Grantor, ensure that stock is adequately contained within the Land. For the avoidance of doubt, the Grantor may require the Grantee (at the Grantee's sole cost) to erect temporary or permanent fencing to ensure stock are contained within the Land.
7. The Grantor is not to be called upon at any time to contribute to the costs of any boundary fencing between the Land and any adjoining land of the Concessionaire if the purpose of the fencing is to assist the Concessionaire to comply with special condition 6.
8. The Concessionaire must keep and maintain all fences (including boundary fences) or gates on the Land in good repair.

Inspection

9. The Grantor reserves the right for the Grantor's employees or agents to enter on the Land at any time for the purpose of inspecting the Land.

Monitoring

10. The Grantor may set up and design and undertake a monitoring program:
 - i) to ensure that the ecological integrity of the Land is maintained or improved; and
 - ii) to enable the monitoring of grazing, on the vegetation cover and condition, faunal values and any other conservation values of the Land.
11. The monitoring programme should be reviewed at three yearly intervals to coincide with the Concession Fee Review Dates and if in the opinion of the Grantor there is a deterioration in the condition and extent

- 14 -

of the ecological condition of the Land, the Grantor reserves the right to adjust stock numbers in the Concession Activity accordingly.

Appendix 8: Copy of existing Electricity Agreement

Application To Register Electricity Agreement

IN THE MATTER of Section 3 of the
Electricity Amendment Act 1948 and its amendments

TO: THE DISTRICT LAND REGISTRAR
FOR THE DISTRICT OF OTAGO

THE WAITAKI ELECTRIC-POWER BOARD hereby applies to you to register against the Title to the land hereinafter described the electricity agreement made between the said Board and HUXLEY GORGE LIMITED a duly incorporated company having its Registered Office at A.M.P. Building Stafford Street Timaru

bearing date the 20th day of December One thousand nine hundred and sixty-five a duly certified duplicate whereof is endorsed hereon AND I

COLIN HARPER DAVIDSON

Secretary to the said Board do hereby certify that the said agreement is one which may be registered against the land in pursuance of section 3 of the Electricity Amendment Act 1948 and its amendments and I HEREBY REQUEST you to register the said agreement against the Title to the said land of the said HUXLEY GORGE LIMITED

Description of Land Affected by Electricity Agreement

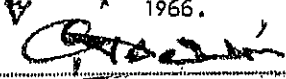
REGISTERED PROPRIETOR: HUXLEY GORGE LIMITED a duly incorporated company having its Registered Office at A.M.P. Building Stafford Street Timaru

ESTATE: of leasehold

DESCRIPTION: ALL THAT piece of Crown Leasehold Land situated in the HOPKINS AND WARD SURVEY DISTRICTS containing Eighteen thousand five hundred and fifty (18,550) acres more or less being Runs 528 and 727 of the said Survey District AND BEING all the land comprised and described in Pastoral Lease Register Book VOLUME 386 FOLIO 33 BUT SUBJECT to X. No. 19123 varying covenants in lease.

DATED at Oamaru this

12th day of May 1966.


Secretary to the Waitaki Electric-power Board

COPY ELECTRICITY AGREEMENT

AN AGREEMENT made this 20th day of December One thousand nine hundred and sixty-five BETWEEN THE WAITAKI ELECTRIC-POWER BOARD a duly incorporated body under the provisions of the Electric-power Boards Act 1925 and duly licensed as an electrical supply authority within the meaning of Part XIII of the Public Works Act 1928 and having its office in Oamaru (hereinafter together with its successors and assigns referred to as "the Board") of the one part AND HUXLEY GORGE LIMITED a duly incorporated company having its Registered Office at A.M.P. Building Stafford Street Timaru

(hereinafter together with his (its their and each of their) executors administrators and assigns referred to as "the Consumer") of the other part WHEREAS the Consumer is the registered proprietor of an estate in fee simple (as lessee) of the land described in the schedule hereto being land outside a borough or town district and occupied by the Consumer AND WHEREAS the Consumer has applied to the Board for an extension of an electrical distribution line for the purpose of supplying electrical energy for buildings or installations on the said land AND WHEREAS the Consumer has undertaken to make payments to the Board in respect of the capital cost of the extension in accordance with the provisions hereinafter appearing NOW THEREFORE IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows:-

1. THE Board shall within a reasonable time from the date hereof proceed to extend an electrical distribution line for the purpose of supplying electrical energy for buildings or installations on the said land.

2. THE Consumer shall pay to the Board in respect of the capital cost of such extension commencing from the date on which the supply of electrical energy is made available and continuing for a period of 25 years so long as the supply of electrical energy is made available the yearly sum of ONE HUNDRED AND SEVENTY-TWO pounds (£172/-/-) for each year during the continuance of this agreement and the said sum shall be payable annually as and when demanded by the Board.

3. THE Consumer shall purchase from the Board commencing from the date on which the said supply of electrical energy is made available, electrical energy at the Board's standard rate applicable for the time being PROVIDED HOWEVER that the Board shall credit the Consumer towards payment and in reduction of the said yearly sum of ONE HUNDRED AND SEVENTY-TWO pounds (£172/-/-) all moneys paid by the Consumer for electrical energy used in that year.

4. THE Board may at any time within one year from the date hereof determine this agreement without being liable for any damages to the Consumer if such extension is not commenced and completed within the said period of one year.

5. FOR the purposes of this agreement the extension of an electrical distribution line shall be deemed to include any alteration of or addition to an existing line and shall include the provision of any apparatus necessary to give a satisfactory supply to the Consumer.

6. THIS agreement is an "Electricity Agreement" within the meaning of the Electricity Amendment Act 1948 as amended by the Electricity Amendment Act 1956 and is intended to be registered against the title of the Consumer to all the land described in the schedule hereto.

7. THE costs of the Board's Solicitors of and incidental to searching the title of the Consumer and preparing, obtaining execution of and registering this agreement and obtaining any consent required by the Board thereto shall be borne by the Consumer.

8. The consumer agrees that if at any time during the term of this Agreement the lease of the land described in the Schedule hereto shall be

IN WITNESS whereof this agreement has been executed by or on behalf of the parties hereto the day and year first before written.

THE COMMON SEAL of THE WAITAKI ELECTRIC-POWER BOARD was hereunto affixed in the presence of:

"D. E. Neave" Chairman.
"G. H. Davidson" Secretary.

Common Seal
Waitaki Electric-Power Board

SIGNED by THE COMMON SEAL of HUXLEY GORGE LIMITED was hereunto affixed in the presence of:

"A. G. Wigley" Witness Director
"N. A. Kesley" Occupation Secretary
Address

Common Seal
Huxley Gorge Limited

cancelled varied or renewed it shall notify the Board forthwith and either
(a) Execute a new Electricity Agreement for the balance of the term of the expired Agreement or
(b) Apply to the District Land Registrar or the Commissioner of Crown Lands to have the registration of the Electricity Agreement brought down as an encumbrance against the new or varied lease.

SCHEDULE:

ALL THAT piece of Crown Leasehold land situated in the HOPKINS AND WARD SURVEY DISTRICTS containing Eighteen thousand five hundred and fifty (18,550) acres more or less being Runs 528 and 727 of the said Survey District AND BEING all the land comprised and described in Pastoral Lease Register Book VOLUME 386 FOLIO 33 BUT SUBJECT to X. No. 19123 varying covenants in lease.

I HEREBY CERTIFY the foregoing to be a duplicate of the Agreement dated the 20th day of December 1965 made between THE WAITAKI ELECTRIC-POWER BOARD and the above-named.

Secretary to the Waitaki Electric-power Board.

* * *

I (WE) _____ the Mortgagee(s) under Memorandum of Mortgage No. _____ of the interest of the above-named Consumer in the land described in the above-mentioned Schedule HEREBY CONSENT to the above written Agreement being registered against the title of the Consumer to the said land.

SIGNED by the above-named Mortgagee

in the presence of:

300604

No. Not Registered under Land Transfer Act—Registered under Section 83, Land Act, 1948

IN THE MATTER of Section 3 of the Electricity Amendment Act, 1948, and its amendments

Correct for the purposes of the Land Transfer Act

[Handwritten signature]

Solicitor to the Waitaki Electric-power Board

Electricity Agreement

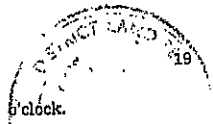
THE WAITAKI ELECTRIC-POWER BOARD

with

HUNLEY GORGE LIMITED

Particulars entered in Register Book Volume 386
Folio 33

26 MAY 1966 day of
at 10:18



[Handwritten signature]
District Land Registrar.

for the District of OTAGO

Release Of Electricity Agreement

To the District Land Registrar
for the District of

I HEREBY CERTIFY that Electricity Agreement registered
No. _____ has expired (or terminated) AND REQUEST that
you register a memorial of such expiration (or termination) on
the register against the estate or interest within described.
Dated this _____ day of _____ 19____

Secretary to the Waitaki Electric-power Board.

Correct for the purposes of the Land Transfer Act.

Solicitor to the Waitaki Electric-power Board.

| | |
|--------------|------------------------|
| LAND & DEEPS | |
| Nature: | <i>Elect Agreement</i> |
| Firm: | HISLOP & CREAGH & MAIN |
| SOLICITORS | |
| Date: | 26 MAY 1966 |
| DAMARU | |
| Time: | 10:18 |
| - 5 - | |
| 432 | |

Appendix 9: Form of Easement Concession (Labelled 'c-d')



Department of Conservation
Te Papa Atawhai

Concession Number:

Concession Document (Easement)

THIS CONCESSION is made this day of

PARTIES:

1. **Minister of Conservation** (the Grantor)
2. **Huxley Gorge Limited** (the Concessionaire)

BACKGROUND

- A. The Department of Conservation ("Department") Te Papa Atawhai is responsible for managing and promoting conservation of the natural and historic heritage of New Zealand on behalf of, and for the benefit of, present and future New Zealanders.
- B. The land described in Item 1 of Schedule 1 as the Servient Land is a Conservation Area or a Reserve under the management of the Grantor.
- C. The land described in Item 2 of Schedule 1 as the Dominant Land is freehold land of the Concessionaire.
- D. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorise the Grantor to grant a Concession for a Concession Activity in a Conservation Area and a Reserve under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).
- E. The Concessionaire wishes to carry out the Concession Activity on the Easement Area subject to the terms and conditions of this Concession.
- F. The Grantor has agreed to grant the Concessionaire an Easement appurtenant to the Dominant Land over that part of the Servient Land specified as the Easement Area.

OPERATIVE PARTS

1. In exercise of the Grantor's powers under the Crown Pastoral Land Act 1998, and the Conservation Act 1987 or the Reserves Act 1977 as relevant, the Grantor **GRANTS** to the Concessionaire an **EASEMENT APPURTENANT** to the Dominant Land to carry out the Concession Activity on the Easement Area subject to the terms and conditions contained in this Concession and its Schedules.

| | |
|---|---|
| <p>SIGNED on behalf of the Minister of Conservation by [insert name and title of delegate]:</p> <hr/> <p>acting under delegated authority in the presence of:</p> <p>Witness Signature: _____ Witness Name: _____ Witness Occupation: _____ Witness Address: _____</p> <p>A copy of the Instrument of Delegation may be inspected at the Director-General's office at 18-22 Manners Street, Wellington.</p> | <p>SIGNED by Huxley Gorge Limited by:</p> <hr/> <p>Kenneth William Wigley Director</p> <hr/> <p>Margaret Jane Wigley Director</p> |
|---|---|

SCHEDULE 1

| | | |
|----|--|--|
| 1. | Servient Land (Schedule 4) | As marked on the Proposed Designations plan attached in Schedule 4 being the conservation area shaded pink and labelled CA3: <i>Land Status: Conservation Area</i> <i>Area: TBC</i> <i>Legal Description: (Subject to tenure review survey)</i> |
| 2. | Dominant Land (Schedule 4) | As shown on the Proposed Designations plan in Schedule 4 being the area to be freehold shaded green. <i>Land Status: Freehold land</i> <i>Area:</i> <i>Legal Description: (Subject to tenure review survey)</i> |
| 3. | Easement Area (Schedule 4) | As marked on the Proposed Designations Plan attached in Schedule 4 being that part of the Servient Land shown as a blue line between the points labelled "c-d" and being 20 metres wide. <i>Legal Description: (subject to tenure review survey)</i> |
| 4. | Concession Activity (clause 2) | (a) a right of way: for farm management purposes only for the Concessionaire (including the Concessionaire's tenants and contractors) on foot, on or accompanied by horses, by motor vehicles, with or without machinery and implements of any kind, and with or without domestic livestock, guns and farm dogs. |
| 5. | Term (clause 3) | 60 years commencing on the date that an approved plan is registered pursuant to section 65 of the Crown Pastoral Land Act 1998, affecting [insert pastoral lease title and registry] being [insert date] _____ (the commencement date). |
| 6. | Final Expiry Date (clause 3) | The sixtieth anniversary of the commencement date, being [insert date] |
| 7. | Concession Fee (clause 4) | A one-off fee has (in effect) been accounted for on behalf of the Grantor as part of the substantive proposal put by the Commissioner of Crown Lands and accepted by the Concessionaire and for which an approved plan has been registered pursuant to section 65 of the Crown Pastoral Land Act 1998. |
| 8. | Concession Fee Payment Date (clause 4) | Not Applicable – see item 7 above. |

| | | |
|-----|--|---|
| 9. | Penalty Rate (clause 4) | Interest Double the current Official Cash Rate (OCR). <u>See Reserve Bank of New Zealand website</u> |
| 10. | Insurance (To be obtained by Concessionaire) (clause 9) | Types and amounts: Public Liability Insurance for: (a) general indemnity for an amount no less than \$1,000,000; and (b) Forest and Rural Fires Act extension for an amount no less than \$250,000; and Other Policies and amounts: <i>[Insert as appropriate]</i> Insurance amounts subject to review (clause 9) |
| 11. | Addresses for Notices (clause 19) | The Grantor's address is: Physical Address: Department of Conservation Conservation House 77 Lower Stuart Street Dunedin 9016 Postal Address: PO Box 5244 Moray Place Dunedin 9058 Phone: (03) 477 0677 Email: permissionsdunedin@doc.govt.nz |
| | | The Concessionaire's address in New Zealand is: Physical Address: C/- Glenlyon Station, TWIZEL Postal Address: Huxley Gorge Limited 6 Queen Street Parkside TIMARU 7910 Phone: (03) 438 9644 Email: glenlyon@farmside.co.nz |

Note: The clause references are to the Grantor's Standard Terms and Conditions set out in Schedule 2.

SCHEDULE 2

STANDARD TERMS AND CONDITIONS

1. Interpretation

1.1 In this Concession, unless the context otherwise requires:

“**Background**” means the matters referred to under the heading ‘Background’ on the first page of this Document, and words used in the Background have the meaning given to them in this clause 1.1.

“**Commencement date**” means the date that an approved plan is registered vesting the Land in the Crown as conservation area.

“**Concession Fee**” means the amount specified in Item 7 of Schedule 1 and required by the Grantor under section 53 of the Crown Pastoral Land Act 1988 and section 17X of the Conservation Act 1987 for the adverse effects of the Concession Activity on the Crown’s or public’s interest in the Easement Area.

“**Concession**” means this document and any subsequent amendments and all schedules, annexures, and plans attached to it.

“**Concessionaire**” means the registered proprietor for the time being of the Dominant Land and includes the Concessionaire’s successors, assigns, executors, and administrators.

“**Concession Activity**” means the use of the Easement Area by the Concessionaire for purposes specified in Item 4 of Schedule 1.

“**Conservation Area**” has the same meaning as “conservation area” in section 2 of the Conservation Act 1987.

“**Director-General**” means the Director-General of Conservation.

“**Dominant Land**” means the land specified in Item 2 of Schedule 1.

“**Easement**” means the Appurtenant Easement granted under this Document by the Grantor to the Concessionaire under section 17Q of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).

“**Easement Area**” means that part of the Servient Land specified in Item 3 of Schedule 1.

“**Reserve**” has the same meaning as “reserve” in section 2 of the Reserves Act 1977.

“**Servient Land**” means a Conservation Area or Reserve being the land more particularly described in Item 1 of Schedule 1.

“**Structure**” includes a bridge, a culvert, and a fence.

“**Term**” means the period of time specified in Item 5 of Schedule 1 during which this Document operates.

1.2 The Concessionaire is responsible for the acts and omissions of its employees, contractors, agents, clients, tenants and invitees (excluding other members of the public accessing the Easement Land). The Concessionaire is liable under this Concession for any breach of the terms of the Concession by its employees, contractors, agents, clients and invitees (excluding other members of the public accessing the Easement Land), as if the breach had been committed by the Concessionaire.

- 1.3 In this Concession unless the context otherwise requires:
- (a) a reference to a party is a reference to a party to this Concession;
 - (b) words appearing in this Concession which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
 - (c) a provision of this Concession to be performed by two or more persons binds those persons jointly and severally;
 - (d) words in a singular number include the plural and vice versa;
 - (e) words importing a gender include other genders;
 - (f) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date of this Concession;

2. What is being authorised?

- 2.1 The Concessionaire is only allowed to use the Easement Area for the Concession Activity.

3. How long is the Concession for - the Term?

- 3.1 This Concession commences on the date specified in Item 5 of Schedule 1 and ends on the Final Expiry Date specified in Item 6 of Schedule 1.

4. What are the fees and when are they to be paid?

- 4.1 The Concessionaire must pay to the Grantor in the manner directed by the Grantor the Concession Fee plus GST on the Concession Fee Payment Date specified in Items 7 and 8 of Schedule 1.
- 4.2 If the Concessionaire fails to make payment within 14 days of the Concession Fee Payment Date then the Concessionaire is to pay interest on the unpaid Concession Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 9 of Schedule 1.

5. Are there any other charges?

- 5.1 The Concessionaire must pay all levies rates and other charges, including utility charges payable in respect of the Easement Land or for the services provided to the Easement Land which relate to the Concessionaire's use of the Easement Land or the carrying on of the Concession Activity. Where the Grantor has paid such levies, rates or other charges the Concessionaire must on receipt of an invoice from the Grantor pay such sum to the Grantor within 14 days of receiving the invoice. If payment is not made within the 14 days then the Concessionaire is to pay interest on the unpaid sum from the date payment was due until the date of payment at the Penalty Interest Rate specified in Item 9 of Schedule 1.

6. What are the obligations to protect the environment?

6.1 Without the prior written consent of the Grantor, the Concessionaire must not allow or carry out any of the following on the Easement Area:

- (a) cut down or damage any vegetation;
- (b) bring any animals onto the easement area other than those specified in item 4 of Schedule 1 ;
- (c) disturb, or allow any stock to disturb any stream or watercourse;
- (d) undertake any earthworks or disturbance to the ground, other than as required for repair or maintenance;
- (e) damage any natural feature or historic resource;
- (f) light any fire on the Easement Land.

6.2 The Concessionaire must at its cost keep the easement facility (as defined in Schedule 5) now or hereafter upon the Easement Area, in good order, condition and repair and must keep the Easement Area in a clean and tidy condition and must not store hazardous materials on the Easement Area nor store other materials on the Easement Area where they may obstruct the public or create a nuisance.

6.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 6.

6.4 The Concessionaire may bring firearms on to the Easement Area for use in connection with the Concession Activity and pest control operations.

6.5 For the purposes of the Concession Activity, the Concessionaire may take onto or use vehicles on the Easement Area on existing formed access tracks only.

7. When can structures be erected?

7.1 The Concessionaire must not erect, nor place any structures on, under or over the Easement Land without the prior consent of the Grantor.

7.2 The Concessionaire must keep and maintain and structures and facilities on and alterations to the Easement Area in good repair.

8. What if the Concessionaire wishes to surrender the Concession?

8.1 If the Concessionaire wishes to surrender this Concession or any part of it during the currency of the Term, then the Grantor may accept that surrender on such conditions as the Grantor considers appropriate.

9. What are the liabilities and who insures?

9.1 The Concessionaire agrees to use the Easement Area at the Concessionaire's own risk and releases to the full extent permitted by law the Grantor and the Grantor's

employees and agents from all claims and demands of any kind and from all liability which may arise in respect of any accident, damage or injury occurring to any person or property in or about the Easement Area.

- 9.2 The Concessionaire must indemnify the Grantor against all claims, actions, losses and expenses of any nature which the Grantor may suffer or incur or for which the Grantor may become liable arising from the Concessionaire's performance of the Concession Activity.
- 9.3 This indemnity is to continue after the surrender, expiry or termination of this Concession in respect of any acts or omissions occurring or arising before its surrender, expiry or termination.
- 9.4 The Concessionaire has no responsibility or liability for costs, loss, or damage of whatsoever nature arising from any act or omission or lack of performance or any negligent or fraudulent act or omission by the Grantor, or any contractor or supplier to the Grantor, or any employee or agent of the Grantor.
- 9.5 Despite anything else in clause 9 the Concessionaire is not liable for any indirect or consequential damage or loss howsoever caused.
- 9.6 The Grantor is not liable and does not accept any responsibility for damage to or interference with the Easement Area, the Concession Activity, or to any structures, equipment or facilities on the Easement Area or any other indirect or consequential damage or loss due to any natural disaster, vandalism, sabotage, fire, or exposure to the elements except where, subject to clause 9.7, such damage or interference is caused by any wilful act or omission of the Grantor, the Grantor's employees, agents or contractors.
- 9.7 Where the Grantor is found to be liable in accordance with clause 9.6, the total extent of the Grantor's liability is limited to \$1,000,000 in respect of the Concessionaire's structures, equipment and facilities.
- 9.8 Despite anything else in clause 9 the Grantor is not liable for any indirect or consequential damage or loss howsoever caused.
- 9.9 Without prejudice to or in any way limiting its liability under this clause 9 the Concessionaire at the Concessionaire's expense must take out and keep current policies for insurance and for the amounts not less than the sums specified in Item 10 of Schedule 1 with a substantial and reputable insurer.
- 9.10 After every three year period of the Term the Grantor may, on giving 10 working day's notice to the Concessionaire, alter the amounts of insurance required under clause 9.9. On receiving such notice the Concessionaire must within 10 working days take out and keep current policies for insurance and for the amounts not less than the sums specified in that notice.
- 9.11 The Concessionaire must provide to the Grantor within 5 working days of the Grantor so requesting:
- (a) details of any insurance policies required to be obtained under this Concession, including any renewal policies if such renewal occurs during the Term; and/ or;
 - (b) a copy of the current certificate of such policies.

10. What about Health and Safety?

10.1 The Concessionaire must exercise the rights granted by this Concession in a safe and reliable manner and must comply with the Health and Safety in Employment Act 1992 and its regulations and all other provisions or requirements of any competent authority relating to the exercise of this Concession. The Concessionaire must comply with any safety directions of the Grantor.

11. What are the compliance obligations of the Concessionaire?

11.1 The Concessionaire must comply where relevant:

- (a) with the provisions of any conservation management strategy or conservation management plan under the Conservation Act 1987 or Part 2A of the Reserves Act 1977, or any general policy statement made under the Conservation Act 1987, Reserves Act 1977, National Parks Act 1980, or Wildlife Act 1953, or management plan under section 45 of the National Parks Act 1980, whichever is appropriate to the Servient Land, together with any amendment or review of any policy, strategy or plan whether approved before, on, or after the date on which this Concession takes effect; and
- (b) with the Conservation Act 1987, the Reserves Act 1977, the National Parks Act 1980, the Wildlife Act 1953, the Biosecurity Act 1993, the Resource Management Act 1991 and any other statute, ordinance, regulation, bylaw, or other enactment (collectively the "Legislation") affecting or relating to the Servient Land or affecting or relating to the Concession Activity, including any regulations made under the Conservation Act 1987 and the Wildlife Act 1953 or bylaws made under the Reserves Act 1977 or the National Parks Act 1980; and
- (c) with all notices and requisitions of any competent authority affecting or relating to the Servient Land or affecting or relating to the conduct of the Concession Activity; and
- (d) unless previously agreed in writing with the Grantor, with all Department signs and notices placed on or affecting the Easement Area.

11.2 The Concessionaire must comply with this Concession.

11.3 A breach or contravention by the Concessionaire of a relevant conservation management strategy, conservation management plan, management plan or any statement of general policy referred to in clause 11.1.(a) is deemed to be a breach of this Concession.

11.4 A breach or contravention by the Concessionaire of any Legislation affecting or relating to the Servient Land or affecting or relating to the Concession Activity is deemed to be a breach of this Concession.

12. When can the Concession be terminated?

12.1 If the Concessionaire breaches any of the conditions of this Concession the Grantor may terminate this Concession at any time in respect of the whole or any part of the Easement Area. Before so terminating the Grantor must give the Concessionaire either:

- (a) one calendar month's notice in writing; or
- (b) such other time period which in the sole opinion of the Grantor appears reasonable and necessary;

of the Grantor's intention so to terminate this Concession.

12.2 The Grantor may choose to remedy at any time any default by the Concessionaire under this Concession. Where that occurs, the Concessionaire must pay forthwith on demand all reasonable costs incurred by the Grantor in remedying such default. Before electing to so remedy in accordance with this clause the Grantor must, if practicable, first give the Concessionaire notice of the default and a reasonable opportunity to remedy the default.

13. What happens on termination or expiry of the Concession?

13.1 On expiry or termination of this Concession, either as to all or part of the Easement Area, the Concessionaire is not entitled to compensation for any structures or other improvements placed or carried out by the Concessionaire on the Easement Land.

13.2 The Concessionaire may, with the Grantor's written consent, remove any specified structures and other improvements on the Easement Area. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Easement Area and other public conservation land affected by the removal in a clean and tidy condition.

13.3 The Concessionaire must, if the Grantor gives written notice, remove any specified structures and other improvements on the Easement Area. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Easement Area, Servient Land and other public conservation land affected by the removal in a clean and tidy condition, and replant the Servient Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term.

14. When is the Grantor's consent required?

14.1 Where the Grantor's consent or approval is required, such consent or approval must not be unreasonably withheld. Any such consent or approval may be made on such conditions as the Grantor considers appropriate.

14.2 Where the Grantor's consent or approval is expressly required under this Concession then the Concessionaire must seek that approval or consent for each separate time it is required even though the Grantor may have given approval or consent for a like purpose on a prior occasion.

15. Are there limitations on public access and closure?

15.1 The Concessionaire acknowledges that the Easement Area is open to the public for access and that the Grantor may close public access during periods of high fire hazard or for reasons of public safety or emergency.

16. What about other concessions?

16.1 Nothing expressed or implied in this Concession is to be construed as preventing the Grantor from granting other concessions, whether similar or not, to other persons provided that the Grantor must not grant another concession that would derogate in any material way from the Concessionaire's ability to carry out the Concession Activity.

17. How will disputes be resolved?

17.1 If a dispute arises between the parties in connection with this Concession the parties must, without prejudice to any other rights or entitlements they may have, attempt to resolve the dispute by agreement using informal dispute resolution techniques such as negotiation, mediation, independent expert appraisal or any other alternative dispute resolution technique. The rules governing any such technique adopted are to be agreed between the parties.

17.2 If the dispute cannot be resolved by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to the Disputes Tribunal, where relevant, or to mediation with a mediator agreed between the parties

17.3 If the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.

17.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.

17.5 If the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the New Zealand Law Society is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.

17.6 The arbitrator must include in the arbitration award reasons for the determination.

17.7 Despite the existence of a dispute, each party must continue to perform its obligations under this Concession.

18. How are notices sent and when are they received?

18.1 Any notice to be given under this Concession is to be in writing and made by personal delivery, by pre paid post or by email to the receiving party at the address or email address specified in Item 11 of Schedule 1. Any such notice is to be deemed to have been received:

- (a) in the case of personal delivery, on the date of delivery;
- (b) in the case of post, on the 3rd working day after posting;

- (c) in the case of email, notice will be deemed to have been received on the day on which it is emailed if that is a working day or, if dispatched after 5.00pm, on the next working day after the date of email.

18.2 If either party's details specified in Item 11 of Schedule 1 change then the party whose details change must provide the other party with the changed details within 5 working days of such change.

19. What about the payment of costs?

19.1 The Concessionaire must pay the Grantor's legal costs and expenses of and incidental to preparing and signing any variation of this Concession, including a partial surrender.

19.2 The Concessionaire must pay in full immediately and on demand all costs and fees (including solicitor's costs and fees of debt collecting agencies engaged by the Grantor) arising out of and associated with steps taken by the Grantor to enforce or attempt to enforce the Grantor's rights and powers under this Concession including the right to recover outstanding money owed to the Grantor.

20. What about the powers implied by statute?

20.1 The rights and powers implied in the relevant easements by the 5th Schedule to the Property Law Act 2007 and the Fourth Schedule to the Land Transfer Regulations 2002 (as set out in Schedule 5 of this Concession) apply to this easement **EXCEPT** to the extent set out in Schedule 3 of this Concession.

21. What about Co-Siting?

21.1 In this clause "Co-Site" means the use of the Concessionaire's structures or facilities on the Easement Area by a third party for an activity; and "Co-Sitee" and "Co-Siting" have corresponding meanings.

21.2 The Concessionaire must not allow Co-Siting on the Easement Area without the prior written consent of the Grantor.

21.3 The Grantor's consent must not be unreasonably withheld but is at the Grantor's sole discretion and subject to such reasonable terms and conditions as the Grantor thinks fit including a requirement that the Co-Sitee be liable for direct payment to the Grantor of a concession fee and any environmental premium assessed in respect of the Co-Sitee's activity on the Easement Area.

21.4 In addition, the Grantor must withhold consent if:

- (a) the Co-Siting would result in a substantial change to the Concession Activity on the Easement Area; or
- (b) the Grantor considers the change to be detrimental to the environment of the Easement Area.

21.5 Subject to clause 21.4 the Concessionaire must, if required by the Grantor, allow Co-Siting on the Easement Area.

- 21.6 Where the Concessionaire maintains that Co-Siting by a third party on the Easement Land would:
- (a) detrimentally interfere physically or technically with the use by the Concessionaire of the Easement Area; or
 - (b) materially prejudice any resource consents obtained by the Concessionaire or cause more onerous conditions to be imposed on it by the relevant authority; or
 - (c) obstruct or impair the Concessionaire's ability effectively to operate from the Easement Area; or
 - (d) interfere with or prevent future forecast works of the Concessionaire,
- the Grantor, must, as a pre-condition to consideration of an application to grant a concession to a third party, require that third party to obtain, at its own cost, a report prepared by an independent consultant acceptable to the Grantor confirming or rejecting the presence of the matters specified in this clause 21.6. The Grantor must not grant a concession to a third party where the report confirms that the proposed concession would give rise to one or more of the matters specified in this clause 21.6.
- 21.7 If the independent consultant report rejects the Concessionaire's concerns, the Concessionaire may dispute this in accordance with the procedure set out in clause 17 of Schedule 2.
- 21.8 Where the Concessionaire is required under clause 21.5 to allow Co-Siting on the Easement Area, the Concessionaire is, subject to clause 21.10 entitled to enter into commercial agreements with third parties for them to conduct an activity on the Easement Area and to receive a reasonable fee from them for any agreed activity they intend to carry out on the Easement Area. If a dispute arises between the Concessionaire and a third party such dispute must be determined by the Grantor having regard to, but not limited to, the following matters:
- (a) any written comments or submissions of the Concessionaire and third party;
 - (b) market value for the concession activity proposed by the third party having regard to the matters specified in Section 17Y(2) of the Conservation Act 1987;
 - (c) any other matters the Grantor considers relevant.
- 21.9 If the Concessionaire does not accept the Grantor's determination, the Concessionaire may dispute this in accordance with the procedure set out in clause 17 of Schedule 2.
- 21.10 For the avoidance of doubt, a Co-Sitee permitted on the Easement Area must enter into a separate concession with the Grantor in terms of which the Co-Sitee may be required to pay to the Grantor a concession fee and environmental premium assessed in respect of the Co-Sitee's activity on the Easement Area. This separate concession must not contain provisions that conflict with the Concessionaire's rights and obligations in relation to the Easement Area.
- 21.11 The Grantor must not authorise the third party to commence work on the Easement Area until all relevant resource consents are issued, an agreement is executed between the Concessionaire and third party, and any conditions imposed by the Concessionaire have been met.

22. Are there any Special Conditions?

22.1 Special conditions are specified in Schedule 3. If there is a conflict between this Schedule 2 and the Special Conditions in Schedule 3, the Special Conditions shall prevail.

23. The Law

23.1 This Concession is to be governed by, and interpreted in accordance with the laws of New Zealand.

SCHEDULE 3

SPECIAL CONDITIONS

1. The rights implied in easements of vehicular right of way in the 5th Schedule of the Property Law Act 2007 as set out in Schedule 5 of this document are amended by:
 - (a) replacing the word, "grantee" with "Concessionaire"; and
 - (b) adding to Clause 2(a) the words, "after first obtaining the prior consent of the Grantor as required in clauses 7 and 8 of Schedule 2 of this easement.

Additional "constraint" condition

2. Nothing contained or implied in this easement enables the Concessionaire whether by subdivision or by any means whatsoever to have the within easement be available to or for additional users.

Establishment and maintenance of formed track(s)

3. The Concessionaire has the right to repair and maintain any formed track(s) on their existing alignment, including the right to enter the Servient Land with or without machinery as necessary.
4. The cost of maintaining any formed track(s) shall be at the sole cost of the Concessionaire.
5. In exercising its rights in relation to the Easement Area, the Concessionaire shall take all reasonable care to avoid damage to the soil and vegetation of the Easement Area and in particular will avoid using the Easement Area when conditions such as softening during frost thaw render the Easement area particularly vulnerable to damage.

SCHEDULE 4

Proposed Designations Plan

SCHEDULE 5

RIGHTS AND POWERS IMPLIED IN EASEMENTS

A. FIFTH SCHEDULE PROPERTY LAW ACT 2007

Rights implied in easements of vehicular right of way

1. Right to pass and re-pass

- (1) The grantee and the grantor have (in common with one another) the right to go, pass, and re-pass over and along the land over which the right of way is granted.
- (2) That right to go, pass, and re-pass is exercisable at all times, by day and by night, and is exercisable with or without vehicles, machinery, and equipment of any kind.
- (3) In this clause, the grantee and the grantor include agents, contractors, employees, invitees, licensees, and tenants of the grantee or the grantor.

2. Right to establish and maintain driveway

The owners and occupiers of the land for the benefit of which, and the land over which, the right of way is granted have the following rights against one another:

- (a) the right to establish a driveway on the land over which the right of way is granted, and to make necessary repairs to any existing driveway on it, and to carry out any necessary maintenance or upkeep, altering if necessary the state of that land; and
- (b) any necessary rights of entry onto that land, with or without machinery, plant, and equipment; and
- (c) the right to have that land at all times kept clear of obstructions, whether caused by parked vehicles, deposit of materials, or unreasonable impediment to the use and enjoyment of the driveway; and
- (d) the right to a reasonable contribution towards the cost of establishment, maintenance, upkeep, and repair of the driveway to an appropriate standard; and
- (e) the right to recover the cost of repairing any damage to the driveway made necessary by any deliberate or negligent act of a person bound by these covenants or that person's agents, contractors, employees, invitees, licensees, or tenants.

3. Right to have land restored after completion of work

- (1) This clause applies to a person bound by these covenants (person A) if a person entitled to enforce these covenants (person B) has undertaken work, in accordance with the right conferred by clause 2(a) or with an order of a court, on the land over which a right of way is granted.
- (2) Person A has the right, after the completion of the work, to have the land restored as far as possible to its former condition (except for the existence of the driveway).
- (3) That right of person A is subject to person B's right, in accordance with clause 2(d), to receive a reasonable contribution towards the cost of the work.

B. LAND TRANSFER REGULATIONS 2002

1. Interpretation

In this schedule, unless the context requires otherwise,—

dominant land, in relation to an easement, means the land that takes the benefit of the easement and that is described by reference to the register in a transfer instrument, easement instrument, or deposit document

easement facility,—

- (a) in relation to a right to convey water, means pipes, pumps, pump sheds, storage tanks, water purifying equipment, other equipment suitable for that purpose (whether above or under the ground), and anything in replacement or substitution:
- (b) in relation to a right to convey electric power or a right to convey telecommunications and computer media, means wires, cables (containing wire or other media conducting materials), towers, poles, transformers, switching gear, other equipment suitable for that purpose (whether above or under the ground), and anything in replacement or substitution:
- (c) in relation to a right of way, means that part of the surface of the land described as the stipulated area:
- (d) in relation to a right to drain water, means pipes, conduits, open drains, pumps, tanks (with or without headwalls), manholes, valves, surface boxes, other equipment suitable for that purpose (whether above or under the ground), and anything in replacement or substitution:
- (e) in relation to a right to drain sewage, means pipes, conduits, pumps, tanks (with or without headwalls), manholes, valves, surface boxes, other equipment suitable for that purpose (whether above or under the ground), and anything in replacement or substitution:
- (f) in relation to a right to convey gas, means pipes, conduits, valves, other equipment suitable for that purpose (whether above or under the ground), and anything in replacement or substitution

grantee, in relation to an easement,—

- (a) means—
 - (i) the registered proprietor of the dominant land; or
 - (ii) the person having the benefit of an easement in gross; andincludes the agents, employees, contractors, tenants, licensees, and other invitees of the grantee

grantor, in relation to an easement,—

- (a) means the registered proprietor of the servient land; and
- (b) includes the agents, employees, contractors, tenants, licensees, and other invitees of the grantor

servient land, in relation to an easement, means—

- (a) the parcel of land over which an easement is registered and that is described by reference to the register in a transfer instrument, easement instrument, or deposit document:
- (b) a stipulated course or stipulated area

stipulated course or stipulated area, in relation to any of the classes of easements referred to in these regulations, means the course that—

- (a) is shown on a plan prepared for the purpose of specifying the easement; and
- (b) is referred to in a transfer instrument, easement instrument, or deposit document.

2. Classes of easements

For the purposes of regulation 10(a), easements are classified by reference to the following rights:

- (a) a right to convey water:
- (b) a right to drain water:
- (c) a right to drain sewage:
- (d) a right of way:
- (e) a right to convey electricity:
- (f) a right to convey telecommunications and computer media:
- (g) a right to convey gas.

Rights and powers implied in easements granting certain rights

3. Right to convey water

1. A right to convey water includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights to take and convey water in free and unimpeded flow from the source of supply or point of entry through the easement facility and over the servient land to the dominant land.
2. The right to take and convey water in free and unimpeded flow is limited to the extent required by any period of necessary cleansing, renewal, modification, or repair of the easement facility.
3. The easement facility referred to in sub clause (1) is the easement facility laid or to be laid along the stipulated course or stipulated area, as agreed by the grantor at the time of installation of the facility.
4. The grantor must not do and must not allow to be done anything on the servient land that may cause the purity or flow of water in the water supply system to be diminished or polluted.

4. Right to drain water

1. A right to drain water includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights to convey water (whether sourced from rain, springs, soakage, or seepage) in any quantity from the dominant land through the easement facility and over the servient land.

2. The right to drain water is limited to the extent required by any period of necessary cleansing, renewal, modification, or repair of the easement facility.

3. The easement facility referred to in sub clause (1) is the easement facility laid or to be laid along the stipulated course or stipulated area, as agreed by the grantor at the time of installation of the facility.

5. Right to drain sewage

1. A right to drain sewage includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights to drain, discharge, and convey sewage and other waste material and waste fluids through the easement facility and over the servient land.

2. The right to drain, discharge, and convey sewage and other waste material and waste fluids is limited to the extent required by any period of necessary cleansing, renewal, modification, or repair of the easement facility.

3. The easement facility referred to in sub clause (1) is the easement facility laid or to be laid along the stipulated course or stipulated area, as agreed by the grantor at the time of installation of the facility.

6. Rights of way

1. A right of way includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights, at all times, to go over and along the easement facility.

2. The right to go over and along the easement facility includes the right to go over and along the easement facility with or without any kind of—

(a) vehicle, machinery, or implement; or

(b) domestic animal or (if the servient land is rural land) farm animal.

3. A right of way includes—

(a) the right to establish a driveway, to repair and maintain an existing driveway, and (if necessary for any of those purposes) to alter the state of the land over which the easement is granted; and

(b) the right to have the easement facility kept clear at all times of obstructions (whether caused by parked vehicles, deposit of materials, or unreasonable impediment) to the use and enjoyment of the driveway.

7. Right to convey electricity

1. A right to convey electricity includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights, at all times, to lead and convey electricity and electric impulses without interruption or impediment from the point of entry through the easement facility and over the servient land.

2. The right to convey electricity without interruption or impediment is limited to the extent required by any period of necessary renewal or repair of the easement facility.

3. The easement facility referred to in subclause (1) is the easement facility laid or to be laid along the stipulated course or stipulated area, as agreed by the grantor at the time of installation of the facility.

8. Right to convey telecommunications and computer media

1. A right to convey telecommunications and computer media includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights, at all times, to lead and convey telecommunications and computer media without interruption or impediment from the point of entry through the easement facility and over the servient land.
2. The right to convey telecommunications and computer media without interruption or impediment is limited to the extent required by any period of necessary renewal or repair of the easement facility.
3. The easement facility referred to in subclause (1) is the easement facility laid or to be laid along the stipulated course or stipulated area, as agreed by the grantor at the time of installation of the facility.

9. Right to convey gas

1. A right to convey gas includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights, at all times, to lead and convey gas without interruption or impediment from the point of entry through the easement facility and over the servient land.
2. The right to lead and convey gas without interruption or impediment is limited to the extent required by any period of necessary renewal or repair of the easement facility.
3. The easement facility referred to in subclause (1) is the easement facility laid or to be laid along the stipulated course or stipulated area, as agreed by the grantor at the time of installation of the facility.

Rights and powers implied in all classes of easements

10. General rights

1. All the easements referred to in this schedule include—
 - (a) the right to use any easement facility already situated on the stipulated area or course for the purpose of the easement granted; and
 - (b) if no suitable easement facility exists, the right to lay, install, and construct an easement facility reasonably required by the grantee (including the right to excavate land for the purpose of that construction).
2. The grantor must not do and must not allow to be done on the servient land anything that may interfere with or restrict the rights of any other party or interfere with the efficient operation of the easement facility.
3. the grantee must not do and must not allow to be done on the dominant land or the servient land anything that may interfere with or restrict the rights of any other party or interfere with the efficient operation of the easement facility.

11. Repair, maintenance, and costs

1. If the grantee (or grantees, if more than 1) has (or have) exclusive use of the easement facility, each grantee is responsible for arranging the repair and maintenance of the easement facility, and for the associated costs, so as to keep the facility in good order and to prevent it from becoming a danger or nuisance.
2. If the grantee (or grantees, if more than 1) and the grantor share the use of the easement facility, each of them is responsible equally for the repair and maintenance of the easement facility, and for the associated costs, for the purposes set out in subclause (1).
3. If the easement is in gross, the grantee bears the cost of all work done outside the servient land.
4. The parties responsible for maintenance under subclause (1) or subclause (2) (as the case may be) must meet any associated requirements of the relevant local authority.

12. Rights of entry

1. For the purpose of performing any duty or in the exercise of any rights conferred under these regulations or implied in any easement, the grantee may—
 - (a) enter upon the servient land by a reasonable route and with all necessary tools, vehicles, and equipment; and
 - (b) remain on the servient land for a reasonable time for the sole purpose of completing the necessary work; and
 - (c) leave any vehicles or equipment on the servient land for a reasonable time if work is proceeding.
2. The grantee must ensure that as little damage or disturbance as possible is caused to the servient land or to the grantor.
3. The grantee must ensure that all work is performed in a proper and workmanlike manner.
4. The grantee must ensure that all work is completed promptly.
5. The grantee must immediately make good any damage done to the servient land by restoring the surface of the land as nearly as possible to its former condition.
6. The grantee must compensate the grantor for all damages caused by the work to any crop (whether ready for harvest or not) or to any buildings, erections, or fences on the servient land.

13. Default

If the grantor or the grantee does not meet the obligations implied or specified in any easement,—

- (a) the party not in default may serve on the defaulting party written notice requiring the defaulting party to meet a specific obligation and stating that, after the expiration of 7 working days from service of the notice of default, the other party may meet the obligation:

- (b) if, at the expiry of the 7-working-day period, the party in default has not met the obligation, the other party may—
 - (i) meet the obligation; and
 - (ii) for that purpose, enter the servient land:
- (c) the party in default is liable to pay the other party the cost of preparing and serving the default notice and the costs incurred in meeting the obligation:
- (d) the other party may recover from the party in default, as a liquidated debt, any money payable under this clause.

14. Disputes

If a dispute in relation to an easement arises between parties who have a registered interest under the easement,—

- (a) the party initiating the dispute must provide full written particulars of the dispute to the other party; and
- (b) the parties must promptly meet and in good faith try to resolve the dispute using informal dispute resolution techniques, which may include negotiation, mediation, independent expert appraisal, or any other dispute resolution technique that may be agreed by the parties; and
- (c) if the dispute is not resolved within 14 working days of the written particulars being given (or any longer period agreed by the parties),—
 - (i) the dispute must be referred to arbitration in accordance with the Arbitration Act 1996; and
 - (ii) the arbitration must be conducted by a single arbitrator to be agreed on by the parties or, failing agreement, to be appointed by the President of the New Zealand Law Society.

Concession Document (Easement)

THIS CONCESSION is made this day of

PARTIES:

1. Minister of Conservation (the Grantor)
2. Huxley Gorge Limited (the Concessionaire)

BACKGROUND

- A. The Department of Conservation ("Department") Te Papa Atawhai is responsible for managing and promoting conservation of the natural and historic heritage of New Zealand on behalf of, and for the benefit of, present and future New Zealanders.
- B. The land described in Item 1 of Schedule 1 as the Servient Land is a Conservation Area or a Reserve under the management of the Grantor.
- C. The land described in Item 2 of Schedule 1 as the Dominant Land is freehold land of the Concessionaire.
- D. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorise the Grantor to grant a Concession for a Concession Activity in a Conservation Area and a Reserve under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).
- E. The Concessionaire wishes to carry out the Concession Activity on the Easement Area subject to the terms and conditions of this Concession.
- F. The Grantor has agreed to grant the Concessionaire an Easement appurtenant to the Dominant Land over that part of the Servient Land specified as the Easement Area.

OPERATIVE PARTS

1. In exercise of the Grantor's powers under the Crown Pastoral Land Act 1998, and the Conservation Act 1987 or the Reserves Act 1977 as relevant, the Grantor **GRANTS** to the Concessionaire an **EASEMENT APPURTENANT** to the Dominant Land to carry out the Concession Activity on the Easement Area subject to the terms and conditions contained in this Concession and its Schedules.

Oct 2015
Jan 2013

Huxley Gorge - Basement Concession Farm Management 2 - DOC-2631466
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| <p>SIGNED on behalf of the Minister of Conservation by [Insert name and title of delegate]:</p> <hr/> <p>acting under delegated authority in the presence of:</p> <p>Witness Signature: _____</p> <p>Witness Name: _____</p> <p>Witness Occupation: _____</p> <p>Witness Address: _____</p> <p>A copy of the Instrument of Delegation may be inspected at the Director-General's office at 18-22 Manners Street, Wellington.</p> | <p>SIGNED by Huxley Gorge Limited by:</p> <hr/> <p>Kenneth William Wigley Director</p> <hr/> <p>Margaret Jane Wigley Director</p> |
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SCHEDULE 1

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| <p>As marked on the Proposed Designations plan attached in Schedule 4 being the area shaded in pink and labelled CAS:</p> <p><i>Physical Description/Common Name:</i> <i>Land Status:</i> <i>Area:</i> <i>Legal Description:</i></p> | <p>1. Servient Land (Schedule 4)</p> |
| <p>As marked on the Proposed Designations plan in Schedule 4 being the area shaded green:</p> <p><i>Physical Description/Common Name:</i> <i>Land Status:</i> <i>Area:</i> <i>Legal Description:</i></p> | <p>2. Dominant Land (Schedule 4)</p> |
| <p>As marked on the Proposed Designations Plan attached in Schedule 4 being the land between the points labelled "e-f" and being 20 metres wide.</p> <p><i>Legal Description:</i></p> | <p>3. Easement Area (Schedule 4)</p> |
| <p>(a) a right of way:</p> <p>for farm management purposes only for the Concessionaire (including the Concessionaire's tenants and contractors) on foot, on or accompanied by horses, by motor vehicles, with or without machinery and implements of any kind, and with or without domestic livestock, guns and farm dogs.</p> <p>In accordance with Schedule 3 special condition 2, stores are required to be actively driven along the easement.</p> | <p>4. Concession Activity (clause 2)</p> |
| <p>In perpetuity commencing on the date that an approved plan is registered pursuant to section 65 of the Crown Pastoral Land Act 1998, affecting <i>insert pastoral lease title and registry</i> Being <i>insert date</i> (the commencement date).</p> <p>This is subject to Schedule 3 special condition 4.</p> | <p>5. Term (clause 3)</p> |
| <p>Not Applicable</p> | <p>6. Final Expiry Date (clause 3)</p> |
| <p>A one-off fee has (in effect) been accounted for on behalf of the Grantor as part of the substantive proposal put by the Commissioner of Crown Lands and accepted by the Concessionaire on [date] and for which an approved plan has been registered pursuant to section 65 of the Crown</p> | <p>7. Concession Fee (clause 4)</p> |

Oct 2015
Jan 2013

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docDM-1128540 - Concessions Contract Basement Type A - TR template.fnal

Note: The clause references are to the Grantor's Standard Terms and Conditions set out in Schedule 2.

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| <p>Pastoral Land Act 1998.</p> | <p>8. Concession Fee Payment Date (clause 4) Not Applicable – see item 7 above.</p> | <p>9. Penalty Interest Rate Double the current Official Cash Rate (OCR). See Reserve Bank of New Zealand website (clause 4)</p> | <p>10. Insurance (To be obtained by Concessionaire) (clause 9) Types and amounts: Public Liability Insurance for: (a) general indemnity for an amount no less than \$1,000,000; and (b) Forest and Rural Fires Act extension for an amount no less than \$250,000; and Insurance amounts subject to review (clause 9)</p> | <p>11. Addresses for Notices (clause 19) The Grantor's address is: Department of Conservation Conservation House 77 Lower Stuart Street Dunedin 9016 Postal Address: PO Box 5244 Moray Place Dunedin 9058 Phone: (03) 477 0677 Email: permissionsdunedin@doc.govt.nz</p> | <p>The Concessionaire's address in New Zealand is: Physical Address: C/- Glenlyon Station, TWIZEL Postal Address: Huxley Gorge Limited 6 Queen Street Parkside TIMARU 7910 Phone: (03) 438 9644 Email: glenlyon@farmside.co.nz</p> |
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SCHEDULE 2

STANDARD TERMS AND CONDITIONS

1. Interpretation

1.1 In this Concession, unless the context otherwise requires:

"Background" means the matters referred to under the heading "Background" on the first page of this Document, and words used in the Background have the meaning given to them in this clause 1.1.

"Commencement date" means the date that an approved plan is registered vesting the Land in the Crown as conservation area.

"Concession Fee" means the amount specified in Item 7 of Schedule 1 and required by the Grantor under section 53 of the Crown Pastoral Land Act 1988 and section 17X of the Conservation Act 1987 for the adverse effects of the Concession Activity on the Crown's or public's interest in the Basement Area.

"Concession" means this document and any subsequent amendments and all schedules, annexures, and plans attached to it.

"Concessionaire" means the registered proprietor for the time being of the Dominant Land and includes the Concessionaire's successors, assigns, executors, and administrators.

"Concession Activity" means the use of the Basement Area by the Concessionaire for purposes specified in Item 4 of Schedule 1.

"Conservation Area" has the same meaning as "conservation area" in section 2 of the Conservation Act 1987.

"Director-General" means the Director-General of Conservation.

"Dominant Land" means the land specified in Item 2 of Schedule 1.

"Basement" means the Apurtenant Basement granted under this Document by the Grantor to the Concessionaire under section 17Q of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).

"Basement Area" means that part of the Servient Land specified in Item 3 of Schedule 1.

"Reserve" has the same meaning as "reserve" in section 2 of the Reserves Act 1977.

"Servient Land" means a Conservation Area or Reserve being the land more particularly described in Item 1 of Schedule 1.

"Structure" includes a bridge, a culvert, and a fence.

"Term" means the period of time specified in Item 5 of Schedule 1 during which this Document operates.

1.2

The Concessionaire is responsible for the acts and omissions of its employees, contractors, agents, tenants and invitees (excluding other members of the public accessing the Basement Land). The Concessionaire is liable under this Concession for any breach of the terms of the Concession by its employees, contractors, agents, clients and invitees (excluding other members of the public accessing the Basement Land), as if the breach had been committed by the Concessionaire.

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5. Are there any other charges?
 5.1 The Concessionaire must pay all levies rates and other charges, including utility charges payable in respect of the Easement Land or for the services provided to the Easement Land which relate to the Concessionaire's use of the Easement Land or the carrying on of the Concession Activity. Where the Grantor has paid such levies, rates or other charges the Concessionaire must on receipt of an invoice from the Grantor pay such sum to the Grantor within 14 days of receiving the invoice. If payment is not made within the 14 days then the Concessionaire is to pay interest on the unpaid sum from the date payment was due until the date of payment at the Penalty Interest Rate specified in Item 9 of Schedule 1.

4. What are the fees and when are they to be paid?
 4.1 The Concessionaire must pay to the Grantor in the manner directed by the Grantor the Concession Fee plus GST on the Concession Fee Payment Date specified in Items 7 and 8 of Schedule 1.
 4.2 If the Concessionaire fails to make payment within 14 days of the Concession Fee Payment Date then the Concessionaire is to pay interest on the unpaid Concession Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 9 of Schedule 1.

3. How long is the Concession for - the Term?
 3.1 This Concession commences on the date specified in Item 5 of Schedule 1 and ends on the Final Expiry Date specified in Item 6 of Schedule 1.

2. What is being authorised?
 2.1 The Concessionaire is only allowed to use the Easement Area for the Concession Activity.

1.3 In this Concession unless the context otherwise requires:
 (a) a reference to a party is a reference to a party to this Concession;
 (b) words appearing in this Concession which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
 (c) a provision of this Concession to be performed by two or more persons binds those persons jointly and severally;
 (d) words in a singular number include the plural and vice versa;
 (e) words importing a gender include other genders;
 (f) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date of this Concession;

9.1 The Concessionaire agrees to use the Easement Area at the Concessionaire's own risk and releases to the full extent permitted by law the Grantor and the Grantor's

9. What are the liabilities and who insures?

8.1 If the Concessionaire wishes to surrender this Concession or any part of it during the currency of the Term, then the Grantor may accept that surrender on such conditions as the Grantor considers appropriate.

8. What if the Concessionaire wishes to surrender the Concession?

7.2 The Concessionaire must keep and maintain and structures and facilities on and alterations to the Easement Area in good repair.

7.1 The Concessionaire must not erect, nor place any structures on, un/ or over the Easement Land without the prior consent of the Grantor.

7. When can structures be erected?

6.5 For the purposes of the Concession Activity, the Concessionaire may take onto or use vehicles on the Easement Area on existing formed access tracks only.

6.4 The Concessionaire may bring firearms on to the Easement Area for use in connection with the Concession Activity and pest control operations.

6.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 6.

6.2 The Concessionaire must at its cost keep the easement facility (as defined in Schedule 5) now or hereafter upon the Easement Area, in good order, condition and repair and must keep the Easement Area in a clean and tidy condition and must not store hazardous materials on the Easement Area nor store other materials on the Easement Area where they may obstruct the public or create a nuisance.

- (a) cut down or damage any vegetation;
- (b) bring any animals onto the easement area other than those specified in item 4 of Schedule 1 ;
- (c) disturb, or allow any stock to disturb any stream or watercourse;
- (d) undertake any earthworks or disturbance to the ground, other than as required for repair or maintenance;
- (e) damage any natural feature or historic resource;
- (f) light any fire on the Easement Land.

6.1 Without the prior written consent of the Grantor, the Concessionaire must not allow or carry out any of the following on the Easement Area:

6. What are the obligations to protect the environment?

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- 9.2 The Concessionaire must indemnify the Grantor against all claims, actions, losses and expenses of any nature which the Grantor may suffer or incur or for which the Grantor may become liable arising from the Concessionaire's performance of the Concession Activity.
- 9.3 This indemnity is to continue after the surrender, expiry or termination of this Concession in respect of any acts or omissions occurring or arising before its surrender, expiry or termination.
- 9.4 The Concessionaire has no responsibility or liability for costs, loss, or damage of whatsoever nature arising from any act or omission or lack of performance or any negligent or fraudulent act or omission by the Grantor, or any contractor or supplier to the Grantor, or any employee or agent of the Grantor.
- 9.5 Despite anything else in clause 9 the Concessionaire is not liable for any indirect or consequential damage or loss howsoever caused.
- 9.6 The Grantor is not liable and does not accept any responsibility for damage to or interference with the Basement Area, the Concession Activity, or to any structures, equipment or facilities on the Basement Area or any other indirect or consequential damage or loss due to any natural disaster, vandalism, sabotage, fire, or exposure to the elements except where, subject to clause 9.7, such damage or interference is caused by any willful act or omission of the Grantor, the Grantor's employees, agents or contractors.
- 9.7 Where the Grantor is found to be liable in accordance with clause 9.6, the total extent of the Grantor's liability is limited to \$1,000,000 in respect of the Concessionaire's structures, equipment and facilities.
- 9.8 Despite anything else in clause 9 the Grantor is not liable for any indirect or consequential damage or loss howsoever caused.
- 9.9 Without prejudice to or in any way limiting its liability under this clause 9 the Concessionaire at the Concessionaire's expense must take out and keep current policies for insurance and for the amounts not less than the sums specified in Item 10 of Schedule 1 with a substantial and reputable insurer.
- 9.10 After every three year period of the Term the Grantor may, on giving 10 working days notice to the Concessionaire, alter the amounts of insurance required under clause 9.9. On receiving such notice the Concessionaire must within 10 working days take out and keep current policies for insurance and for the amounts not less than the sums specified in that notice.
- 9.11 The Concessionaire must provide to the Grantor within 5 working days of the Grantor so requesting:
 - (a) details of any insurance policies required to be obtained under this Concession, including any renewal policies if such renewal occurs during the Term; and/ or;
 - (b) a copy of the current certificate of such policies.

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10. **What about Health and Safety?**
- 10.1 The Concessionaire must exercise the rights granted by this Concession in a safe and reliable manner and must comply with the Health and Safety in Employment Act 1992 and its regulations and all other provisions or requirements of any competent authority relating to the exercise of this Concession. The Concessionaire must comply with any safety directions of the Grantor.
11. **What are the compliance obligations of the Concessionaire?**
- 11.1 The Concessionaire must comply where relevant:
- (a) with the provisions of any conservation management strategy or conservation management plan under the Conservation Act 1987 or Part 2A of the Reserves Act 1977, or any general policy statement made under the Conservation Act 1987, Reserves Act 1977, National Parks Act 1980, or Wildlife Act 1953, or management plan under section 45 of the National Parks Act 1980, whichever is appropriate to the Servient Land, together with any amendment or review of any policy, strategy or plan whether approved before, on, or after the date on which this Concession takes effect; and
- (b) with the Conservation Act 1987, the Reserves Act 1977, the National Parks Act 1980, the Wildlife Act 1953, the Biosecurity Act 1993, the Resource Management Act 1991 and any other statute, ordinance, regulation, bylaw, or other enactment (collectively the "Legislation") affecting or relating to the Servient Land or affecting or relating to the Concession Activity, including any regulations made under the Conservation Act 1987 and the Wildlife Act 1953 or bylaws made under the Reserves Act 1977 or the National Parks Act 1980; and
- (c) with all notices and requisitions of any competent authority affecting or relating to the Servient Land or affecting or relating to the conduct of the Concession Activity; and
- (d) unless previously agreed in writing with the Grantor with all Department signs and notices placed on or affecting the Basement.
- 11.2 The Concessionaire must comply with this Concession.
- 11.3 A breach or contravention by the Concessionaire of a relevant conservation management strategy, conservation management plan, management plan or any statement of general policy referred to in clause 11.1.(a) is deemed to be a breach of this Concession.
- 11.4 A breach or contravention by the Concessionaire of any Legislation affecting or relating to the Servient Land or affecting or relating to the Concession Activity is deemed to be a breach of this Concession.
12. **When can the Concession be terminated?**
- 12.1 If the Concessionaire breaches any of the conditions of this Concession the Grantor may terminate this Concession at any time in respect of the whole or any part of the Basement Area. Before so terminating the Grantor must give the Concessionaire either:
- (a) one calendar month's notice in writing; or

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- (b) such other time period which in the sole opinion of the Grantor appears reasonable and necessary;
of the Grantor's intention so to terminate this Concession.
- 12.2 The Grantor may choose to remedy at any time any default by the Concessionaire under this Concession. Where that occurs, the Concessionaire must pay forthwith on demand all reasonable costs incurred by the Grantor in remedying such default. Before electing to so remedy in accordance with this clause the Grantor must, if practicable, first give the Concessionaire notice of the default and a reasonable opportunity to remedy the default.
13. What happens on termination or expiry of the Concession?
- 13.1 On expiry or termination of this Concession, either as to all or part of the Easement Area, the Concessionaire is not entitled to compensation for any structures or other improvements placed or carried out by the Concessionaire on the Easement Land.
- 13.2 The Concessionaire may, with the Grantor's written consent, remove any specified structures and other improvements on the Easement Area. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Easement Area and other public conservation land affected by the removal in a clean and tidy condition.
- 13.3 The Concessionaire must, if the Grantor gives written notice, remove any specified structures and other improvements on the Easement Area. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Easement Area, Servient Land and other public conservation land affected by the removal in a clean and tidy condition, and replant the Servient Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term.
14. When is the Grantor's consent required?
- 14.1 Where the Grantor's consent or approval is required, such consent or approval must not be unreasonably withheld. Any such consent or approval may be made on such conditions as the Grantor considers appropriate.
- 14.2 Where the Grantor's consent or approval is expressly required under this Concession then the Concessionaire must seek that approval or consent for each separate time it is required even though the Grantor may have given approval or consent for a like purpose on a prior occasion.
15. Are there limitations on public access and closure?
- 15.1 The Concessionaire acknowledges that the Easement Area is open to the public for access and that the Grantor may close public access during periods of high fire hazard or for reasons of public safety or emergency.
16. What about other concessions?

16.1 Nothing expressed or implied in this Concession is to be construed as preventing the Grantor from granting other concessions, whether similar or not, to other persons provided that the Grantor must not grant another concession that would derogate in any material way from the Concessionaire's ability to carry out the Concession Activity.

17. How will disputes be resolved?

17.1 If a dispute arises between the parties in connection with this Concession the parties must, without prejudice to any other rights or entitlements they may have, attempt to resolve the dispute by agreement using informal dispute resolution techniques such as negotiation, mediation, independent expert appraisal or any other alternative dispute resolution technique. The rules governing any such technique adopted are to be agreed between the parties.

17.2 If the dispute cannot be resolved by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to the Disputes Tribunal, where relevant, or to mediation with a mediator agreed between the parties

17.3 If the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.

17.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.

17.5 If the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the New Zealand Law Society is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.

17.6 The arbitrator must include in the arbitration award reasons for the determination.

17.7 Despite the existence of a dispute, each party must continue to perform its obligations under this Concession.

18. How are notices sent and when are they received?

18.1 Any notice to be given under this Concession is to be in writing and made by personal delivery, by pre paid post or by email to the receiving party at the address or email address specified in Item 11 of Schedule 1. Any such notice is to be deemed to have been received:

(a) in the case of personal delivery, on the date of delivery;

(b) in the case of post, on the 3rd working day after posting;

(c) in the case of email, notice will be deemed to have been received on the day on which it is emailed if that is a working day or, if dispatched after 5.00pm, on the next working day after the date of email.

18.2 If either party's details specified in Item 11 of Schedule 1 change then the party

whose details change must provide the other party with the changed details within 5 working days of such change.

19. What about the payment of costs?

The Concessionaire must pay the Grantor's legal costs and expenses of and incidental to preparing and signing any variation of this Concession, including a partial surrender.

The Concessionaire must pay in full immediately and on demand all costs and fees (including solicitor's costs and fees of debt collecting agencies engaged by the Grantor) arising out of and associated with steps taken by the Grantor to enforce or attempt to enforce the Grantor's rights and powers under this Concession including the right to recover outstanding money owed to the Grantor.

20. What about the powers implied by statute?

The rights and powers implied in the relevant easements by the 5th Schedule to the Property Law Act 2007 and the Fourth Schedule to the Land Transfer Regulations 2002 (as set out in Schedule 5 of this Concession) apply to this easement **EXCEPT** to the extent set out in Schedule 3 of this Concession.

21. What about Co-Siting?

21.1 In this clause "Co-Site" means the use of the Concessionaire's structures or facilities on the Basement Area by a third party for an activity; and "Co-Sitee" and "Co-Siting" have corresponding meanings.

21.2 The Concessionaire must not allow Co-Siting on the Basement Area without the prior written consent of the Grantor.

21.3 The Grantor's consent must not be unreasonably withheld but is at the Grantor's sole discretion and subject to such reasonable terms and conditions as the Grantor thinks fit including a requirement that the Co-Sitee be liable for direct payment to the Grantor of a concession fee and any environmental premium assessed in respect of the Co-Sitee's activity on the Basement Area.

21.4 In addition, the Grantor must withhold consent if:

- (a) the Co-Siting would result in a substantial change to the Concession Activity on the Basement Area; or
- (b) the Grantor considers the change to be detrimental to the environment of the Basement Area.

21.5 Subject to clause 21.4 the Concessionaire must, if required by the Grantor, allow Co-Siting on the Basement Area.

21.6 Where the Concessionaire maintains that Co-Siting by a third party on the Basement Land would:

- (a) detrimentally interfere physically or technically with the use by the Concessionaire of the Basement Area; or

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- (b) materially prejudice any resource consents obtained by the Concessionaire or cause more onerous conditions to be imposed on it by the relevant authority; or
 - (c) obstruct or impair the Concessionaire's ability effectively to operate from the Easement Area; or
 - (d) interfere with or prevent future forecast works of the Concessionaire,
- If the independent consultant report rejects the Concessionaire's concerns, the Concessionaire may dispute this in accordance with the procedure set out in clause 17 of Schedule 2.
- 21.7
- Where the Concessionaire is required under clause 21.5 to allow Co-Sitting on the Easement Area, the Concessionaire is, subject to clause 21.10 entitled to enter into commercial agreements with third parties for them to conduct an activity on the Easement Area and to receive a reasonable fee from them for any agreed activity they intend to carry out on the Easement Area. If a dispute arises between the Concessionaire and a third party such dispute must be determined by the Grantor having regard to, but not limited to, the following matters:
- (a) any written comments or submissions of the Concessionaire and third party;
 - (b) market value for the concession activity proposed by the third party having regard to the matters specified in Section 17Y(2) of the Conservation Act 1987;
 - (c) any other matters the Grantor considers relevant.
- If the Concessionaire does not accept the Grantor's determination, the Concessionaire may dispute this in accordance with the procedure set out in clause 17 of Schedule 2.
- 21.8
- For the avoidance of doubt, a Co-Sitee permitted on the Easement Area must enter into a separate concession with the Grantor in terms of which the Co-Sitee may be required to pay to the Grantor a concession fee and environmental premium assessed in respect of the Co-Sitee's activity on the Easement Area. This separate concession must not contain provisions that conflict with the Concessionaire's rights and obligations in relation to the Easement Area.
- 21.10
- The Grantor must not authorise the third party to commence work on the Easement Area until all relevant resource consents are issued, an agreement is executed between the Concessionaire and third party, and any conditions imposed by the Concessionaire have been met.
- 21.11
- Special conditions are specified in Schedule 3. If there is a conflict between this Schedule 2 and the Special Conditions in Schedule 3, the Special Conditions shall prevail.
- 22.1
- Are there any Special Conditions?**

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23. The Law
23.1 This Concession is to be governed by, and interpreted in accordance with the laws of New Zealand.

SCHEDULE 3

SPECIAL CONDITIONS

1. The rights implied in easements of vehicular right of way in the 5th Schedule of the Property Law Act 2007 as set out in Schedule 5 of this document are amended by:
 - (a) replacing the word, "grantee" with "Concessionaire"; and
 - (b) adding to Clause 2(a) the words, "after first obtaining the prior consent of the Grantor as required in clauses 7 and 8 of Schedule 2 of this easement.
2. The Concessionaire must ensure all stock is actively driven along the easement area.
3. The Concessionaire must not clear any vegetation or cause any soil disturbance on the easement area, without the prior written authority of the Department of Conservation Manager, Twizel.
4. This easement document is only valid while the Concessionaire (Huxley Gorge Limited) has the same shareholders as Glen Lyon Limited which holds the adjoining Glen Lyon pastoral lease (PT 007). Should:
 - (a) either the Concessionaire's shareholders become different to those of Glen Lyon Limited; or
 - (b) neither the Concessionaire nor Glen Lyon Limited remain or become the Holder of the Glen Lyon pastoral lease,
 - (c) then this Concession will terminate effective from the date when:
 - (d) the change in shareholders for either company is shown on the Companies Office Register; or
 - (e) neither the Concessionaire nor Glen Lyon Limited are the registered Holder of the Glen Lyon pastoral lease.

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Proposed Designations Plan

SCHEDULE 4

SCHEDULE 5

RIGHTS AND POWERS IMPLIED IN EASEMENTS

A. FIFTH SCHEDULE PROPERTY LAW ACT 2007

Rights implied in easements of vehicular right of way

1. Right to pass and re-pass

- (1) The grantee and the grantor have (in common with one another) the right to go, pass, and re-pass over and along the land over which the right of way is granted.
- (2) That right to go, pass, and re-pass is exercisable at all times, by day and by night, and is exercisable with or without vehicles, machinery, and equipment of any kind.
- (3) In this clause, the grantee and the grantor include agents, contractors, employees, invitees, licensees, and tenants of the grantee or the grantor.

2. Right to establish and maintain driveway

- The owners and occupiers of the land for the benefit of which, and the land over which, the right of way is granted have the following rights against one another:
- (a) the right to establish a driveway on the land over which the right of way is granted, and to make necessary repairs to any existing driveway on it, and to carry out any necessary maintenance or upkeep, altering if necessary the state of that land; and
 - (b) any necessary rights of entry onto that land, with or without machinery, plant, and equipment; and
 - (c) the right to have that land at all times kept clear of obstructions, whether caused by parked vehicles, deposit of materials, or unreasonable impediment to the use and enjoyment of the driveway; and
 - (d) the right to a reasonable contribution towards the cost of establishment, maintenance, upkeep, and repair of the driveway to an appropriate standard; and
 - (e) the right to recover the cost of repairing any damage to the driveway made necessary by any deliberate or negligent act of a person bound by these covenants or that person's agents, contractors, employees, invitees, licensees, or tenants.

3. Right to have land restored after completion of work

- (1) This clause applies to a person bound by these covenants (person A) if a person entitled to enforce these covenants (person B) has undertaken work, in accordance with the right conferred by clause 2(a) or with an order of a court, on the land over which a right of way is granted.
- (2) Person A has the right, after the completion of the work, to have the land restored as far as possible to its former condition (except for the existence of the driveway).
- (3) That right of person A is subject to person B's right, in accordance with clause 2(d), to receive a reasonable contribution towards the cost of the work.

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For the purposes of regulation 10(a), easements are classified by reference to the following rights:

B. LAND TRANSFER REGULATIONS 2002

1. Interpretation

In this schedule, unless the context requires otherwise,—

dominant land, in relation to an easement, means the land that takes the benefit of the easement and that is described by reference to the register in a transfer instrument, easement instrument, or deposit document

easement facility,—

- (a) deleted:
- (b) deleted:
- (c) in relation to a right of way, means that part of the surface of the land described as the stipulated area:
- (d) deleted:
- (e) deleted:
- (f) deleted:

grantee, in relation to an easement,—

- (a) means—
 - (i) the registered proprietor of the dominant land; or
 - (ii) the person having the benefit of an easement in gross; and
- includes the agents, employees, contractors, tenants, licensees, and other invitees of the grantee

grantor, in relation to an easement,—

- (a) means the registered proprietor of the servient land; and
- (b) includes the agents, employees, contractors, tenants, licensees, and other invitees of the grantor

servient land, in relation to an easement, means—

- (a) the parcel of land over which an easement is registered and that is described by reference to the register in a transfer instrument, easement instrument, or deposit document;
- (b) a stipulated course or stipulated area

stipulated course or stipulated area, in relation to any of the classes of easements referred to in these regulations, means the course that—

- (a) is shown on a plan prepared for the purpose of specifying the easement; and
- (b) is referred to in a transfer instrument, easement instrument, or deposit document.

2. Classes of easements

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Rights and powers implied in easements granting certain rights

- (a) a right to convey water;
 - (b) a right to drain water;
 - (c) a right to drain sewage;
 - (d) a right of way;
 - (e) a right to convey electricity;
 - (f) a right to convey telecommunications and computer media;
 - (g) a right to convey gas.
3. Right to convey water
3(1) to 3(4) deleted as not relevant.
 4. Right to drain water
4(1) to 4(3) deleted as not relevant.
 5. Right to drain sewage
5(1) to 5(3) deleted as not relevant.
 6. Rights of way
 1. A right of way includes the right for the grantee in common with the grantor and other persons to whom the grantor may grant similar rights, at all times, to go over and along the easement facility.
2. The right to go over and along the easement facility includes the right to go over and along the easement facility with or without any kind of—
(a) vehicle, machinery, or implement; or
(b) domestic animal or (if the servient land is rural land) farm animal.
3. Right of way includes—
(a) the right to establish a driveway, to repair and maintain an existing driveway, and (if necessary for any of those purposes) to alter the state of the land over which the easement is granted; and
(b) the right to have the easement facility kept clear at all times of obstructions (whether caused by parked vehicles, deposit of materials, or unreasonable impediment) to the use and enjoyment of the driveway.
 7. Right to convey electricity
7(1) to 7(3) deleted as not relevant.
 8. Right to convey telecommunications and computer media
8(1) to 8(3) deleted as not relevant.
 9. Right to convey gas
9(1) to 9(3) deleted as not relevant.

Rights and powers implied in all classes of easements

10. General rights

- 1. All the easements referred to in this schedule include—
 - (a) the right to use any easement facility already situated on the stipulated area or course for the purpose of the easement granted; and
 - (b) if no suitable easement facility exists, the right to lay, install, and construct an easement facility reasonably required by the grantee (including the right to excavate land for the purpose of that construction).
- 2. The grantor must not do and must not allow to be done on the servient land anything that may interfere with or restrict the rights of any other party with the efficient operation of the easement facility.
- 3. the grantee must not do and must not allow to be done on the dominant land or the servient land anything that may interfere with or restrict the rights of any other party or interfere with the efficient operation of the easement facility.

11. Repair, maintenance, and costs

- 1. If the grantee (or grantees, if more than 1) has (or have) exclusive use of the easement facility, each grantee is responsible for arranging the repair and maintenance of the easement facility, and for the associated costs, so as to keep the facility in good order and to prevent it from becoming a danger or nuisance.
- 2. Deleted.
- 3. If the easement is in gross, the grantee bears the cost of all work done outside the servient land.
- 4. The parties responsible for maintenance under subclause (1) or subclause (2) (as the case may be) must meet any associated requirements of the relevant local authority.

12. Rights of entry

- 1. For the purpose of performing any duty or in the exercise of any rights conferred under these regulations or implied in any easement, the grantee may—
 - (a) enter upon the servient land by a reasonable route and with all necessary tools, vehicles, and equipment; and
 - (b) remain on the servient land for a reasonable time for the sole purpose of completing the necessary work; and
 - (c) leave any vehicles or equipment on the servient land for a reasonable time if work is proceeding.
- 2. The grantee must ensure that as little damage or disturbance as possible is caused to the servient land or to the grantor.
- 3. The grantee must ensure that all work is performed in a proper and workmanlike manner.
- 4. The grantee must ensure that all work is completed promptly.

Oct 2015
Jan 2013

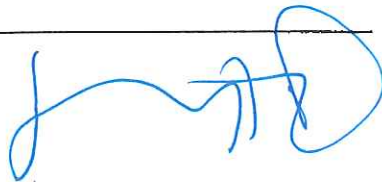
Huxley Gorge - Basement Concession Farm Management 2 - DOC-2631466
docDM-1128540 - Concessions Contract Basement Type A - TR template.final
- 21 -

- 5. The grantee must immediately make good any damage done to the servient land by restoring the surface of the land as nearly as possible to its former condition.
- 6. The grantee must compensate the grantor for all damages caused by the work to any crop (whether ready for harvest or not) or to any buildings, erections, or fences on the servient land.
- 13. **Default**
Deleted.
- 14. **Disputes**
Deleted.

Execution Section

This Proposal (including the schedules and appendices) is signed by the Commissioner and the Holder as a binding agreement.

SIGNED for and on behalf of the Commissioner of Crown Lands by Jerome Sheppard under the Crown Pastoral Land Act 1998 in the presence of:




Witness

Executive Assistant

Occupation

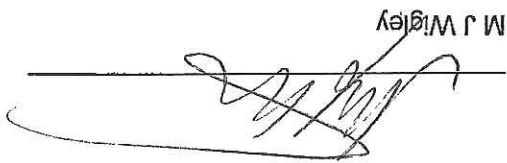
Wellington

Address

SIGNED for and on behalf of Huxley Gorge Limited

by two of its directors:


K W Wigley


M J Wigley

