

Crown Pastoral Land Tenure Review

Lease name :GLENROCK (RAKAIA)

Lease number : PC 140

Substantive Proposal

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

Oct

14

**EXECUTION
COPY**

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

Date: 10 JULY 2014

Parties

Holder: **Duncan Charles Ensor**
Glenrock (Rakala)
Black Hill Station
1551 Double Hill Run Road
RD
PO Box 89
Methven 7745

Commissioner of Crown Lands:

C/- The Property Group Ltd
PO Box 7240
Christchurch 8240
(Attention: Tony Fraser)

The Land

Lease: **Glenrock**

Legal Description: Sections 1 & 4 SO17637, Sections 6, 7 & 8 SO 17638,
Sections 9, 10 11 and 12 SO 17639, Sections 2, 3, 13, 14, 15,
16 and 17 SO 17640 and Section 5 SO 17641.

Area: 7012.4856 hectares

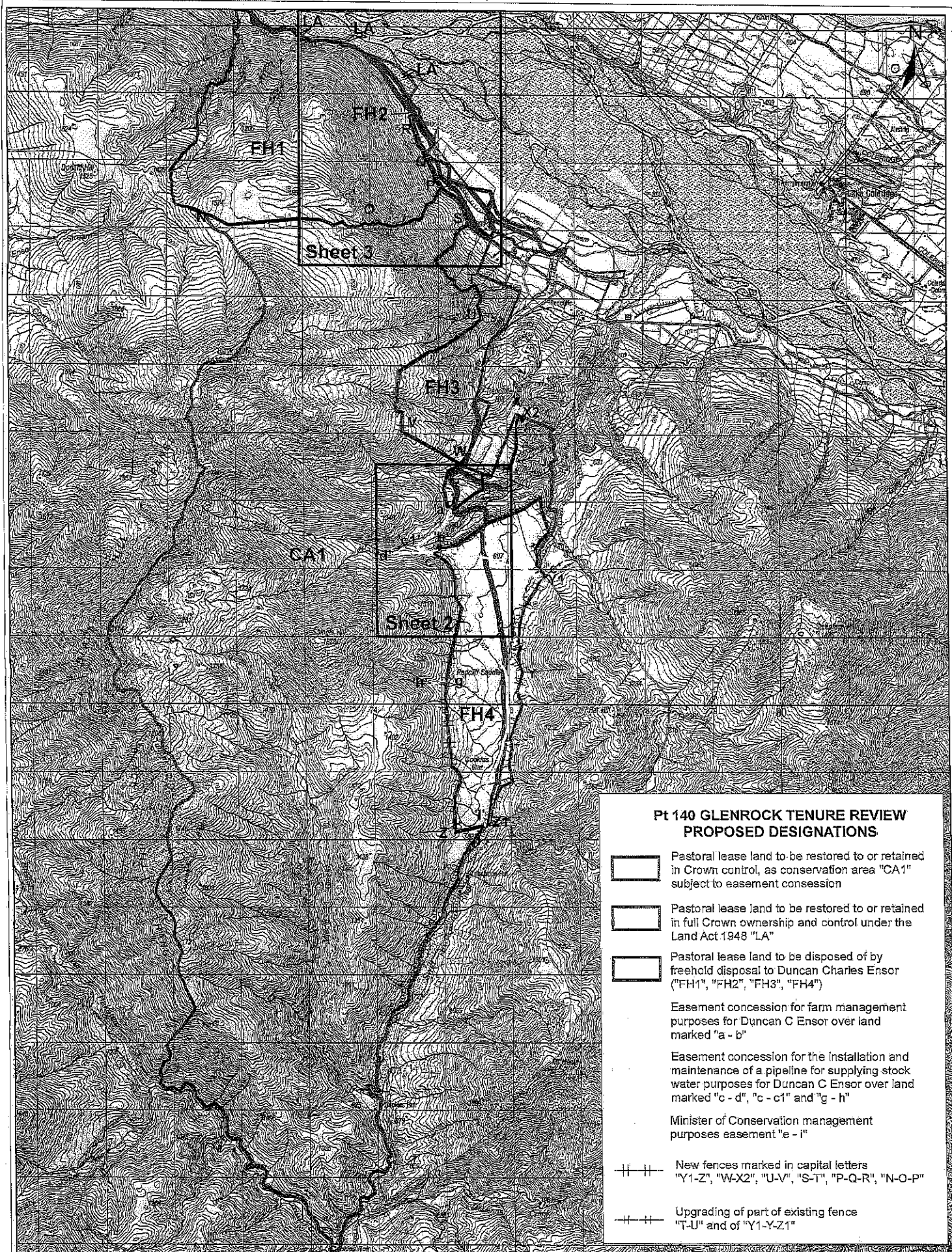
Certificate of Title/Unique Identifier: CIR CB33A/1190

Summary of Designations









Under this Proposal, the Land is designated as follows:

- (a) The Crown Land (shown edged in pink and marked "CA1" and "LA" 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 edged in green and marked "FH" on the Plan) is to be disposed by freehold disposal to the Holder as set out in Schedule Three.

1 The Plan



**Pt 140 GLENROCK TENURE REVIEW
PROPOSED DESIGNATIONS**

-  Pastoral lease land to be restored to or retained in Crown control, as conservation area "CA1" subject to easement concession
-  Pastoral lease land to be restored to or retained in full Crown ownership and control under the Land Act 1948 "LA"
-  Pastoral lease land to be disposed of by freehold disposal to Duncan Charles Ensor ("FH1", "FH2", "FH3", "FH4")
-  Easement concession for farm management purposes for Duncan C Ensor over land marked "a - b"
-  Easement concession for the installation and maintenance of a pipeline for supplying stock water purposes for Duncan C Ensor over land marked "c - d", "c - c1" and "g - h"
-  Minister of Conservation management purposes easement "e - i"
-  New fences marked in capital letters "Y1-Z", "W-X2", "U-V", "S-T", "P-Q-R", "N-O-P"
-  Upgrading of part of existing fence "T-U" and of "Y1-Y-Z1"



VERSION CONTROL: 1 2 3 4 5 6 7 8 9 10

CANTERBURY LAND DISTRICT
Comprised in: CIR CB33A/190

PREPARED BY: SM O'Brien
DATE: 07/07/2014

Sourced from Topographical maps Topo50 BW19, BW20, BX19 and BX20
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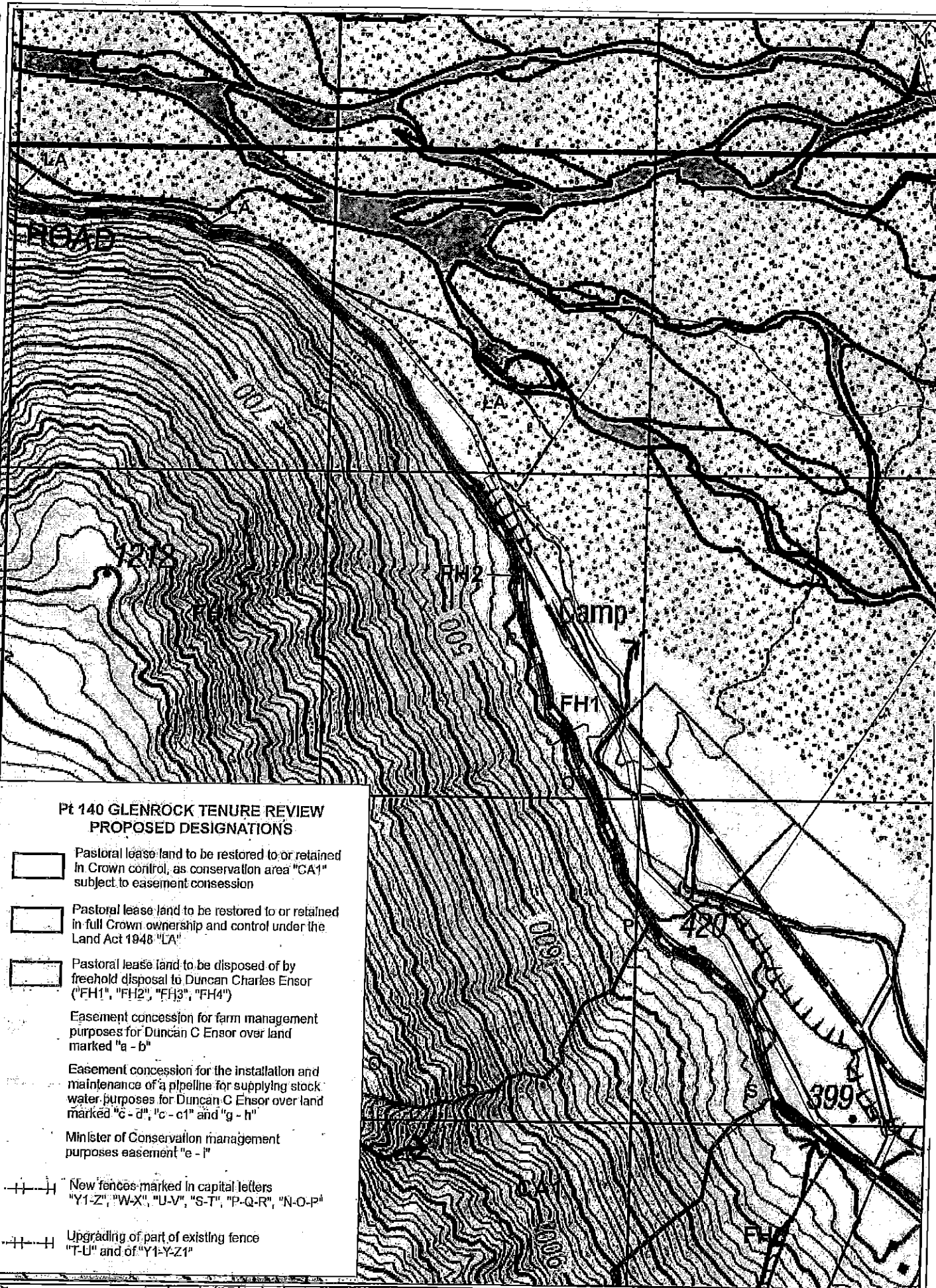
**Substantive Proposal
Proposed Designations**

GLENROCK











0 1 2 3
Kilometers

A3 Scale: 1:50,000 Sheet 1 of 3



**Pt 140 GLENROCK TENURE REVIEW
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-  Upgrading of part of existing fence "T-U" and of "Y1-Y-Z1"

the propertygroup
Corporate Property Advisors and Negotiators

PREPARED BY: SM O'Brien
DATE: 07/07/2014

VERSION CONTROL: 1 2 3 4 5 6 7 8 9 10

CANTERBURY LAND DISTRICT
Comprised in: CIR CB33A/1160

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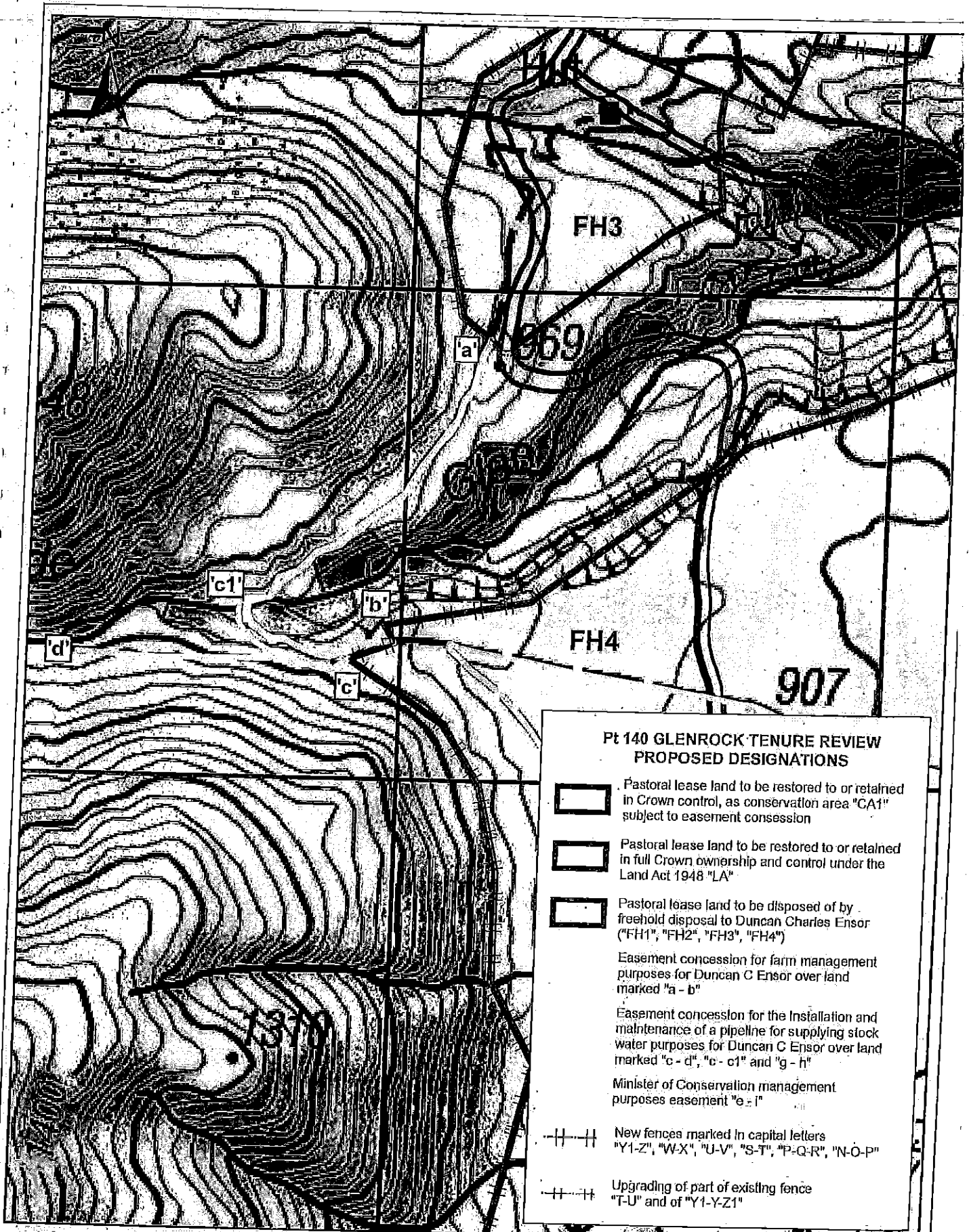
**Substantive Proposal
Proposed Designations**

GLENROCK




Land Information
New Zealand
100% free internet

0 200 400 600
Meters

A4 Scale: 1:15,000 Sheet 3 of 3





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the propertygroup
Coverage Property Advisors and Registrars

VERSION CONTROL: 1 2 3 4 5 6 7 8 9 10

CANTERBURY LAND DISTRICT
Comprised in: CIR CB33A/190

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PREPARED BY: SM O'Brien
DATE: 07/07/2014

**Substantive Proposal
Proposed Designations**

GLENROCK

**Land Information
New Zealand**
Topo50

0 100 200 300 400
Meters

A4 Scale 1:10,000 Sheet 2 of 3

2. Conditions

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

3. Settlement

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

- 3.2. The Freehold Land will be disposed of to the Holder under the Land Act 1948.

- 3.3. Notwithstanding anything to the contrary, if, as at the Settlement Date (as determined pursuant to clause 3.1), the rent payable under the Lease is subject to a Rent Review, then 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, the Holder must pay the Holder's Payment and all other money payable to the Commissioner or the duly appointed agent of the Commissioner by bank cheque without set-off or deduction of any kind in accordance with the settlement requirements of the Commissioner.

- 4.2. If the Holder fails to pay the Holder's Payment or any part of it or any other money to the Commissioner or to the duly appointed agent of the Commissioner on the Settlement Date clause 19 will apply.

5. Commissioner's Payment

- 5.1. The Commissioner shall pay the Commissioner's Payment to the Holder on the Settlement Date.

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

6 Vesting of Crown Land

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

7 Issue of Certificate of Title

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

8 Registration of Documents

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

9 Consents

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

Mortgage and register any new mortgage against the certificate of title for Freehold Land at the same time as the certificate of title for the Freehold Land issues.

10 Continuation of Lease

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

11 Fencing and Construction Works

- 11.1 If the Holder has 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 Fencing Lines "Y1-Z", "W-X2", "U-V", "S-T", "P-Q-R", "N-O-P" and "Fence Upgrade Sections "T-U" and "Y1-Y-Z1" 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:
 - (a) erect the Fencing in a position different from that shown on the Plan;

- (b) erect the Fencing over a shorter distance than that shown on the Plan; or
 - (c) 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 Holder agrees that the Commissioner may register a covenant, on terms entirely satisfactory to the Commissioner (in the Commissioner's sole discretion), over the Freehold Land to enable the Commissioner to complete the Fencing. The 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 the Holder has 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 the Holder, requires 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 the Lease in respect of the Freehold Land shall be apportioned as follows:
- (a) Rent paid or payable will be apportioned on the Settlement Date as at the Settlement Date and either deducted from or added to (as the case may be) the amount required to settle.
 - (b) Notwithstanding that the Lease continues in effect until a certificate of title issues for the Freehold Land, the Holder shall not be required to pay any rent under the Lease for the Freehold Land from the Settlement Date.
- 12.2 Rent paid or payable under the Lease for the Crown Land will be apportioned on the Settlement Date as at the Vesting Date and either deducted from or added to (as the case may be) the amount required to settle.
- 12.3 All rates, levies, and all other incomings and outgoings and other charges receivable from or charged upon the Freehold Land will, unless otherwise agreed by the parties, be apportioned on the Settlement Date as at the Settlement Date.
- 12.4 All rates, levies and all other incomings and outgoings and other charges receivable from or charged upon the Crown Land will be apportioned on the Settlement Date as at the Vesting Date and either deducted from or added to (as the case may be) the amount required to settle.
- 12.5 Following the date that a certificate of title issues for the Freehold Land, the Commissioner will undertake a final apportionment and either the Commissioner will pay to the Holder, or the Holder will pay to the Commissioner, any additional amounts due because of any payments made or received by one party on behalf of the other for the period from the Settlement Date to the date on which a new certificate of title issues for the Freehold Land.

13 Risk

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

14 Survey

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

15 Holder's Acknowledgements

- 15.1 If the Holder accepts this Proposal and that acceptance takes effect under the Act, the Holder acknowledges that:
- (a) it is obtaining the freehold interest in the Freehold Land:
 - (i) "as is", solely in reliance on its own investigations and judgement; and
 - (ii) not in reliance on any representation or warranty made by the Commissioner, its employees, agents or any other person or persons directly or indirectly associated with the Commissioner;
 - (b) the Holder has carried out all inspections of the Freehold Land which the Holder considers necessary to satisfy itself as to all matters relating to the Freehold Land;
 - (c) the Holder, at its cost, is entirely responsible for all work to ensure that the Freehold Land complies with all applicable laws including (without limitation):
 - (i) the Resource Management Act 1991; and
 - (ii) any rule in any plan, resource consent or other requirement issued under the Resource Management Act 1991, and
 - (iii) the Building Act 2004 and

the Holder hereby indemnifies and will indemnify the Commissioner against all losses, damages and expenses incurred by the Commissioner and against all claims made against the Commissioner in respect of any work or costs for which the Holder is liable under this clause 15;
 - (d) nothing in this Proposal is affected by, and the Commissioner has no liability of any nature in respect of, the existence or terms of any leases, licences or other occupation rights of any nature (if any) granted by the Holder in respect of the Land; and
 - (e) the Holder has no claim (and will not have any claim) whatsoever against the Crown and/or Commissioner in relation to the Tenure Review and/or this Proposal, including (without limitation) any claim for any misrepresentation or for any loss or damage suffered whether in contract, tort (including negligence) or otherwise.

16 No Representations or Warranties by the Commissioner

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

17 Acceptance

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

18 Solicitors Certificate

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

19 Default

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

20 Goods and Services Tax

- 20.1 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 the Holder warrant to each other that they are registered for GST purposes as at the Holder's acceptance of this Proposal and that they will be so registered on the Settlement Date;
 - (b) the Commissioner and the 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 the 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 the 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 other 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 the Holder a GST invoice in respect of the supply evidenced by the Holder's Consideration. The invoice will specify the Commissioner's GST Date.
- 20.5 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, the 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 the 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 the Holder (as the case may be) in accordance with this clause 20, the Holder will pay to the Commissioner, or the Commissioner will pay to the Holder (as the case may be), upon demand and together with the unpaid GST:
- (a) interest, at the Default Rate, on the amount of the unpaid GST and which will accrue from the Commissioner's GST Date until the date of payment of the unpaid GST; and
 - (b) any Default GST.

21 Lowest price

- 21.1 The Holder's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the Freehold Land under section EW 32(3) of the Income Tax Act 2007 is equal to the Holder's Consideration.
- 21.2 The Commissioner's Consideration does not include any capitalised interest and the parties agree that the "lowest price" for the purposes of valuing the Crown Land under section 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 Plan and for a certificate of title to issue for the Freehold Land.
- 22.2 The Holder is responsible for all costs the Holder incurs in respect of and incidental to the Tenure Review. In particular, but without limitation, the Holder shall bear all its costs in relation to the review of all documentation forming part of the Tenure Review (including this Proposal), and all professional advice provided to or sought by the Holder.

23 No nomination or assignment

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

24 Recreation Permit

- 24.1 Immediately on the registration of the Final Plan and a copy of the proposal to which it relates over the Land and pursuant to section 64 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 the proposal as Crown Land then the Holder agrees to act in good faith whilst exercising the terms of 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 the Holder in relation to the Tenure Review; and
 - (b) supersede and extinguish all prior agreements and understandings between the Crown, the Commissioner and the Holder relating to the Tenure Review.
- 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 The 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 the Holder will sign and execute all deeds, agreements, schedules and other documents and do all acts and things as may be reasonably required by the other to effectively carry out and give effect to the terms and intentions of this Proposal.
- 26.5 This Proposal is governed by, and must be construed under, the laws of New Zealand and the Commissioner and the Holder irrevocably submit to the jurisdiction of the New Zealand courts or other New Zealand system of dispute resolution.
- 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 the Holder is to send its acceptance of this Proposal (which the Commissioner will specifically notify the Holder of) the address, person or office holder (if any) for each party is shown on the front page of this Proposal;
 - (b) no communication is to be effective until received. A communication will be deemed to be received by the addressee:
 - (i) in the case of a facsimile, on the working day on which it is despatched or, if despatched after 5.00 p.m. on a working day or, if despatched on a non-working day, on the next working day after the date of dispatch;
 - (ii) in the case of personal delivery (including, but not limited to, courier by a duly authorised agent of the person sending the communication), on the working day on which it is delivered, or if delivery is not made on a working day, on the next working day after the date of delivery; and
 - (iv) 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 the Holder by equality of exchange for the surrender of the leasehold interest in the Lease in relation to the Crown Land, as specified in the Notice;

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

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

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

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

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

Fencing means any stock proof farm fence.

Fencing Consent means any and all consents required for fencing 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 set out in Schedule Three;

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

GST Act means the Goods and Services Tax Act 1985;

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

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

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

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

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

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

Mortgagee means the holder of any Mortgage;

Notice means the notice to the Holder setting out:

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

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

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

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

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

Settlement Date means the settlement date defined in clause 3.1;

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

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

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

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

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

Works Consent means any and all consents required under the Resource Management Act 1991 and the Resource Management Amendment Act 2005; 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 the Holder comprises more than one person, each of those persons' obligations, as Holder, will be both joint and several.

Schedule One: Provisions relating to the Schedule One Land

1 Details of Designation

- 1.1 Under this Proposal the land shown marked in pink and labelled "LA" on the Plan, being 12 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control under the Land Act 1948.

2 Schedule One Improvements

Nil.

Schedule Two: Provisions relating to the Schedule Two Land

1 Details of designation

- 1.1 Under this Proposal the land shown marked in pink and labelled "CA1" on the Plan, being 5,340 hectares (approximately) is designated as land to be restored to or retained in Crown control as conservation area subject to the granting of the concession (shown marked as "a-b", "c-c1" "c-d" and "g-h" on the Plan in yellow substantially as set out in Appendix 4;

2 Information Concerning Proposed Concession

2.1 Description of the proposed activity

Easement Concession to the adjoining landholder for farm management purposes, stock access and for the establishment and maintenance of a stock water supply.

2.2 Description of area where proposed activity to be carried out and proposed status

This Concession is to allow the continued access to proposed freehold land which is bisected by the proposed Conservation Area using an existing access route which crosses the Conservation Area and allows for the installation and maintenance of a stock water supply intake and pipes to the area due to the proposed Conservation Area preventing existing water access.

The access route for management purposes and stock access is a continuation of the existing track where it enters the proposed Conservation Area on the southern side of the Cascade Glen Stream and follows the stream westward until crossing it and continuing along the northern side of the stream before emerging onto the adjoining freehold land. Both access routes are along existing 4WD tracks that are currently used as part of the farm operations.

A concession easement for the establishment and maintenance of a stock water supply pipe and intake commences in the upper Cascade Glen Stream and continues over the Conservation Area to the adjoining freehold land. The other concession easement for the establishment and maintenance of a stock water supply pipe and intake is located in the stream above Redcliffe Saddle commencing part way up Shingle Hill and continuing over the Conservation Area to the adjoining freehold land.

2.3 Description of potential effects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse effect

The easement for farm management purposes and stock access along the existing 4WD tracks will allow the adjoining landowner to move stock onto and off the adjoining freehold blocks using the existing access track which crosses the proposed Conservation Area. The route has traditionally been used for these purposes in the running of the farm. The easement is along existing track and is confined to 10 metres in width so effects will be minimal and localised to a limited area.

The two water supply intakes and pipelines will initially require establishment but once they are in place will only be used for maintenance purposes and are confined to 5 metres in width so effects will be minimal.

The Easement Concession Document contains a number of conditions to avoid, mitigate or remedy any adverse effects or damage to the soil or vegetation and ensures that the provisions of the Conservation Act apply. The easements are critical to the running of the farming operation.

2.4 Details of the proposed type of concession

A Concession easement under section 17Q Conservation Act 1987.

2.5 Proposed duration of concession and reason for proposed duration

Proposed duration: Easement in Perpetuity.

The concession easement is essential to ensure continued access to the freehold land for the adjoining landholder and to enable a continuous stock water supply to the freehold land. The easement must be for the longest possible term to give the holder permanent practical access rights.

2.6 Relevant information

Proposed Grantee: Duncan Charles Ensor

Relevant information: Glenrock Station has entered into this review voluntarily. The proposed access easement has been used for access purposes for a number of years and the impact has been minimal. The stock water supply is essential to the continued farming of the property.

Schedule Three: Provisions relating to the Schedule Three Land

1 Details of designation

1.1 Under this Proposal the land shown marked in green and marked "FH1", "FH2", "FH3" & "FH4" on the Plan, being 1,660 hectares (approximately) is designated as land to be disposed of by freehold disposal to the Holder subject to:

- (a) Part IVA of the Conservation Act 1987;
- (b) Section 11 of the Crown Minerals Act 1991;
- (c) the easement marked as "e-1" on the Plan and substantially as set out in Appendix 5.

Schedule Four: Conditions

Nil.

Appendix 1: Consents – Example of Mortgagee Consent

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

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

Dated:

SIGNED by [])
in the presence of: [])

Witness Signature:

Witness Name:
Occupation:
Address:

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

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

Dated:

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

Witness Signature:

Witness Name:

Occupation:

Address:

Appendix 2: Example of Solicitors Certificate

Certifications

I [] hereby certify as follows:

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

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

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

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

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

Yours faithfully
[signed by principal of law firm]

Appendix 3: Indicative Fencing and Construction Requirements

New fences and some upgrading / repairs:

The fencing specification calls for the erection two main types of fence, being wooden post and seven wire fence with steel Y stakes between posts, to the indicative requirements set out in 1(a) and 1(d) and secondly wooden post and eight wire fence to the indicative requirements set out in 1(b) and 1(c). In some circumstances where a wing fence is required the general specification will be varied to include sheep netting and barbed wire with wooden posts at five metre spacings.

It also requires the repair of existing fence lines at two locations to the indicative requirements set out in 2 of these specifications.

1. New Fence Lines

New fences will be required on the boundary of Conservation Area "CA1" and a small amount over or on boundaries of land for Freehold Disposal in lieu of fencing some sections of the Conservation Area

(a) Part of Eastern Rakaia Faces / Packers Creek Block (fence lines "S-T" and "U-V").

Conventional post and wire fences- items 1.1 / 1.4

- 1.1 Six x 2.5 mm galvanized high tensile wires and the bottom wire being 4 mm galvanized mild steel. Total of seven wires.
- 1.2 2.1 metre x 200 mm treated timber strainer posts with 2.7 metre x 150 mm stay posts to be used for gateways and end of strains.
- 1.3 1.8 metre x 125 mm treated intermediate posts or T Irons to be used at 20 metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground. 117 cm (46") to remain out of the ground. Steel Y stakes, back to back, may be used on high spots and on corners instead of wooden posts or T Irons, with tie backs on tussock country.
- 1.4 Six steel Y stakes per 20 metres to be used: Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.7 metre (5'6") to be used on soft ground.

Post and netting wing fences- item 1.5 only

- 1.5 Netting wing fences are required at the following locations:
 - Running from a 3.6 metre gateway at GPS point 22, to GPS point 23 (Point "U").
 - From a 3.6 metre gateway at GPS point 35 and a strainer at GPS point 36, either side of a slip on the Eastern Rakaia Faces block.

Netting wing fence to consist of sheep netting, eight x 2.5 mm galvanized high tensile wires, 900 mm high netting with independent knots, with one galvanized barbed wire above the netting, and one 2.5 mm galvanized high tensile wire below the netting. Posts to be 1.8 metre x 125 mm treated timber posts at maximum five metre spacings.

Other indicative fencing requirements- items 1.6 / 1.9

- 1.6 Separate strains are required from GPS points 4 to 5 to 7 through a steep gully in the Packers Creek Block, and 36 to 37 across a slip, on the Eastern Rakaia Faces block.
- 1.7 Four x 3.6 metre swung gates to be erected. At GPS point 29 (Point "T") where one 3.6 metre gate meets an existing internal fence, four x 2 metre 150 x 50 mm H3 treated timber rails attached with 125 mm galvanized nails are to form a wing fence between the gate and the existing fence.
- 1.8 Wooden posts have already been placed at points T598, T599, T600 & T79, although the fencing between is temporary and needs to be strung with new wire and intermediate posts or T irons as appropriate. The distance between GPS points T79 and T600 is approximately 140 metres.
- 1.9 Lines are to be hand cleared and/or mechanically benched to a minimal extent to clear vegetation, loose rock and debris to provide a suitable fence line.

Line clearance and/or benching includes work on:

- A line between GPS points 37, 49, 50 and 51 (hand clearing scrub).
- A line between GPS points 51 and T600 (benching for fence line).

(b) Central Rakaia Faces Block (fence line "P-Q-R").

Conventional post and wire fences- items 1.10 / 1.13

- 1.10 Seven x 2.5 mm galvanized high tensile wires and the bottom wire being 4 mm galvanized mild steel. Total of 8 wires.
- 1.11 The top wire for the fence above Double Hill Run Road shown marked "P-Q-R" on the plan to be electric.
- 1.12 2.1 metre x 200 mm treated timber strainer posts with 2.7 metre x 150 mm stay posts to be used for gateways and end of strains.
- 1.13 1.8 metre x 125 mm treated intermediate posts to be used at five metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground. With tie backs on tussock country.

Other Indicative fencing requirements- items 1.14 / 1.17

- 1.14 Two x 4.9 metre swung gates and cattle stops to be erected at GPS point T228 and GPS point T172, on Double Hill Run Road. Four H3 treated 150 x 50 mm timber rails to be erected either side of cattle stops as required. The holder is to supply, install and to pay for the cattle stops, whilst the Commissioner of Crown Lands will pay for the fence, gates and rails.
- 1.15 Lines are to be mechanically benched to a minimal extent to clear vegetation, loose rock and debris to provide a suitable fence line. Benching includes work on a line between GPS points T78 (Point "P") and T204 (Point "Q").
- 1.16 The line between GPS point T204 (Point "Q") and T181 (Point "R") has already been mechanically benched.
- 1.17 Two x 3.6 metre swung gates are to be erected. At GPS point T181 (Point "R") where one 3.6 metre gate meets two existing gates. At GPS point T204 (Point "Q") placement of a 3.6 metre swung gate required.

(c) Cookies Flat / Redcliffe Saddle Block (fence line "Y1-Z") and Cascade Glen / Redcliffe Hill Block (fence line "W-X2").Conventional post and wire fences- Items 1.18 / 1.25

- 1.18 Six x 2.5 mm galvanized high tensile wires and the bottom wire being 4 mm galvanized mild steel. Total of seven wires.
- 1.19 2.1 metre x 200 mm treated timber strainer posts with 2.7 metre x 150 mm stay posts to be used for gateways and end of strains.
- 1.20 1.8 metre x 125 mm treated intermediate posts or T Irons to be used at 20 metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground. Steel Y stakes, back to back, may be used on high spots and on corners instead of wooden posts or T Irons, with tie backs on tussock country.
- 1.21 Six steel Y stakes per 20 metres to be used. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.7 metre (5'6") to be used on soft ground.
- 1.22 A separate strain is required across a wet patch near the Redcliffe boundary from GPS points 73 to 75 and standard posts are to be un-pointed to reduce subsidence.
- 1.23 Separate strains are required from GPS points 106 to 107 across two gullies at the south western end of Cookies Flat, and between GPS points 123 to 130 and 134 to 135 across two large gullies near Cascade Glen.
- 1.24 Two standard seven wire sheep netting floodgates are required between GPS points 101 to 102, and 108 to 109, across creeks along the western side of Cookies Flat.
- 1.25 Two major floodgates are required across a stream that feeds into Cascade Glen between GPS points 123 and 130 to the east of the hut, and 126 and 127 to the west of the hut. See Diagram 1 enclosed and forming part of these specifications. Floodgate to consist of two 4 mm galvanized mild steel wires threaded through holes drilled through 50 x 50mm H3 treated timber battens with 15 or 20 mm diameter x 50-mm long alkathene spacers between, anchored either side of the water course directly below the new fence. Anchors to be 2.1 metres x 150 mm treated timber posts one each side, or alternatively two galvanized T Irons approximately 1.5 metres apart, two either side of the water course. The floodgate to be wired with 4 mm galvanized mild steel wire onto a cable supplied by the holder and attached to the anchors.

Fencing tie at GPS Point T171- Item 1.26 only

- 1.26 At GPS point T171 (along the line of GPS points 135 and 136) the line of the fence is to extend through to GPS points T170 and T169 (Point "X2") which are located at the top of steep sloping narrow ridge. The fence is to extend past down this narrow ridge approximately 80 metres and be tied into the top of the bluff. The fence length is approximately 140 metres in length. A strainer and stay are to be placed at Points T171 and T169

Post and netting wing fences- item 1.27 only

- 1.27 A netting wing fence is required from a 4.25 metre gateway across the track at GPS point 118 (Point "b") of the farm management concession, to GPS point 119 on the terrace above Cascade Glen. To consist of sheep netting, eight x 2.5 mm galvanized high tensile wires, 900 mm high netting with independent knots, with two galvanized

barbed wires, one above the netting and one below the netting. Posts to be 1.8 metre x 125 mm treated timber at five metre spacings.

Other indicative fencing requirements- items 1.28 / 1.30

- 1.28 Two x 4.25 metre gates are to be erected at- GPS points 118 (Point "b") and 120 (Point "a").
- 1.29 Four x 3.6 metre gates are to be erected. Two at GPS point 131, being either side of an existing fence, one at GPS point 101 (Point "Z") and one to be placed in the fence line on the western side of Cookies Flat at suitable point close to GPS point 109.
- 1.30 Lines are to be hand cleared to clear vegetation, loose rock and debris to provide a suitable fence line.

Line clearance by hand includes work on:

- A line between GPS points 117 to 118 (Point "b") to 119, 119 to 68 in the area on the terrace above and on south side of Cascade Glen.
- A line between GPS points 73 to 75 across a wet patch.
- A line between GPS points 101 to 102.
- A line between GPS points 104 to 107.
- A line between GPS points 108 to 109.
- A line between GPS points 123 to 130 directly across a gully.

(d) Donald Stream/Western Rakaia Faces Block (fence lines "N-O-P").

Conventional post and wire fences- items 1.32 / 1.37

- 1.31 Seven galvanized wire post and Y-Post type fence. 4.0mm galvanized wire for all tie downs and tie backs. 4.00mm galvanized bottom fence wire with 5 x 3.15mm galvanized wire above. 4.00mm top galvanized wire to be firmly laced on with 3.55mm wire.
- 1.32 2.1 metre x 175 mm treated timber strainer posts with 2.4 metre x 1.75 mm treated timber strainer posts to be used at gateways and end of strains.
- 1.33 All strainers to be footed or tied down with full length Y-Post.
- 1.34 2.4 metre x 125 mm treated timber stays.
- 1.35 1.8 metre x 125 mm treated intermediate posts or T Irons to be used at 20 metre gaps or at lesser intervals on appropriate high and low points as required. 117 cm (46") to remain out of the ground. 117 cm (46") to remain out of the ground. Steel Y stakes, back to back, may be used on high spots and on corners instead of wooden posts or T Irons, with tie backs on tussock country.
- 1.36 Six steel Y stakes per 20 metres to be used. Y stakes (2.0 kg/m min weight) will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.7 metre (5'6") to be used on soft ground.
- 1.37 Tie backs acceptable on both sides for fence, to have at least 2 anchor points and full length Y-Post where ground conditions permit.

Other indicative fencing requirements- items 1.38 / 1.42

- 1.38 Two x 3.6 metre Heavy Duty Steel and Mesh gates are to be erected at- GPS points T37 and T42. Gates are to swing fully open, close firmly against opposite strainer and secured with a wraparound type hook chain and staple.
- 1.39 The section of fence between GPS Point T42 and Point T43 requires the addition of "Hunter Chain" style fence. (Approximately 60m). Seven x 4.00mm wires lightly strained, evenly secured to Hunter Chain (Dog Chain) droppers at two metre intervals. 1.8 m x 125mm treated timber posts at six metre intervals. Wires located on Leeward side of posts with Chain droppers secured to posts adequately, but to allow heavy snow fall to release the dropper from the post and let the fence collapse to the ground.
- 1.40 Between GPS Points T47 (Point "O") and T75 the fenceline is extremely steep and very rocky. An "All Steel" type fence with the use of Y-Posts back to back in lieu of wooden intermediate posts is acceptable. Tied back T Irons with a minimum of two anchor points for intermediate strainers. Fencing will require a high use of rock drill for the installation of Y-Post and T Irons and has many intermediate corners, so the fence remains on stable ground.
- 1.41 Due to the steepness and nature of the underlying ground conditions through the section between WP T47 and WP T65, fencing advice concludes that the fenceline could have a high ongoing maintenance levels required to slippage and rockfall. A couple of sections of the fence cross rock scree through part of their strain. This may require a "breakaway" style fence constructed across it. The permanent fence will start/stop either side of these sections and a collapsible type built between. The collapsible fence being made from 1.2 m x 10 mm fiberglass electric fence rods at close spacing anchored to Y-post driven fully in. Fence wires are secured to the fiberglass rods and are lightly tensioned with springs. In the event of rockslide or avalanche, the fence can flex or collapse and rebound as the debris moves through it. Sections that may require construction of this type of fence are between WP T47 - WP T49, WP T54 - WP T55, WP T55 - WP T 56, WP T56 - WP T60 and WP T64 - WP T65.
- 1.42 Between GPS Point T75 and GPS Point T78 (Point "P") line clearance and benching prior to the construction of the fence is required. This section of fence is approximately 240 metres long.

2. Upgrading of Existing Fences:

Conservation Area "CA1" comprising the Eastern Rakaia Faces Block, Donald Stream/Western Rakaia Faces Block and Cookies Flat Block. (fence lines "T-U" and "Y1-Y-Z1".)

- 2.1 Between GPS points 28 near the stream bed and 29 (Point "T"), scrub clearing by hand is required along with re-tensioning of wires and replacing of any tie-downs and posts where needed to make the fence stock proof.
- 2.2 At GPS point 99 (Point "Z1") in the southeast corner of Cookies Flat, a broken post on the existing fence is to be replaced with a new strainer.
- 2.3 Between GPS Point 82 (Point "Y1"), GPS Point 98 (Point "Y") and GPS Point 99 (Point "Z1") upgrading of fence to seven wires, re-tensioning of existing wires and replacing any tie downs and posts where need to make the fence stock proof.
- 2.4 At GPS point T36 (Point "N") in the southwest corner of Donald Stream Block, the existing post at the end of the existing fence is to be replaced with a new strainer.

3 Length and location:

3.1 New fences are to be erected along the lines marked as follows on the plan:

- (a) Conservation area "CA1" - being the Western Rakaia Face block, Eastern Rakaia Faces block and Packers Creek block. Fences shown marked "U-V" & "S-T" (approximately 4,070 metres).
- (b) Conservation area "CA1" - Central Rakaia Faces block. Fence shown marked "N-O-P" (approximately 3,820 metres).
- (c) Conservation area "CA1" - Cookies Flat / Redcliffe Saddle block and Cascade Glen / Redcliffe Hill block, fences shown marked "Y1-Z" and "W-X2" (approximately 10,225 metres).
- (d) Freehold Area "FH1" - Central Rakaia Faces block, fence shown marked "P-Q-R" (approximately 1,000 metres).

3.2 Upgrading of existing fences along the lines marked on the plan.

- (a) Conservation area "CA1" - Eastern Rakaia Faces block fence shown marked "T-U" (approximately 545 metres).
- (b) At southeast corner of Cookies Flat block at Point "Z1".
- (c) Eastern boundary of Cookies Flat block fence between Point "Y1", Point "Y" and Point "Z1" (approximately 4,030 metres)
- (d) At the western corner of Donald Stream Block at Point "N".

4. Preliminary and General Matters

4.1 New Materials

All materials forming a permanent part of the fence shall be new, and shall conform to any relevant New Zealand or international standard.

4.2 Standards

Materials forming a permanent part of the specified fence shall conform to the applicable standard. Such materials shall either identify the applicable standard on the label or certificate from the supplier or manufacturer shall be supplied stating the materials have been manufactured in a process that has been tested and which conforms to that standard.

Current standards that apply to fencing materials include but may not be limited to:

- 3471:1974 (NZS) Specifications for galvanized steel fencing wire plain and barbed.
- 3607:1989 (NZS) Specifications for round and part round timber fence posts.
- 3640:1992 (NZMP) Specifications of the minimum requirements of the NZ Timber Preservation Council Inc.
- D360:1986 (NZS/ASTM) Creosote Treatment
- 4534:1998 (AS/NZS) Zinc and zinc/aluminum alloy coating on steel wire.
- 4680:1999 (AS/NZS) Hot dip galvanized (zinc) coating on fabricated ferrous articles.

Where no applicable standard exists then materials shall be of best quality as generally accepted in the New Zealand farming and fencing industries.

Documentation would be required of:

- Manufacturers (or suppliers) warranties and test certificates where applicable.
- Guarantee certificates that transfer to the owners of the completed fences.
- Remedies available under the guarantee.
- Installation instructions for hardware where applicable to the warrantee and guarantee.

4.3 Blasting

Any blasting required to loosen or remove rock shall be undertaken using electric detonators to reduce the risk of fire.

4.4 Drilling

Any rock drilling will be undertaken with a rock drill no larger than 40mm diameter.

4.5 Spiking

Where placement of posts requires spiking, the spike shall be 90mm or more in diameter.

4.6 Lacing

The top wire is to be laced to the top of the steel Y stake with 3.15 mm (nine gauge) wire.

5. Materials General – to be used except where these have been specifically modified by the provisions of Clause 6 which shall take precedence.

5.1 Wire

Fence wire will be 2.5mm galvanized high tensile steel wires and 4 mm galvanized mild steel wire all of which are to be of good quality. Tie-downs and tie-backs will be 4mm galvanized mild steel kept clear of any ground contact.

5.2 Netting for wing fences

Sheep netting, eight x 2.5 mm galvanized high tensile wires, 900 mm high netting with independent knots:

5.3 Infill Posts

Infill posts will be steel Y stakes or galvanized T irons for use on high spots.

5.4 Strainer, Intermediate and Angle Posts

All timber posts used will be round and ground treated.

5.5 Stay Block

12 x 2 x 24 ground treated.

5.6 Staples

Staples will be 50mm x 4mm barbed galvanized steel.

5.7 Permanent Wire Strainers

Permanent wire strainers are to be of the yoke and reel type with a sprung loaded locking bar.

5.8 Crossing Netting

Netting on creek and river crossings will be seven wire galvanized sheep netting.

5.9 Gates

The swung gates shall be manufactured of 32 mm 2.6wt galvanized steel pipe frame, suitable braced to withstand normal pressure by beef cattle and fully covered with 50mm chain mesh manufactured from 3.15 mm gauge wire and attached with 2.24 mm galvanized lacing wire.

5.10 Gate Chains

Gate chains will be galvanized steel chain and staple type.

5.11 Gate gudgeons

Gudgeons are to be of galvanized steel. Top gudgeon is to be lock through type and the bottom gudgeon a bolt through type. The bottom gudgeon will have a hole through the lug fitting to enable a 150 mm galvanized nail to be driven through the hole and into the post so that stock cannot lift the gate off the hinges.

6. Best Practice

6.1 Best fencing practice must be adhered to on all occasions.

6.2 Strains

Length of strains to be determined by the territory but to not exceed 300 metres for HT and 250 metres for No. 8 wire, unless specifically varied by clauses 1.6, 1.20, 1.21 and where flood gates are required to be on a separate strain. To conform to best practice and, if applicable, the wire manufacturing recommendations. Wire tension to account for weather conditions at time of strain and have regard to effect of winter conditions. Wire tension to average 110 kg force.

6.3 Placement of timber strainers, posts and stays

Under no circumstances are any strainers, stays or posts to be shortened either prior to or subsequent to their placement in the ground.

All strainers are to be dug in or driven and rammed and footed. Strainer, angle and intermediate posts are to have a minimum of 117 cm (46") out of the ground. Stays are to be 1/3 of the way up posts.

6.4 Placement of footer at strainers and angles

Strainers and angles will be footed using a wooden H4 treated cut off post with a minimum length of 350 mm rammed in beside the strainer or angle so that the foot is lying 200 mm up from the bottom of the hole at a 90 degree angle to the strainer or

angle, and will be attached with 4 mm stainless steel wire and stapled to both the foot and the strainer or angle using 3 or more staples on both ends

6.5 Placement of wires

Wires are to be located on the grazing side of the boundary, except where there is a high risk of snow damage where they shall be placed on leeward side away from the prevailing snow. The bottom wire is to be 100 -150 mm above the ground.

Post staples are to be driven well in but allow the wire to run through.

All wires are to be securely and neatly tied off and strained evenly. Figure 8 knots are to be used in all joins with electric wires to have an extra tie off in place after figure 8 ties.

6.6 Gates

Gates must close against a post and be able to fully open back against the fence.

6.7 Netting at creek crossing

Netting is to be hung at creek and river crossings and left to swing.

6.8 Tie Downs

Tie downs are to consist of half or full steel Y stakes according to conditions and the tie down is to be with 4mm stainless steel wire (which is to remain above ground). If a post is a tie down, it is to be fixed to the Y stake by a 150mm x 6mm galvanized nail.

Anywhere that there is a 100 mm or more upward pull on the wires is to have a tie-down placed.

6.9 Tie backs

Tie backs can be used on angle posts or T irons and are permitted on both sides of the fence. There will be no tie backs on the fences on the bottom of any of the three front face blocks all angles are to be double stayed. These areas are between waypoints T181 and T204, T204 and T78.

6.10 T Irons

T irons, if used, are to be used on all corners and on the end of strains with tie-backs on them except on the gateways where conventional block and stays are to be used.

7. Erection of Cattle Stops

- 7.1 The Commissioner and the Holder have agreed that the Holder will be responsible for the erection of two cattle stops on the formation of Double Hill Run Road to link with new fences for the purpose of providing a barrier to stock. These are to be erected at GPS waypoints T172 (N5199022m & E1474394m) (NZTM) and T228 (N5196939m & E1475643m) (NZTM).

For the avoidance of doubt the Commissioner accepts no responsibility for the erection of or paying the cost of building the cattle stops, this being the sole responsibility of the Holder.

Appendix 4: Form of Concession to be created over that part of the Land shown labelled "a-b", "c-c1", "c-d" and "g-h"

See attached.

Concession number: _____

DATED _____

Between

MINISTER OF CONSERVATION
("the Grantor")

and

DUNCAN CHARLES ENSOR
("the Concessionaire")

EASEMENT CONCESSION
UNDER CROWN PASTORAL LAND ACT 1998



Department of Conservation
Te Papa Atawhai

THIS DOCUMENT is made this day of 20

PARTIES:

1. **MINISTER OF CONSERVATION, ("the Grantor")**
2. **DUNCAN CHARLES ENSOR, ("the Concessionaire")**

BACKGROUND

- A. 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.
- B. The land described in Item 2 of Schedule 1 as the Dominant Land is freehold land of the Concessionaire.
- C. 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).
- D. The Concessionaire wishes to carry out the Concession Activity on the Easement Area subject to the terms and conditions of this Document.
- E. 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

TERMS AND CONDITIONS

1.0. DEFINITIONS AND INTERPRETATION

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

"**Background**" means the matters referred to under the heading "Background" on page 2 of this Document.

"**Compensation**" means the amount specified in Item 6 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 a concession as defined in section 2 of the Conservation Act 1987.

"**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.

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

"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 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.

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 3A 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

- 4 -

- (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.

- 5 -

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 New Zealand Law Society 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 New Zealand Law Society 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 email 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 email, on the Working Day on which it is dispatched or, if dispatched on any day after 5:00pm, 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 Basement 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 Basement 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 of _____ being Conservation Land situated in the Canterbury Land District and delineated in pink and marked CA1 on the plan in the Substantive Proposal. *(see definition of Servient Land in clause 1.1)*

2. **Dominant Land:** The land described as being _____ situated in the Glenrock and Somers Survey Districts and described in Certificate of Title CB _____ (Canterbury Registry). *(see definition of Dominant Land in clause 1.1)*

3. **Easement Area:** That part of the land labelled a-b, c-d, c-cl, and g-h and shown as a yellow line on the plan attached to the Substantive Proposal and in respects of c-d, c-cl and g-h having a width of 5 metres and in respects of a-b having a width of 10 metres. *(see definition of Easement Area in clause 1.1)*

4. **Concession Activity:** 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 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 part of the Basement Area labelled a-b for farm management purposes and in respect of those parts of the Basement Area labelled c-d, c-cl and g-h only the right for the Concessionaire to take and convey water by installing and maintaining a water supply intake and pipeline from the stream or overflow pipeline to the stream (as indicated on the attached map) for the purpose of supplying stock water 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. *(see definition of Concession Activity in clause 1.1)*

5. **Term:** The concession is granted in perpetuity commencing on the date on which the Surrender of the pastoral lease CB 33A/1190 (Canterbury Land Registry) becomes effective pursuant to the Crown Pastoral Land Act 1998, being the day of 20 *(see clause 3.1)*

6. **Compensation: \$ Nil**
 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 Pastoral Land Act 1998.
 (payable on date of execution of this Document) *(see clause 4.1)*

7. **Public Liability General Indemnity Cover:** *(see clause 12.3)*
 for \$1,000,000

8. **Public Liability Forest & Rural Fire Act Extension:** *(see clause 12.3)*
 for \$1,000,000

9. **Statutory Liability Insurance** *(see clause 12.3)*
 for \$500,000

10. **Other Types of Insurance:** *(see clauses 12.3)*
 for \$ Nil

11. Address for Notices (including facsimile number):

(see clause 15)

(a) Grantor

Director Conservation Partnerships
South and Eastern South Island Region
Department of Conservation
Conservation House
77 Stuart Street
P O Box 5244
DUNEDIN
PH: (03) 477 0677
E-mail: dunedinvc@doc.govt.nz

(b) Concessionaire

Duncan Charles Ensor
Glenrock (Rakata)
Black Hill Station
Double Hill Run Road
RD
P O Box 89
METHVEN 7745
PH: (03) 318 5055
E-mail: duncanensor@gmail.com

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;
 - ii. any lessee or licensee of the Grantors land

2. **THAT** in exercising the right liberty and privilege take all reasonable care to avoid damage to the soil and vegetation of the land in the easement and in particular will avoid using the easement when conditions such as softening during frost thaw render the land over which the easement is granted particularly vulnerable to damage.

3. **THE** cost and responsibility 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 persons 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 routine maintenance undertaken by the Concessionaire within the existing alignment does not require the prior consent in writing of the Grantor **HOWEVER** maintenance outside of the existing alignment undertaken by the Concessionaire requires the prior consent in writing of the Grantor.

4. **THAT** 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 said land.

Appendix 5: Form of Minister of Conservation Management Purposes Easement in Gross to be created over that part of the Land shown labelled "e-1"

See attached.

In Gross Easement: Management Access - Version 6

DOCDM - 1279868 - Glenrock (Rakala) - September 2013

TRANSFER GRANT OF EASEMENT IN GROSS

1. 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.

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

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

Signature, or common seal of Grantor

Certified correct for the purposes of the Land Transfer Act 1952

Certified that Part IIA of the Land Settlement Promotion and Land Acquisition Act 1952 does not apply
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 10 metres wide which is marked "[e-1]" 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.
 - 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 "e-1" on foot, or on or accompanied by horses, or by non-motorised vehicle powered by a person or person or by motor vehicle, with or without machinery and implements of any kind, for Management Purposes.
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.

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 for the time being 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:

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.

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

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

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Dated [Empty rectangular box]

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of [Empty rectangular box]

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 has the right:
 - 10.1 To mark the Easement Area as appropriate.
 - 10.2 To erect and maintain stiles and/or gates.
 - 10.3 To use whatever reasonable means of access he/she thinks fit over the Easement Area to carry out the works in clause 10.1 and 10.2.

Continuation of "Attestation"

Signed for and on behalf of)
Her Majesty the Queen by)

Commissioner (Reserves))
pursuant to s117 of the Reserves Act 1977)
in the presence of:

Witness (Signature)

Name _____

Address _____

Occupation _____

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:

[Empty rectangular box for signatures]

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

TRANSFER GRANT OF EASEMENT IN GROSS

1. Management Access

Land Transfer Act 1952

Law Firm Acting

Department Solicitor
Department of Conservation
77 Stuart Street
Dunedin

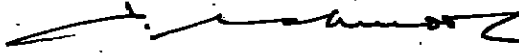
Auckland District Law Society
REF:4135

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(except for "Law Firm Acting")

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 **Brian John Usherwood**
pursuant to a delegation under the
Crown Pastoral Land Act 1998 in
the presence of:



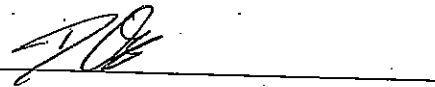
S. R. S.

SHEYL DAWNE ROBINSON
Witness

SOLICITOR
Occupation

LINZ, WELLING T.O.
Address

SIGNED by **Duncan Charles**
Ensor in the presence of:



Witness

Christopher Dean Mouat
Solicitor

Occupation

Christchurch

Address