

Crown Pastoral Land Tenure Review

Lease name: DALRACHNEY STATION

Lease number: PO 292

Substantive Proposal - Part 2

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

November

05

Appendix 4: Form for Easement Concession



Concession number: _____

DATED _____

Between

MINISTER OF CONSERVATION
("the Grantor")

and

DALRACHNEY STATION (1982) LTD
("the Concessionaire")

EASEMENT CONCESSION
UNDER CROWN PASTORAL LAND ACT 1998



Department of Conservation
Te Papa Atawhai

"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 59A of the Reserves Act 1977.

"Servient Land" means a Conservation Area being the area 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.

"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.

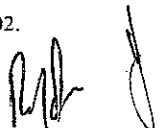
1.3 Words used in the Background to this Document have the same meaning given to them in clause 1.1.

2.0 GRANT OF APPURTENANT EASEMENT

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 an **EASEMENT APPURTENANT** to the Dominant Land 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 Easement Area subject to the terms and conditions contained in this Document.

3.0 TERM

3.1 The Easement is for the Term specified in Item 5 of Schedule 1.



4.0 COMPENSATION

- 4.1 The Concessionaire must pay to the Grantor in the manner specified by the Grantor the Compensation specified in Item 6 of Schedule 1.
- 4.2 Under section 53 of the Crown Pastoral Land Act 1998 the Grantor waives any requirement for rent on the basis that the costs of setting and collecting the rent would exceed any rent which may be collected.

5.0 OTHER CHARGES

- 5.1 In addition to Compensation, the Concessionaire must pay all rates, levies, taxes, duties, assessments, charges, and other outgoings which may be charged, levied, or reasonably assessed, or which may become payable in relation to the Easement Area and which are attributable to the Concessionaire's use of or activity on the Easement Area.

6.0 CONCESSION ACTIVITY

- 6.1 The Concessionaire is not to use the Easement Area for any purpose other than the Concession Activity.

7.0 COMPLIANCE

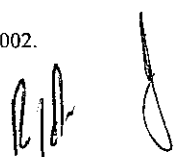
- 7.1 The Concessionaire will comply where relevant:
- (a) with the provisions of any conservation management strategy or conservation management plan under Part IIIA of the Conservation Act 1987 together with any amendment or review of any strategy or plan whether approved before, on, or after the date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

8.0 CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS

- 8.1 The Concessionaire must not erect or bring on to the Easement Area any Structure, install any facility, or alter the Land in any way without the prior written consent of the Grantor.
- 8.2 The Concessionaire must keep and maintain any Structures, and facilities on and alterations to the Easement Area in good repair.
- 8.3 On expiry or early termination of this Document either as to the whole or any part of the Easement Area, the Concessionaire will not be entitled to compensation for any improvements and any Structure or facilities remaining on the Easement Area are to become the property of the Grantor.
- 8.4 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 Easement Area in a clean and tidy condition to the satisfaction of the Grantor.

9.0 PROTECTION OF THE ENVIRONMENT

- 9.1 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 Easement Area; or



- (b) bring any plants, or animals (except those stipulated in Item 4 of Schedule 1) on to the Easement Area; or
- (c) deposit on the Easement Area debris, rubbish or other dangerous or unsightly matter, or contaminate any water body on the Easement Area; or
- (d) pile or store materials in any place on the Easement Area where they may obstruct the public or create a nuisance; or
- (e) conduct any noxious, noisome, dangerous or offensive activity on the Easement Area; or
- (f) top-dress, burn, sow seed, or carry out earthworks (including tracking, drainage or ditching) on the Easement Area; or
- (g) disturb or allow stock to disturb any stream or watercourse on the Easement Area; or
- (h) light any fire on the Easement Area.

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

- (a) if required by the Grantor take all steps necessary to control any pest, insect, or rodent infestation occurring on or emanating from the Easement Area or any Structure or facility on the Easement Area;
- (b) comply strictly with the provisions of the Biosecurity Act 1993.

9.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 9

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

9.5 The Concessionaire may for purposes of the Concession Activity take onto or use vehicles on the Easement Area on existing formed access tracks only.

10. TEMPORARY SUSPENSION

10.1 The Grantor may, at any time in exercise of the Grantor's powers, close all or part of the Easement Area for such period as she/he considers necessary.

11.0 TERMINATION

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

- (a) the Concessionaire breaches any terms of this Document; and
- (b) the Grantor has notified the Concessionaire in writing of the breach; and
- (c) the Concessionaire does not rectify the breach within 28 days of receiving notification.

11.2 Immediately on termination the Concessionaire must execute a surrender of this Document if the Grantor so requires it.

12.0 INDEMNITIES AND INSURANCE

12.1 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, agents, contractors, licensees or invitees or



otherwise caused as a result of its use of the Easement Area or the Concessionaire's carrying out of the Concession Activity on the Easement Area.

- 12.2 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.
- 12.3 Without prejudice to or in any way limiting its liability under clause 12.1 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 Easement Area and covering:
 - (i) general indemnity for a sum not less than the amount specified in Item 7 of Schedule 1; and
 - (ii) Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 8 of Schedule 1; and
 - (b) statutory liability insurance for the amount specified in Item 9 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 10 of Schedule 1.
- 12.4 With respect to clause 12.3 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.

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 DISPUTE RESOLUTION AND ARBITRATION

- 14.1 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.
- 14.2 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 the Disputes Tribunal, where relevant, or to mediation with a mediator agreed between the parties.
- 14.3 If the parties do not agree on a mediator, the President of the District Law Society in the region in which the Easement Area is located is to appoint the mediator.



- 14.4 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.
- 14.5 Notwithstanding any provision to the contrary 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 Easement Area is located is to appoint the arbitrator. The arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.
- 14.6 All arbitration proceedings are to take place in New Zealand and to be governed by New Zealand law.
- 14.7 The parties agree that the results of any arbitration are to be binding on the parties.

15.0 NOTICES

- 15.1 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 or by facsimile addressed to the receiving party at the address or facsimile number set out in Item 11 of Schedule 1.
- 15.2 A notice given in accordance with clause 15.1 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.

16.0 RELATIONSHIP OF PARTIES

- 16.1 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 Easement Area;
 - (b) preventing the Grantor from granting similar concessions to other persons;
 - (c) derogating from the rights of the Grantor and the public to have access across the Easement Area.

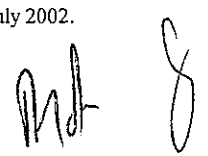
17.0 SPECIAL CONDITIONS

- 17.1 Special conditions relating to this Document are set out in Schedule 2.
- 17.2 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 _____

as Concessionaire
in the presence of :

Witness :
Occupation :
Address :



SCHEDULE 1

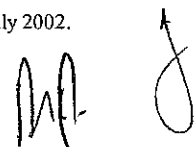
1. **Servient Land:** The land described as being Part Run 732 being public Conservation land (2594ha) situated in the Otago Land District and delineated in pink on the Plan attached to the Substantive Proposal.

(see definition of Servient Land in clause 1.1)
2. **Dominant Land:** Part Run 732 Blocks II, III and IV Lindis Survey District, Block VI Ahuriri Survey District and Longslip Survey District and Section 2 Block VI Ahuriri Survey District. Land Registry Folio Ref: 1C/1066 (*Otago Registry*)

(see definition of Dominant Land in clause 1.1)
3. **Easement Area:** The land shown on the Plan attached to the Substantive Proposal and being no more than 10 metres in width.

(see definition of Easement Area in clause 1.1)
4. **Concession Activity:**
 - (a) Easement A - marked a - b on the Plan attached to the Substantive Proposal. The Concessionaire has the right to from time to time and at all times for the Concessionaires, their servants, employees, agents workmen, contractors, licensees and invitees (in common with the Grantor and any other person lawfully entitled so to do) to have the full, free uninterrupted and unrestricted right liberty and privilege from time to time and at all times by day and by night to go pass and repass with motor vehicles and with or without horses, machinery and implements of any kind and with or without farm dogs and farm stock to and from the Dominant Land over and along the Easement Area, but subject to the limitations expressed in this deed, to the intent that the easement hereby created shall forever be appurtenant to the Dominant Land.
 - (b) Easement B - marked j - k on the Plan attached to the Substantive Proposal. The provisions of Easement 4 (a) shall apply to Easement "B" with the exception of the reference to "farm stock".

(see definition of Concession Activity in clause 1.1.)
5. **Term:** The concession is granted in perpetuity commencing on _____ *(see clause 3.1)*
6. **Compensation: \$ Nil** *(see clause 4.1)*
(payable on date of execution of this document)
7. **Public Liability General Indemnity Cover: \$1,000,000** *(see clause 12.3)*
8. **Public Liability Forest & Rural Fire Act Extension: \$1,000,000** *(see clause 12.3)*
9. **Statutory Liability Insurance: Nil** *(see clause 12.3)*
10. **Other Types of Insurance: Nil** *(see clauses 12.3)*
11. **Address for Notices (including facsimile number):** *(see clause 15)*
 - (a) Grantor
Conservator
Department of Conservation
Private Bag 4715
Christchurch
Facsimile Number (03) 365 1388
 - (b) Concessionaire
Dalrachney Station (1982) Limited
C/- A J Wood
102 Thames Street



Oamaru

SCHEDULE 2

Special Conditions

1. **THE** rights granted under this deed are non-exclusive and are exercisable in common with the Grantor and any other person granted similar rights by the Grantor, whether now or in the future, and without limitation the Grantor may grant the following persons access rights over the Easement Area:
 - i. members of the public for access on foot and with or without bicycles and horses;
 - ii any lessee or licensee of the Servient Land
2. **THE** Concessionaire shall maintain the Easement Area to its existing condition as an access track of sufficient standard for use by four wheel drive vehicles and vehicles required to service the farm, save when the track is impassable by adverse weather conditions
3. **THE** cost of any maintenance of the Easement Area shall be borne by the Concessionaire and any other person or person(s) to whom the Grantor has granted similar rights in respect of the Easement Area, according to each person's use of the Easement Area PROVIDED THAT if any repair or maintenance is rendered necessary by the act, neglect, or default of any user or its servants, agents, contractors, workmen, licensees or invitees, then that user shall promptly carry such repair and maintenance and bear the cost of the work PROVIDED THAT the Grantor shall not be required to contribute to the cost of any maintenance in respect to the Easement Area PROVIDED further that any maintenance undertaken by the Concessionaire requires the prior consent in writing of the Grantor.
4. **THE** Concessionaire shall ensure that no action by them or on their behalf has the effect of preventing the Easement Area over which the easement is granted being kept clear at all times of obstructions whether caused by parked vehicles, deposit of materials, or any other unreasonable impediment to the use and enjoyment of the Easement Area.

[Handwritten signatures]

Appendix 5: Form for Recreation Concession

mt *8*

Concession number: _____

DATED _____ 200

Between

THE MINISTER OF CONSERVATION
("the Grantor")

and

DALRACHNEY STATION (1982) LIMITED
("the Concessionaire")

CONCESSION DOCUMENT
UNDER THE CROWN PASTORAL LAND ACT 1998
(LICENCE)



Department of Conservation
Te Papa Atawhai

[Handwritten signatures]

THIS LICENCE is made on this day of

PARTIES:

1. THE MINISTER OF CONSERVATION, ("the Grantor")
2. DALRACHNEY STATION (1982) LIMITED ("the Concessionaire")

BACKGROUND

- A. The Grantor manages the Land described in Schedule 1 as a Conservation Area
- B. Section 66 of the Crown Pastoral Land Act 1998 authorises the Grantor to grant a Concession for a Concession Activity in a Conservation Area under section 17Q(1) of the Conservation Act 1987.
- 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:

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

"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. Access includes helicopter access to the Land if specified in Schedule 3

"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.

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

"Concession" means a concession as defined in section 2(1) of the Conservation Act 1987.

"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.

"Concession Fee Payment Date" means the date specified in Item 8 of Schedule 1 on which each instalment of the Concession Fee falls due for payment.

"Concession Fee Review" means a review of the Concession Fee determined in accordance with clause 7 of this Document.

"Concession Fee Review Date" means the date specified in Item 10 of Schedule 1 on which the Concession Fee Review occurs being at 3 year intervals calculated from the date of commencement of this Document.

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

"**Conservation Area**" has the same meaning as "Conservation Area" in section 2(1) of the Conservation Act 1987.

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

"**Department**" means the Department of Conservation established by section 5 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.

"**Guarantor**", where relevant, means the person guaranteeing this Document under clause 34.

"**Land**" means a Conservation Area, a Park, or a Reserve, whichever is relevant in the context of this Document, being the area more particularly described in Item 1 of Schedule 1.

"**Licence**" has the same meaning as "Licence" in section 2 of the Conservation Act 1987 and 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 9 of Schedule 1.

"**Structure**" includes bridges, culverts, and fences.

"**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 and includes that party's successors in title;
- (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) a reference to a person includes an individual, a body corporate, an association of persons (whether corporate or not), a trust, or an agency of State or of the Crown (in each case whether or not having separate legal personality);
- (f) words in a singular number include the plural and vice versa;
- (g) words importing a gender include all other genders;
- (h) 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;
- (i) 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 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.

3.2 Subject to clause 3.3 the Grantor, at the Concessionaire's cost, will renew the term for the further period specified in Item 4 of Schedule 1.

3.3 The renewal is to be on the same terms and conditions expressed or implied in this Document excluding a right of renewal provided the Concessionaire:

(a) observes the terms and conditions contained in this Document; and

(b) has given to the Grantor written notice of the Concessionaire's intention to renew this Document at least three months before the end of the Term, which notice is to be irrevocable.

3.4 The Term ends on the Expiry Date specified in Item 5 of Schedule 1

4.0 SURRENDER OF DOCUMENT

4.1 If the Concessionaire wishes to terminate this Document before the expiry of the Term the Concessionaire must give the Grantor 3 months' notice in writing.

4.2 The Grantor must accept the Concessionaire's notice of termination but in doing so may impose whatever terms and conditions the Grantor considers appropriate, including the matters referred to in clause 5.2.

5.0 CONCESSION FEE AND ADMINISTRATION FEE

5.1 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 8 of Schedule 1:

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

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

5.2 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 9 of Schedule 1.

5.3 For purposes of clause 7.0, a reference to Concession Fee includes a reference to the Administration Fee.

6.0 OTHER CHARGES

6.1 In addition to the Concession 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 or the Concessionaire's use of or activity on the Land.

7.0 CONCESSION FEE REVIEW

- 7.1 The Grantor will review the Concession Fee on the Concession Fee Review Dates.
- 7.2 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.
- 7.3 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.
- 7.4 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 25.
- 7.5 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.
- 7.6 If the Concessionaire does not give notice to the Grantor under clause 7.4 the Concessionaire will be deemed to have accepted the Concession Fee specified in the Grantor's notice

8.0 CONCESSION ACTIVITY

- 8.1 Unless prior written approval is given by the Grantor the Concessionaire is not to use the Land for any purpose other than the Concession Activity.

9.0 COMPLIANCE

- 9.1 The Concessionaire will comply where relevant:
- a) with the provisions of any conservation management strategy or conservation management plan as required by section 17W(7) 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 Biosecurity Act 1993, the Resource Management Act 1991, the Health and Safety in Employment Act 1992 and any other statute, ordinance, regulation, bylaw, or other enactment (collectively the "Legislation") affecting or relating to the Land, or affecting or relating to the Concession Activity.

10.0 CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS

- 10.1 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.
- 10.2 The Concessionaire must keep and maintain any Structures, facilities and alterations to the Land in good repair.
- 10.3 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.
- 10.4 On expiry or early termination of this Document 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.

11.0 PROTECTION OF THE ENVIRONMENT

11.1 Except as approved in writing by the Grantor and except as specified in Schedule 1, 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, animals (except those stipulated in Item 4 of Schedule 1) 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 it 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.

11.2 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 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.

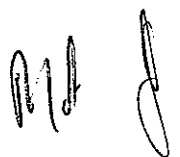
11.3 The Concessionaire must ensure that the Concessionaire's employees, contractors and invitees do not carry out any acts or omissions prohibited under clause 11.

11.4 The Concessionaire may bring firearms on to the Land for use in farming activities and pest control operations.

11.5 The Concessionaire must make adequate provision for suitable sanitary facilities for the Land if required by the Grantor and for the disposal of all refuse material and is to comply with the reasonable directions of the Grantor in regard to these matters.

11.6 The Concessionaire must:

- (a) take all reasonable precautions to ensure no fire hazards arise from its carrying out of the Concession Activity or from any act or neglect of its employees, contractors, invitees or agents;
- (b) not light or permit to be lit any fire on the Land.
- (c) not store or permit to be stored fuels or other combustible materials on the Land without the written permission of the Grantor.
- (d) comply with the Grantor's requirements for fire warning and safety equipment and for fire fighting equipment to be kept on the Land at all times.



11.7 The Concessionaire must immediately report to the Grantor any act in contravention of clause 11 and wherever possible the names and addresses of any person carrying out such acts; and must provide the Grantor with details of the circumstances surrounding such incidents.

12.0 ADVERTISING.

12.1 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.

12.2 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.

12.3 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.

12.4 In preparing such information the Concessionaire must obtain information from and have regard to the views of tangata whenua.

13 EMPLOYMENT OF STAFF.

13.1 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.

13.2 The Concessionaire must provide the Grantor with evidence of the competency and qualifications of its employees if the Grantor so requests.

13.3 The Concessionaire must comply with all statutes relating to employment of staff.

14.0 HEALTH AND SAFETY

14.1 The Concessionaire is to carry out the Concession Activity on the Land in a safe and reliable manner and must comply with:

- (a) the Health and Safety in Employment Act 1992 and its regulations; and
- (b) all other statutes, regulations and bylaws and all notices and requisitions of any competent authority relating to the conduct of the Concession Activity.

14.2 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.

14.3 The Concessionaire must:

- (a) take all reasonable steps to protect the safety of all persons present on the Land and must, where necessary, erect protective signposts warning the public of any dangers they may encounter as a result of the Concessionaire's operations;
- (b) take all reasonable steps to eliminate any dangers to the public and must clearly and permanently mark any that remain and of which the Concessionaire is aware.

14.4 Before commencing the Concession Activity the Concessionaire must, if required by the Grantor, prepare a safety plan and have it audited by a suitably qualified person approved by the Grantor.

14.5 The Concessionaire must not commence the Concession Activity until:

- (a) the person appointed to audit the safety plan has certified the safety plan is suitable for the Concession Activity; and
- (b) the Concessionaire supplies the Grantor with a copy of the safety plan certified under clause 14.5(a).

14.6 Receipt of the certified safety plan by the Grantor is not in any way to limit the obligations of the Concessionaire under clause 14 and is not to be construed as implying any responsibility or liability on the part of the Grantor.

15.0 TEMPORARY SUSPENSION

15.1 The Grantor may temporarily suspend this Document if, in the opinion of the Grantor, there is a temporary risk to public safety or the safety of the Department's staff or the safety of other Concessionaires whether arising from natural events such as earthquake, land slip, volcanic activity, or flood or whether arising in any other way including the activities of the Concessionaire, its employees, clients or invitees.

15.2 If in the opinion of the Grantor the activities of the Concessionaire, its employees, clients or invitees are having or may have an adverse effect on the environment and the Grantor is of the opinion that the effect can be avoided, remedied or mitigated to an extent satisfactory to the Grantor, the Grantor may suspend this Concession until the Concessionaire remedies, avoids or mitigates the adverse impact to the satisfaction of the Grantor.

15.3 The Grantor may suspend this Concession while the Grantor investigates any of the circumstances contemplated in clauses 15.1 and 15.2 and also while the Grantor investigates any potential breach or possible offence by the Concessionaire 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.

15.4 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.

15.5 The Grantor is not to be liable to the Concessionaire for any loss sustained by the Concessionaire by reason of the suspension of the Concession under clause 15 including loss of profits.

16.0 ASSIGNMENT

16.1 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.

17.0 TERMINATION

17.1 The Grantor may terminate this Concession by notice in writing to the Concessionaire if:

- (a) the Concession 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
 - (ii) the Grantor has notified the Concessionaire in writing of the breach; and
 - (iii) the Concessionaire does not rectify the breach within seven days of receiving notification; or
- (c) the Concessionaire ceases to conduct the Concession Activity or, in the reasonable opinion of the Grantor, the services provided by the Concessionaire are manifestly inadequate; or
- (d) the Concessionaire is convicted of an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act; or the Health and Safety in Employment Act 1982; or the Building Act 1991; or the Resource Management Act 1991; or the Biosecurity Act 1993; 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 ceases to function or operate; or

- (f) there is, in the opinion of the Grantor, a permanent risk to public safety or the environment whether arising from the conduct of the Concession Activity or from natural causes such as earthquake, land slip, volcanic activity, flood, or arising in any other way, whether or not from any breach of the terms of this Document on the part of the Concessionaire.

17.2 If the Grantor terminates the Concession under this clause 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 other monies up to the date of termination or for any breach of any term up to the date of termination.

17.3 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.

18.0 GRANTOR MAY REMEDY CONCESSIONAIRE'S DEFAULT

18.1 The Grantor may elect to remedy at any time without notice any default by the Concessionaire under this Concession.

18.2 The Concessionaire must pay to the Grantor forthwith on demand all reasonable costs and expenses incurred by the Grantor, including legal costs and expenses as between solicitor and client, in remedying such default.

19.0 GRANTOR'S DIRECTIONS

19.1 The Concessionaire must comply with all reasonable notices and directions of the Grantor concerning the Concession Activity on the Land or the conduct of any person on the Land under the authority of this Document.

20.0 POWERS, RIGHTS AND AUTHORITIES

20.1 All powers, rights and authorities of the Grantor under this Document and any notice required to be given by the Grantor may be exercised and given by the Director-General or any officer, employee, or agent of the Director-General.

21.0 INDEMNITIES AND INSURANCE

21.1 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, agents, contractors, or clients or otherwise caused as a result of its carrying out the Concession Activity on the Land.

21.2 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.

21.3 Without prejudice to or in any way limiting its liability under clause 21.1 the Concessionaire must take out and keep in force during the Term:

- (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 11 of Schedule 1; and

(ii) Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 12 of Schedule 1; and

(b) statutory liability insurance for the amount specified in Item 13 of Schedule 1; and

(c) such other policy or policies of insurance against any other liability and for such other sums which the Lessor specifies in Item 14 of Schedule 1.

21.4 With respect to clause 21.3 the Concessionaire must provide copy certificates of currency for the policies of insurance before commencing the Concession Activity and on each renewal of them.



- 21.5 (a) Without prejudice to any other provision of this Document the Concessionaire will indemnify the Grantor against all damage or loss resulting from any act or omission on the part of the Concessionaire or the Concessionaire's employees, agents, contractors, clients, or invitees;
- (b) The Concessionaire is to recompense the Grantor for all expenses incurred by the Grantor in making good any damage to the Site or the property of the Grantor resulting from such act or omission.
- 21.6 (a) The Grantor will not be liable and does not accept any responsibility for damage to or interference with the Concession Activity or to the Structures or facilities on the Land or any other indirect or consequential damage due to any natural disaster, vandalism, sabotage, fire or exposure to the elements except where, subject to the clause 21.6(b), such damage or interference is caused by any wilful act or omission of the Grantor, the Grantor's employees, agents or contractors;
- (b) Where the Grantor is found to be liable due to a wilful act or omission, the total extent of the Grantor's liability is limited to \$[REDACTED] in respect of the Concessionaire's structures and facilities.
- 21.7 Notwithstanding anything else in clause 21 the Grantor is not liable for any indirect or consequential loss howsoever caused.

22.0 ENVIRONMENTAL MONITORING AND LAND REHABILITATION

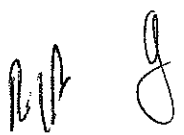
- 22.1 The Concessionaire shall, during the Term, if the Grantor so requests in writing, design in consultation with the Grantor and undertake a programme to monitor and report on the environmental effects of the Concessionaire's use of the Land and conduct of the Concession Activity on the Land.
- 22.2 If the Grantor does make a request under clause 22.1 the Concessionaire must, during the Term, pay to the Grantor the annual environmental monitoring contribution specified in Item 15 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.
- 22.3 Subject to any conditions imposed by the Grantor and set out in Schedule 3, at the expiry, surrender or termination of this Document, the Concessionaire must reinstate the Land to its condition at the commencement of the Term and replant the Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term.

23.0 EXPIRY OF LICENCE

- 23.1 If the parties have not entered into a new agreement by the Final Expiry Date the Concessionaire accepts that the Grantor has no liability whatsoever for any costs incurred by the Concessionaire as a result of the expiry of this Document.
- 23.2 Upon the expiry or earlier termination of the Term the Grantor will not be liable to pay compensation for any Structure, facility or land alteration of the Concessionaire, all of which, subject to clause 23.4 are to remain the property of the Concessionaire and will be deemed not to have become fixtures on the Land.
- 23.3 Subject to any conditions set out in Schedule 3, at the expiry, surrender or termination of the Term the Concessionaire must remove all the Concessionaire's Structures and facilities on the Land unless the Grantor approves otherwise in writing.
- 23.4 If the Concessionaire does not remove the Structures and facilities as required by clause 23.3, or as otherwise approved by the Grantor, the structures and facilities remaining on the Land will be deemed to have become fixtures and ownership in them will vest absolutely in the Grantor.
- 23.5 In that case the Grantor will not be liable to pay any compensation to the Concessionaire for the Structures and facilities and may, at the Grantor's option, remove or destroy or otherwise dispose of them and recover the costs and expenses of the removal or destruction from the Concessionaire as a debt due to the Grantor.

24.0 FORCE MAJEURE

- 24.1 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.



24.2 If the delay or failure continues for at least 28 days either party will be entitled to terminate this Document by notice in writing.

25.0 DISPUTE RESOLUTION AND ARBITRATION

25.1 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.

25.2 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 the Disputes Tribunal, where relevant, or to arbitration which arbitration is to be carried out in accordance with the provisions of the Arbitration Act 1996.

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

25.4 Notwithstanding anything to the contrary 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 local District 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.

26.0 NOTICES

26.1 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 or by facsimile addressed to the receiving party at the address or facsimile number set out in Item 16 of Schedule 1.

26.2 A notice given in accordance with clause 26.1 will be deemed to have been received:

- (a) in the case of personal delivery, on the date of delivery;
- (b) in the case of a pre-paid post, on the third working day after posting;
- (c) in the case of facsimile, on the date of dispatch unless the facsimile is received after 5pm on a working day, in which case the facsimile is deemed to have been received at 9am on the next working day.

27.0 COSTS

27.1 The Concessionaire must also pay the costs of the Grantor in enforcing or attempting to enforce the Grantor's rights and powers under this Document if the Concessionaire is in default.

28.0 RELATIONSHIP OF PARTIES

28.1 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;
- (c) granting any estate or interest in the Land to the Concessionaire;
- (d) preventing the Grantor from granting other concessions, whether similar or not, to other persons;
- (e) derogating from the rights of the Grantor and the public to have access to and enjoyment of or across the Land.

29.0 OFFENCES

29.1 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.

30.0 SEVERABILITY

30.1 Any illegality, or invalidity or unenforceability of any provision in this Document is not to affect the legality, validity or enforceability of any other provisions.

31.0 ENTIRE UNDERSTANDING

31.1 Except as provided by legislation, this Document and any written variation agreed by the parties contain the entire understanding between the parties with reference to the subject matter of this Document and there is no other agreement, representation or warranty whether it is expressed or implied which in any way extends, defines or otherwise relates to the provisions of this Document.

32.0 GUARANTEE

32.1 If the Grantor notifies the Concessionaire in writing that the Grantor requires this Document to be guaranteed by a third party the following clauses are to apply.

32.2 Subject to clause 32.1 and in consideration of the Grantor entering into this Document at the Guarantor's request the Guarantor:

- (a) guarantees payment of the Concession Fee and the performance by the Concessionaire of the covenants in this Document; and
- (b) indemnifies the Grantor against any loss the Grantor might suffer should the Document be lawfully disclaimed or abandoned by any liquidator, receiver or other persons.

32.3 Subject to clause 32.1 the Guarantor covenants with the Grantor that:

- (a) no release, delay, or other indulgence given by the Grantor to the Concessionaire to the Concessionaire's successors or assigns or any other thing whereby the Guarantor would have been released had the Guarantor been merely a surety is to release, prejudice, or affect the liability of the Guarantor as a Guarantor or as indemnifier;
- (b) as between the Guarantor and Grantor the Guarantor may, for all purposes, be treated as the Concessionaire and the Grantor is under no obligation to take proceedings against the Concessionaire before taking proceedings against the Guarantor;
- (c) the guarantee is for the benefit of and may be enforced by any person entitled for the time being to receive the Concession Fee;
- (d) any assignment of this Document and any Concession Fee Review in accordance with this Document are not to release the Guarantor from liability;
- (e) should there be more than one Guarantor the liability of each Guarantor under this Guarantee is to be joint and several.

33.0 VARIATIONS

33.1 The provisions of section 17ZC of the Conservation Act 1987 apply to all variations sought by the Concessionaire.

33.2 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.

33.3 The Concessionaire is to be bound by every such variation.

34.0 CO-SITING.

34.1 The Concessionaire must, if required by the Grantor, allow Co-Siting on the Land or the Land immediately adjoining the Site 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.

34.2 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 34.1.

34.3 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.

35.0 SPECIAL CONDITIONS

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

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 :

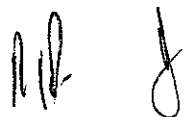
as Concessionaire
in the presence of :

Witness :
Occupation :
Address :

Signed by :

as Guarantor
in the presence of :

Witness :
Occupation :
Address :



SCHEDULE 1

1. **Land:** THE operational area for this concession activity occurs over some 2594 ha approximately of Conservation Land being Part Run 732 (Dalrachney ex Pastoral Lease) Blocks II, III and IV Lindis Survey District, Block VI Ahuriri Survey District and Longslip Survey District and Section 2 Block VI Ahuriri Survey District. Land Registry Folio Ref: 1C/1066 (*Otago Registry*) and delineated in pink on the Plan attached to the Substantive Proposal.
2. **Concession Activity:** THE Grantor will allow the Concessionaire to conduct a Recreational Guiding Concession for walking, Mountain biking and horse trekking over and along the existing formed tracks on the Land described in Schedule1 (1)
3. **Term:** 10 years commencing on the date on which the Surrender of the pastoral lease folio number 30F/684 (Canterbury registry) becomes effective pursuant to the Crown Pastoral Land Act 1998, being theday of2003
4. **Renewal:** Right of renewal for a further 10 years.
5. **Final Expiry Date:** 1st July 20...
6. **Concession Fee:**
 - a) THE annual fee payable for the first 3 years of this concession will be \$[REDACTED] plus GST per person per half day and \$[REDACTED] plus GST per person per day.
 - b) Administration fee of \$[REDACTED] per annum plus GST.
7. **Concession Fee Installments:** Annually
8. **Concession Fee Payment Date:** Upon surrender of Pastoral lease 1C/1066, 1st July 200.. and 1st July 200.. each year thereafter.
9. **Penalty Interest Rate:** Current Westpac Banking Corporation Overdraft Rate Plus 2%
10. **Concession Fee Review Date:** Every three years from commencement date
11. **Public Liability General Indemnity Cover:** for \$[REDACTED]
12. **Public Liability Forest & Rural Fire Extension:** for \$[REDACTED]
13. **Statutory Liability:** NIL
- 14(a) **Other Types of Insurance:** NIL
- 14(b) **Amounts Insured for Other Types of Insurances:**
15. **Environmental Monitoring Contribution:** \$[REDACTED] plus GST per annum
16. **Address for Notices:**
 - (a) Grantor Canterbury Conservator
 Department Of Conservation
 Private Bag 4715
 CHRISTCHURCH
 Ph (03) 379 9758
 - (b) Concessionaire
 Dalrachney Station (1982) Limited
 C/- A J Wood
 102 Thames street
 Oamaru.

SCHEDULE 2

Special Conditions

Hunting

1. The Grantor reserves the right to authorise hunters who hold a valid hunting permit issued by the Department of Conservation to hunt on the Land.

Inspection

2. 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.

Access

3. The public shall at all times have access on foot, horse or non motorized vehicle to and across all parts of the Land and where fences occur the Grantor may erect styles.
4. The Concessionaire shall ensure that guides and clients remain on formed tracks where they are present

Limits on Activity

5. This Concessionaire shall limit party size to 15 clients per trip unless otherwise stated.

Horses

6. The Concessionaire shall ensure that horses do not have over night stays on the Conservation Land.
7. Notwithstanding clause 5 (above) the Concessionaire shall limit the number of horses transporting party members on any one guided trek to seven (7) at a time.
8. The Concessionaire shall take all practicable steps to ensure that seeds of plant species not already present on the Conservation Land, are **not** introduced into the conservation Land, in horse droppings by;
 - a) Ensuring that all horses used on any trip into Conservation Area have been held for a period of twenty-four (24) hours immediately prior to entry on to the Conservation Area, in an area outside the Conservation Area.
 - b) Ensuring that horses to be used on the trips into the Conservation Area are fed, in the period 24 hours immediately prior to entry into the Conservation Area, on material that will minimize the potential of introduction of new weed species into the conservation areas.
9. The Concessionaire shall;
 - a) In addition to the monitoring requirements of clause 24.0, monitor the horse trekking trails and horse holding areas within the Conservation Area for the introduction and presence of weed species.
 - b) Identify the routes of the horse trekking trails prior to the commencement of guided activities for the purpose of focusing the weed monitoring process on the areas that have been used by the horses. (Variation of the route of the trekking trails shall only be done after prior consultation with the Area Manager, Twizel)
 - c) Carry out the monitoring for weed presence at intervals not less than once every twelve (12) months (unless otherwise agreed by the Grantor in writing).

- d) Carry out monitoring for weed presence at such a time of the year as to ensure that any weed presence has a high probability of being detected.
- e) Carry out an annual weed control programme, prior to any seed fall from weeds, based on the results of the Concessionaire's weed monitoring.
- f) Carry out all such monitoring and control operations with prior consultation and approval from the Grantor through the Area manager, Twizel.

Cultural Interpretation

- 10. The Concessionaire and their staff shall endeavor, as far as reasonably practical, to accurately portray Ngai Tahu's historical, spiritual or cultural association with any area or indigenous species. The concessionaire may provide interpretation to their clients on Ngai Tahu issues provided that this interpretation is entirely consistent with the statutory acknowledgement section (schedules 15-104) of the Ngai Tahu Claims Settlement Act 1998 or any Department produced interpretative material. Where the concessionaire wishes to provide clients with information not covered in these sources but that still relates to Ngai Tahu's historical, spiritual or cultural association with any area or indigenous species then the concessionaire shall consult with the local Papatipu before using any other information.

General

- 11. The Conservator shall be entitled to send any officer of the Department of Conservation on any of the activities authorized by this licence during the term of this permit for the purpose of assessing the impact thereof on conservation values, and the implications of the service offered to clients on the Department's responsibility to visitors in general.
- 12. The Concessionaire shall, if, in the opinion of the Conservator Canterbury, excessive impact is occurring to any part of the area to which this licence applies, modify the method of operation to satisfaction of the Conservator Canterbury, to avoid, remedy or mitigate the adverse effects.
- 13. Any proposal to provide interpretation of matters of cultural significance to Ngai Tahu must be done in consultation with Te Runanga o Ngai Tahu and Papatipu Runanga.

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Appendix 6: Fencing requirements

Fenceline D-E, F-G and H-I

Length and location: 10,700m (approximately) and located along the lines marked as "D-E", "F-G" and "H-I" on the Plan.

Type: Seven wire fence

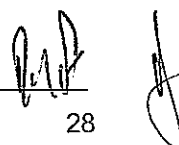
Specifications:

- Fence to be constructed of seven HT (2.4mm) wires, with wires located on the Schedule Two Land side of the boundary.
- 2.1 metres treated timber strainers with treated timber stay to be used for gateways and ends of strains.
- 3.6 metres Cyclone gate to be erected across vehicle track.
- Hunter chain and clips to be used to support wires on sections of the fenceline which are snow prone.
- 125 mm timber posts to be used where required.
- T-irons may be used with cross bar instead of posts on high spots and on corners, with tie-backs through tussock country.
- All strainers, angle posts and dip posts to be driven or dug in and rammed and footed with acceptable footing material. No 9 wire to be used on foots. All dips and hollows to be tied down.
- Netting to be hung on creek crossings and left to swing.
- All strainers and angles to be mortised, stayed and blocked. Stays to be one-third of the way up posts.
- Tie-back are permitted on both sides of the fence.
- All wires are to be securely and neatly tied off and strained evenly. Bottom wire to be kept 15 cm off the ground. Line to be benched where required. Most of the line will need to be cleared manually as required.
- Post staples to be driven well in but allow the wire to run through.
- Strains not to exceed 400 metres on easy country.
- Posts to be driven or dug in to such a depth that 112 cm (44") remains out of the ground.
- Strainers and angle posts to be dug in to such a depth that 117 cm (46") remains out of the ground.
- Under no circumstances are any strainers, posts or stays to be shortened either prior to or subsequent to their placement in the ground.

- Six waratah standards per 20 metres to be used. Waratah standards to be mostly 1500 mm long with 1350 mm standards allowed on rocky ground and 1650 mm standards on soft ground.
- Triplex strainers to be used on all strains.
- Lightning droppers to be used where required on either side of gateways.

Fencing Access Track

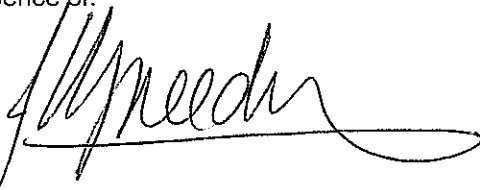
A track is to be constructed by the Commissioner along the line shown marked "M-N" on the Plan, for access for construction and maintenance of the fenceline "F-G". The track is to have a maximum width of 3 metres and is to be constructed with the minimum disturbance necessary to create a safe surface.

Handwritten signatures in black ink, appearing to be initials or names, located at the bottom right of the page.

Execution Section

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

SIGNED by Paul Jackson for the
Commissioner of Crown Lands *pursuant to delegation*
in the presence of:



Witness

JEAN GREEDY

Occupation

PORTFOLIO MANAGER

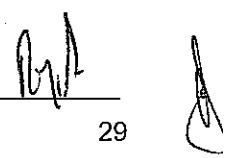
Address

LAND INFORMATION NZ
WELLINGTON,

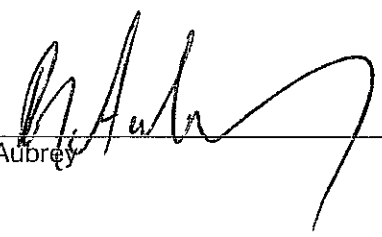
In signing this Substantive Proposal (including the schedules and appendices), the Holder:

1. accepts and agrees that:
 - (a) the Holder accepts this Substantive Proposal under section 60 of the Act and that, subject to subsections (3) and (4) of section 60 of the Act, the Holder's acceptance of this Substantive Proposal is irrevocable, and has effect as an irrevocable authority to and obligation on the Commissioner to take the appropriate actions required by the Act;
 - (b) the Holder is bound by the provisions of this Substantive Proposal;
 - (c) the Holder is also bound by the provisions of the Notice and must pay all money payable by the Holder in accordance with the provisions of the Notice and this Substantive Proposal; and
 - (d) when the Final Plan is registered under section 64 of the Act, the Notice has effect as a binding contract between the Crown and the Holder according to its tenor under section 46(4) of the Act; and

2. acknowledges that:
 - (e) the Holder has obtained the written consent of the Mortgagee, ASB Bank Limited and has also obtained the written consent of any other person having an interest in the Lease Land, to the Holder's acceptance of this Substantive Proposal; and
 - (f) the relevant consent is or consents are endorsed on or attached to the completed Execution Copy of this Substantive Proposal.



SIGNED by Dalrachney Station
(1982) Limited
in the presence of:


Richard John Aubrey
Director

Witness *Edward Aubrey*

Occupation *Student*

Address *PO Box 1*
Omarama

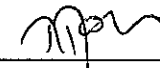
Consents

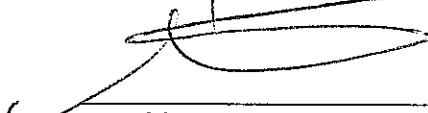
ASB Bank Limited as Mortgagee under the Mortgage 932310.2, hereby:

- (a) consents to the Holder's acceptance of this Substantive Proposal dated 8 May 2003 pursuant to section 60 of the Crown Pastoral Land Act 1998 and agrees and consents to the registration of the Easement and the Covenant prior to the registration of any new mortgage to be granted in its favour over the Schedule Two Land as contemplated by clause 5.16; and
- (b) agrees to sign and execute all deeds, agreements, schedules and other documents and do all acts and things as may be reasonably required by the Holder or the Commissioner to register a discharge of the Mortgage and any new mortgage over the Schedule Two Land.

Dated: 11th day of July 2003.

SIGNED by ASB Bank Limited)
in the presence of: SIGNED by ASB BANK LIMITED by its Attorney



 MARY MACDALINE MORAIS


 ANDREW McLEAN

Witness Signature:

Witness Name: **ANDREW McLEAN**

Occupation: **BANK OFFICER**

Address: **AUCKLAND**

ASB BANK LIMITED

CERTIFICATE OF NON-REVOCAION OF POWER OF ATTORNEY

I, Mary Magdaline Morais of Auckland in New Zealand, Acting Manager Loan Security Alterations, Lending Services of ASB Bank Limited.

HEREBY CERTIFY

1. THAT I hold the appointment of Manager Loan Security Alterations, Lending Services of ASB Bank Limited at Auckland (hereinafter called "the Bank").
2. THAT by Deed dated 28 November 2000 copies of which are deposited in the Land Information New Zealand office at:

| | | |
|--------------|--------------------|---------------------------|
| Auckland | as No. D.575405.1F | (North Auckland Registry) |
| Blenheim | as No. 216108.1 | (Marlborough Registry) |
| Christchurch | as No. 5020922.1 | (Canterbury Registry) |
| Dunedin | as No. 5021507.1 | (Otago Registry) |
| Gisborne | as No. 232181.1 | (Gisborne Registry) |
| Hamilton | as No. B.643811.1 | (South Auckland Registry) |
| Hokitika | as No. 115745.1 | (Westland Registry) |
| Napier | as No. 713144.1 | (Hawkes Bay Registry) |
| Nelson | as No. 404094.1 | (Nelson Registry) |
| New Plymouth | as No. 476627.1 | (Taranaki Registry) |
| Wellington | as No. B.819638.1 | (Wellington Registry) |

I, as holder of the appointment described in paragraph 1 hereof was constituted and appointed as attorney of the Bank on terms and subject to the conditions set out in the said Deed.

3. THAT as at the date hereof, I have not received any notice or information of the revocation of that appointment by winding up or dissolution of the Bank or otherwise.

SIGNED this 11th day of July 2003.




Consents

The Crown acting through Transit New Zealand, being the party entitled to the benefit of compensation certificate 5097978.1 registered against the Lease hereby consents to the Holder's acceptance of this Substantive Proposal dated 8 May 2003 pursuant to section 60 of the Crown Pastoral Land Act 1998.

Dated:

SIGNED for and on behalf of)
The Crown by Transit New Zealand)
in the presence of:)



For Regional Manager

Witness Signature: _____

Witness Name:

Occupation:

Address: