

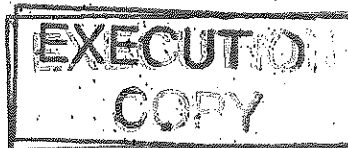
Crown Pastoral Land Tenure Review

Lease name : THE WOLDS

Lease number : PT 008

Substantive Proposal

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



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

Date: 31 OCTOBER 2016

Parties

Holder: The Wolds Station Limited
C/- P S Alexander & Associates Limited
Level 1 Unit 1 Amuri Park
25 Churchill Street
Christchurch 8640

Commissioner of Crown Lands:

C/- Crown Property
Land Information New Zealand
Private Bag 4721
112 Tuam Street
Christchurch

The Land

Lease: Pt008, The Wolds

Legal Description: Part Run 85A, Part Run 85B, Part Run 85B SO 10889, Stopped Road (marked D, E SO 15479 and E, F, H SO 15480) and Sections 2 to 5 SO 471307

Area: 7965.7629 hectares (more or less)

Certificate of Title/Unique Identifier: CB529/16 (Canterbury Registry)

Summary of Designations

Under this Proposal, the Land is designated as follows:

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

1 The Plan

2 Conditions

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

3 Settlement

- 3.1 Unless otherwise agreed by the parties, the Settlement Date for the disposal of the Freehold Land to the Holder by freehold disposal will be the day that is TEN (10) working days following the day on which Land Information New Zealand notifies the Commissioner that the Final Plan and a copy of this Proposal are registered in accordance with the Act.
- 3.2 The Freehold Land will be disposed of to the Holder under the Land Act 1948.
- 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 Line" on the Plan; and
 - (b) to the specifications in Appendix 3;
- ("the Fencing").
- 11.2 If the Fencing requires a resource consent or any other consent from any local or territorial authority ("the Fencing Consent"), the following provisions shall apply:
- (a) The Commissioner shall use reasonable endeavours to obtain the Fencing Consent within 6 months of this Proposal taking effect pursuant to the Act.
 - (b) If the Fencing Consent:
 - (i) is not obtained within 6 months of this Proposal taking effect pursuant to the Act; and/or
 - (ii) is obtained on terms which are not satisfactory to the Commissioner in all respects;

the Commissioner may, acting reasonably, elect to do any one or more of the following:

- (iii) erect the Fencing in a position different from that shown on the Plan;
 - (iv) erect the Fencing over a shorter distance than that shown on the Plan; or
 - (v) erect the Fencing to specifications different from those in Appendix 3.
- 11.3 If the Commissioner has not completed the Fencing by the Settlement Date, the 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, require a resource consent or any other consent from any local or territorial authority ("the Works Consent"), the following provisions shall apply:
- (a) The Commissioner shall use reasonable endeavours to obtain the Works Consent within 6 months of this Proposal taking effect pursuant to the Act.
 - (b) If the Works Consent:
 - (i) is not obtained within 6 months of this Proposal taking effect pursuant to the Act; and/or
 - (ii) is obtained on terms which are not satisfactory to the Commissioner in all respects;
- the Commissioner may, acting reasonably, elect to vary the extent of the Construction Works in question and/or the terms and conditions upon which they are carried out.

12 Apportionments

- 12.1 Rent payable under 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 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 s64 of the Act, any recreation permit granted over the Land shall be determined.

25 Consents for Activities

- 25.1 If the Holder has been granted a consent by the Commissioner to do an activity on the land under sections 15 or 16 of the Act, and the area over which the consent is exercised is designated in 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

- (iii) in the case of a letter, on the fifth working day after mailing (postage paid).

27 Interpretation

27.1 Definitions

In this Proposal unless the context otherwise requires:

Act means the Crown Pastoral Land Act 1998;

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

Commissioner's Consideration means the amount payable by the Commissioner to 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/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 person's obligations, as Holder, will be both joint and several.

Schedule One: Provisions relating to the Schedule One Land

1 Details of Designation

- 1.1 Under this Proposal part of the land shown shaded pink and labelled "CA1" on the Plan, being 761 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control as conservation area

Schedule Two: Provisions relating to the Schedule Two Land

1 Details of designation

- 1.1 Under this Proposal part of the land shown shaded pink and labelled "CA2" and "CA3" on the Plan, being 677 hectares (approximately) is designated as land to be restored to or retained in Crown control as conservation area subject to:
- (a) the granting of the easement concession for farm management purposes (shown on the Plan as a dashed green line labelled "c-d-i", "d-j" and "g-g1-g2-h") and for conveyance of water (shown on the Plan as a dashed green line labelled "g-g1-g2" substantially as set out in Appendix 4; and
 - (b) an easement of right to convey water and right of way for irrigation purposes to be registered pursuant to a decision to grant an easement of the Commissioner of Crown Lands under s60 Land Act 1948, dated 20 September 2011 substantially as set out in Appendix 9. For the avoidance of doubt, the Holder agrees that Pukaki Irrigation Company Limited (including its successors and assigns) may lodge a caveat in respect of its interest pursuant to the Commissioner of Crown Land's decision to grant such easement against any computer register comprising the land affected by such easement, including CB 529/16.
- 1.2 Under this Proposal part of the land shown shaded pink and labelled "R(Scientific)" on the Plan, being 149 hectares (approximately) is designated as land to be restored to or retained in Crown control as scientific reserve subject to:
- (a) the granting of the grazing concession substantially as set out in Appendix 5;
- 1.3 Under this Proposal part of the land shown shaded pink and labelled "CL" on the Plan, being 9 hectares (approximately) is designated as land to be restored to or retained in Crown control as Crown Land under the Land Act 1948 subject to:
- (a) the granting of the easement shown as a dashed orange line and labelled "e-f" on the Plan in substantially as set out in Appendix 6;

2 Information Concerning Proposed Concessions

2.1 Easement Concession - The Wolds PAP-12-04-08

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

To provide access for farm management purposes on foot, on or accompanied by horses, by motor vehicle, with or without machinery and implements of any kind and with or without domestic livestock, guns and farm dogs. There is also a right to convey water over part of the Easement area.

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

Area outlined CA2 and CA3 and labelled "c-d-i", "d-j" and "g-g1-g2-h". To convey water over area labelled "g-g1-g2"

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

DOC staff will periodically visit the concession area of proposed conservation land for a range of activities including surveillance and control of wild animals and weeds and will therefore be aware if the concession activity is having any negative effects. Given the limited term of this concession it is not considered appropriate to establish elaborate monitoring.

4. Details of the proposed types of concession:

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

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

- a) Proposed duration Farm Management Easement- *in perpetuity*
- b) Proposed duration Right to Convey Water Easement – *60 years*
- c) Reasons for proposed duration – *The proposed concessionaire currently already uses the formed tracks over which the easement is proposed, and will need to continue to do this for farm management purposes. The right to convey water is essential to the running of the farming operation.*

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

- a) Proposed grantee- *The Wolds Station Limited*
- b) Relevant information – *The proposed concessionaire currently already uses the formed tracks over which the easement is proposed. The right to convey water is essential to the running of the farming operation. No negative effects associated with the current use of the track have been noted. It is expected that the concessionaires will honour the terms and conditions of the concession and will have a positive working relationship with the Department staff.*

2.2 Grazing Concession - The Wolds PAP-12-04-08

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

The grazing concession provides stock grazing for up to 300 stock units during each year of the term. The Wolds swamp area will be limited to sheep grazing only.

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

The proposed grazing concession is to provide grazing on the Land at any time of the year of not more than 300 stock units during each year of the term together with the use of structures situated on the Land for activities associated with grazing. The Wolds swamp area will be limited to sheep grazing only. Currently labelled as R(Scientific) on the proposed designations plan.

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

DOC staff will periodically visit the concession area of proposed conservation land for a range of activities including surveillance and control of wild animals and weeds and will therefore be aware if the concession activity is having any negative effects. Given the limited term of this concession it is not considered appropriate to establish elaborate monitoring.

4. Details of the proposed types of concession:

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

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

- d) Proposed duration- *10 years*
- e) Reasons for proposed duration – *10 years provides sufficient phase out time for the proposed concessionaire to alter current farming practice or find alternative grazing.*

6. Relevant information about the proposed grantee including information relevant to the grantee's ability to carry out the proposed activity [s.39(f)]:
 - c) Proposed grantee- *The Wolds Station Limited*
 - d) Relevant information – *The proposed concessionaire currently already grazes the area which is part of The Wolds Pastoral Lease*

Schedule Three: Provisions relating to the Schedule Three Land

1 Details of designation

- 1.1 Under this Proposal the land shown shaded green and yellow on the Plan, being 6370 hectares (approximately) is designated as land to be disposed of by freehold disposal to The Wolds Station Limited subject to:
- (a) Part IVA of the Conservation Act 1987; and
 - (b) Section 11 of the Crown Minerals Act 1991; and
 - (c) the easement marked as a dashed orange line and labelled "a-a1" and "a2-b" on the Plan and substantially as set out in Appendix 7; and
 - (d) the covenant shown shaded yellow and labelled "CC1" on the Plan, being 237 hectares (approximately) substantially as set out in Appendix 8; and
 - (e) an easement of right to convey water and right of way for irrigation purposes to be registered pursuant to a decision to grant an easement of the Commissioner of Crown Lands under s60 Land Act 1948, dated 20 September 2011 substantially as set out in Appendix 9. For the avoidance of doubt, the Holder agrees that Pukaki Irrigation Company Limited (including its successors and assigns) may lodge a caveat in respect of its interest pursuant to the Commissioner of Crown Land's decision to grant such easement against any computer register comprising the land affected by such easement, including CB 529/16.
 - (f) an easement of right to convey water and right of way for irrigation purposes to be registered pursuant to a decision to grant an easement of the Commissioner of Crown Lands under s60 Land Act 1948, dated 12 June 2015 substantially as set out in Appendix 10. For the avoidance of doubt, the Holder agrees that Classic Properties Limited (including its successors and assigns) may lodge a caveat in respect of its interest pursuant to the Commissioner of Crown Land's decision to grant such easement against any computer register comprising the land affected by such easement, including CB 529/16 and/or any computer freehold register which issues for the Freehold Land.

Schedule Four: Conditions

Nil

Appendix 1: Consents – Example of Mortgagee Consent

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

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

Dated:

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

Witness Signature: _____

Witness Name:

Occupation:

Address:

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

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

Dated:

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

Witness Signature:

Witness Name:

Occupation:

Address:

Appendix 2: Example of Solicitors Certificate

Certifications

I [] hereby certify as follows:

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

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

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

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

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

Yours faithfully

[signed by principal of law firm]

Appendix 3: Indicative Fencing and Construction Requirements

Fenceline

Length and location: New fences are to be erected along the lines marked as follows on the plan:

- a) Conservation area "CA1" conventional perimeter fence with rabbit netting shown marked "Y-Z" 6000 metres approximately
- b) Conservation area "CA2" conventional perimeter fence shown marked "U-V" 2650 metres approximately
- c) Conservation area "CA3" conventional perimeter fence shown marked "S-T" 4350 metres approximately
- d) Reserve area "R(Scientific)" conventional perimeter fence shown marked "N-O, P-Q-R-M" 6650 metres approximately
- e) Reserve area "R(Scientific)" upgrade existing fence shown "M-N and O-P" 1250 metres approximately

Total 20,900 metres.

Type:

The fencing specification calls for the erection of a wooden post and seven wire fence with steel Y stakes between posts, to the indicative requirements set out in 1(a), (b), (c), (d) and (e).

Specifications:

Background:

The agreement between the Commissioner of Crown Lands (Commissioner) and The Wolds Station Limited (the Holders) require the erection of conventional fences, part with rabbit netting on the boundary of the conservation area set out hereunder.

The Commissioner will, at its cost, erect new conventional fences on the line "N-O, P-Q-R-M", "U-V", and "S-T" and conventional fences with rabbit netting along the line marked "Y-Z" on the Plan. Upgrade existing fencing on the line marked "M-N and O-P" on the plan.

1. New Fence Lines

New fences will be required on the boundaries as follows:

- a) **Conservation Areas CA1 (Y- Z), CA2 (U-V) and CA3 (S-T)**
 - 1. 5 x 3.15mm galvanized medium tensile wires, a bottom wire being 4.00mm galvanized and a top wire being a 2 x 2.5mm reverse twist barbed wire with barbs at a max spacing of 150mm.
 - 2. Top wire firmly laced on with 3.55mm wire.
 - 3. 900 mm high x 41 mm mesh rabbit proof netting is to be attached to the new fences.
 - 4. 2.1m x 200mm treated timber strainer posts with 2.4m x 125mm treated timber stay posts.

5. 1.8m x 125mm treated timber intermediate posts on all high spots at max spacing of 21m.
6. 1.65m T-Irons instead of posts and intermediate strainers acceptable in rocky ground conditions.
7. Tiebacks acceptable on both sides of fence line. All tiebacks to consist of 2 x 4.00mm wire to have at least 2 anchor points.
8. All tie downs to be 4.00mm wire.
9. 6 x 1.65mm Y-posts with a minimum weight of 2.00kg/m at 3 m spacings between each post. 1.5m y-posts acceptable when it is necessary to drill them in.
10. Wires strained to manufacturers recommendations, at a max length of 300m.
11. All end strainers stayed and intermediate strainers either tied back or stayed depending on location.
12. Galvanised pipe gates 4.2 metres wide to be erected at five locations.

b) **Reserve Area "R(Scientific)"(N-O, P-Q-R-M)**

1. 5 x 3.15mm galvanized medium tensile wires, a bottom wire being 4.00mm galvanized and a top wire being a 2 x 2.5mm reverse twist barbed wire with barbs at a max spacing of 150mm.
2. Top wire firmly laced on with 3.55mm wire.
3. 2.1m x 200mm treated timber strainer posts with 2.4m x 125mm treated timber stay posts.
4. 1.8m x 125mm treated timber intermediate posts on all high spots at max spacing of 21m.
5. 1.65m T-Irons instead of posts and intermediate strainers acceptable in rocky ground conditions.
6. Tiebacks acceptable on both sides of fence line. All tiebacks to consist of 2 x 4.00mm wire to have at least 2 anchor points.
7. All tie downs to be 4.00mm wire.
8. 6 x 1.65mm Y-posts with a minimum weight of 2.00kg/m at 3 m spacing between each post. 1.5m y-posts acceptable when it is necessary to drill them in.
9. Wires strained to manufacturers recommendations, at a max length of 300m.
10. All end strainers stayed and intermediate strainers either tied back or stayed depending on location.
11. Galvanised pipe gates 4.2 metres wide to be erected at four locations.

2. Upgrade Fence Line

a) **Reserve Area R(Scientific) (O-P)**

1. Remove existing wires that are currently on the ground and replace with 5 x 3.15mm galvanized medium tensile wires, a bottom wire being 4.00mm galvanized and a top wire being a 2 x 2.5mm reverse twist barbed wire with barbs at a max spacing of 150mm.
2. Top wire firmly laced on with 3.55mm wire.
3. Tiebacks acceptable on both sides of fence line. All tiebacks to consist of 2 x 4.00mm wire to have at least 2 anchor points.
4. All tie downs to be 4.00mm wire.
5. 6 x 1.65mm Y-posts with a minimum weight of 2.00kg/m at 3 m spacings between each post. 1.5m y-posts acceptable when it is necessary to drill them in.
6. Wires strained to manufacturers recommendations, at a max length of 300m.
7. All end strainers stayed and intermediate strainers either tied back or stayed depending on location.

b) **Reserve Area R(Scientific) (M-N)**

8. Add an new top wire being a 2 x 2.5mm reverse twist barbed wire with barbs at a max spacing of 150mm
9. Additional Y standards may be required between posts.

Vegetation and Ground Clearance Requirements

10. Lines are to be hand cleared to remove vegetation and debris to provide a suitable fence line. No mechanical benching or clearance is permitted.
11. Vegetation includes hand removal of tussock in direct line of fence.
12. Hand clearing of matagouri and scrub is required to 1 metre either side of the fence line.

3. Preliminary and General Matters

3.1 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.

3.2 Standards

New 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/aluminium 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.

3.3 Blasting

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

3.4 Drilling

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

3.5 Spiking

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

3.6 Lacing

The top wire is to be laced to the top of the steel Y stake with 3.15 mm (9 gauge) wire.

3.7 Land Disturbance

No earth disturbance unless separately specified.

4. Materials General

To be used except where these have been specifically modified by the provisions in sections 1 and 2 above which shall take precedence.

4.1 Wire

Fence wire will be 2.5mm galvanized high tensile steel wires, 4 mm galvanized mild steel wire and 1.6 mm galvanized high tensile reverse twist barbed 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.

4.2 Infill Posts

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

4.3 Strainer, Intermediate and Angle Posts

All timber posts used will be round and ground treated.

4.4 Stay Block

12 x 2 x 24 ground treated.

4.5 Staples

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

4.6 Permanent Wire Strainers

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

4.7 Crossing Netting

Netting on creek crossings will be 7 wire galvanized sheep.

4.8 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.

4.9 Gate Chains

Gate chains will be galvanized steel chain and staple type.

4.10 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.

4.11 Rabbit Netting

Rabbit netting is to be attached to wires with Ring Fasteners using approximately 10 per square metre. The netting should be 41mm mesh by 900mm high with the bottom tightly to the ground.

5. Best Practice

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

5.2 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 where floodgates 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.

5.3 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. No.8 (4 mm) galvanized wire is to be used on foots. 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.

5.4 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 galvanised steel wire and stapled to both the foot and the strainer or angle using 3 or more staples on both ends

5.5 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 the 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.

5.6 Gates

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

5.7 Netting at creek crossing

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

5.8 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 galvanized soft 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.

5.9 Tie backs

Tie backs can be used on angle posts or T irons and are permitted on both sides of the fence.

5.10 T Irons

T irons are to be mused 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.

6. Resource Management Consents

- 6.1 The construction of fencing is subject to the Commissioner obtaining any and all consents required pursuant to the Resource Management Act 1991.
-

Construction

Nil

Appendix 4: Form of Easement Concession to be Created



Department of Conservation
Te Papa Atawhai

Concession Number:

Concession Document (Easement)

THIS CONCESSION is made this day of

PARTIES:

1. **Minister of Conservation** (the Grantor)
2. **The Wolds Station Limited** (the Concessionaire)

BACKGROUND

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

OPERATIVE PARTS

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

<p>SIGNED on behalf of the Minister of Conservation by [insert name and title of delegate]</p> <p>acting under delegated authority in the presence of:</p> <p>Witness Signature: _____</p> <p>Witness Name: _____</p> <p>Witness Occupation: _____</p> <p>Witness Address: _____</p> <p>A copy of the Instrument of Delegation may be inspected at the Director-General's office at 18-22 Manners Street, Wellington.</p>	<p>SIGNED by The Wolds Station Limited by its Director John Bruce Murray:</p> <p>_____</p> <p>in the presence of:</p> <p>Witness Signature: _____</p> <p>Witness Name: _____</p> <p>Witness Occupation: _____</p> <p>Witness Address: _____</p>
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SCHEDULE 1

1.	Servient Land (Schedule 4)	As marked on the Designations Plan attached in Schedule 4 being the area marked in pink and labelled CA2 and CA3: <i>Physical Description/Common Name: Yet to be named</i> <i>Land Status: Conservation Area</i> <i>Area: To be surveyed</i> <i>Legal Description: To be surveyed</i>
2.	Dominant Land (Schedule 4)	As marked on the Designations Plan in Schedule 4 being the area outlined in green: <i>Physical Description/Common Name:</i> <i>Land Status: Freehold</i> <i>Area: To be surveyed</i> <i>Legal Description: situated in Blocks III, IV, VII and VIII Pukaki Survey District and described in Certificate of Title CB _____ (Canterbury Registry)</i>
3.	Easement Area (Schedule 4)	The land marked on the Designations plan attached in Schedule 4 being the land between the points shown as "c-d-i", "d-j" and "g-g1-g2-h" and is generally 20 metres wide but widening from point g2 to be 100 metres wide at the line indicated by g1-g. <i>Legal Description:</i>
4.	Concession Activity (clause 2)	a) A right of way easement for farm management and other non-commercial access for the Concessionaire (including the Concessionaire's tenants and contractors) over that part of the Easement Area shown as areas "c-d-i", "d-j" and "g-g1-g2-h" on foot, on or accompanied by horses, by motor vehicles, with or without machinery and implements of any kind and with or without domestic livestock, guns and farm dogs. b) A right to convey water easement over that part of the Easement Area shown as "g-g1-g2".
5.	Term (clause 3)	a) For the right of way easement in perpetuity commencing on the date that an approved plan is registered vesting the Land in the Crown as a conservation area (the commencement date). b) For the right to convey water easement a term of 60 years commencing on the date that an approved plan is registered vesting the Land in the Crown as a conservation area (the commencement date).
6.	Final Expiry Date	a) Not Applicable for right of way easement.

Concessionaire's initials

Grantor's initials

	(clause 3)	b) The 60 th anniversary of the commencement date for the right to convey water.
7.	Concession Fee (clause 4)	A one-off fee has (in effect) been accounted for on behalf of the Grantor as part of the substantive proposal put by the Commissioner of Crown Lands and accepted by the Concessionaire on [date] and for which an approved plan has been registered pursuant to section 65 of the Crown Pastoral Land Act 1998.
8.	Concession Fee Payment Date (clause 4)	Not Applicable – see item 7 above.
9.	Penalty Interest Rate (clause 4)	Not Applicable
10.	Insurance (To be obtained by Concessionaire) (clause 9)	<p><u>Types and amounts:</u></p> <p>Public Liability Insurance for:</p> <p>(a) general indemnity for an amount no less than \$1,000,000; and</p> <p>(b) Forest and Rural Fires Act extension for an amount no less than \$1,000,000</p> <p>Insurance amounts subject to review (clause 9)</p>
11.	Addresses for Notices (clause 19)	<p>The Grantor's address is:</p> <p>Minister of Conservation Department of Conservation 77 Stuart Street PO Box 5244 Dunedin 9058 Ph: (04) 477 0677 Email: permissionsdunedin@doc.govt.nz</p>
		<p>The Concessionaire's address in New Zealand is:</p> <p>Mr John Bruce Murray P O Box 154 Lake Tekapo 7945 Ph: (03) 6806608 or 0272941443 Email: thewolds@farmside.co.nz</p> <p>Registered office and address for service for The Wolds Station Limited:</p> <p>C/- P S Alexander & Associates Limited Level 1 Unit 1 Amuri Park 25 Churchill Street Christchurch 8640</p>

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

Concessionaire's initials		Grantor's initials	
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Note: Please initial each page of Schedule 1

<i>Concessionaire's initials</i>		<i>Grantor's initials</i>	
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SCHEDULE 2

STANDARD TERMS AND CONDITIONS

1. Interpretation

1.1 In this Concession, unless the context otherwise requires:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.3 In this Concession unless the context otherwise requires:

- (a) a reference to a party is a reference to a party to this Concession;
- (c) words appearing in this Concession which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
- (d) a provision of this Concession 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 Concession;

2. What is being authorised?

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

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

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

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

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

5. Are there any other charges?

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

6. What are the obligations to protect the environment?

- 6.1 Without the prior written consent of the Grantor, the Concessionaire must not allow or carry out any of the following on the Easement Area:
- (a) cut down or damage any vegetation;
 - (b) bring any animals onto the easement area other than those specified in item 4 of Schedule 1 ;
 - (c) disturb, or allow any stock to disturb any stream or watercourse;
 - (d) undertake any earthworks or disturbance to the ground, other than as required for repair or maintenance;
 - (e) damage any natural feature or historic resource;
 - (f) light any fire on the Easement Land.
- 6.2 The Concessionaire must at its cost keep the easement facility (as defined in Schedule 5) now or hereafter upon the Easement Area, in good order, condition and repair and must keep the Easement Area in a clean and tidy condition and must not store hazardous materials on the Easement Area nor store other materials on the Easement Area where they may obstruct the public or create a nuisance.
- 6.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 6.
- 6.4 The Concessionaire may bring firearms on to the Easement Area for use in connection with the Concession Activity and pest control operations.
- 6.5 For the purposes of the Concession Activity, the Concessionaire may take onto or use vehicles on the Easement Area on existing formed access tracks only.

7. When can structures be erected?

- 7.1 The Concessionaire must not erect, nor place any structures on, under or over the Easement Land without the prior consent of the Grantor.
- 7.2 The Concessionaire must keep and maintain and structures and facilities on and alterations to the Easement Area in good repair.

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

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

9. What are the liabilities and who insures?

- 9.1 The Concessionaire agrees to use the Easement Area at the Concessionaire's own risk and releases to the full extent permitted by law the Grantor and the Grantor's employees and agents from all claims and demands of any kind and from all liability which may arise in respect of any accident, damage or injury occurring to any person or property in or about the Easement Area.

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

10. What about Health and Safety?

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

authority relating to the exercise of this Concession. The Concessionaire must comply with any safety directions of the Grantor.

11. What are the compliance obligations of the Concessionaire?

11.1 The Concessionaire must comply where relevant:

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

11.2 The Concessionaire must comply with this Concession.

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

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

12. When can the Concession be terminated?

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

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

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

12.2 The Grantor may choose to remedy at any time any default by the Concessionaire

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

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

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

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

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

14. When is the Grantor's consent required?

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

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

15. Are there limitations on public access and closure?

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

16. What about other concessions?

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

17. How will disputes be resolved?

17.1 If a dispute arises between the parties in connection with this Concession the parties must, without prejudice to any other rights or entitlements they may have, attempt

to resolve the dispute by agreement using informal dispute resolution techniques such as negotiation, mediation, independent expert appraisal or any other alternative dispute resolution technique. The rules governing any such technique adopted are to be agreed between the parties.

- 17.2 If the dispute cannot be resolved by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to the Disputes Tribunal, where relevant, or to mediation with a mediator agreed between the parties
- 17.3 If the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.
- 17.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.
- 17.5 If the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the New Zealand Law Society is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.
- 17.6 The arbitrator must include in the arbitration award reasons for the determination.
- 17.7 Despite the existence of a dispute, each party must continue to perform its obligations under this Concession.

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

- 18.1 Any notice to be given under this Concession is to be in writing and made by personal delivery, by pre paid post or by email to the receiving party at the address or email address specified in Item 11 of Schedule 1. Any such notice is to be deemed to have been received:
 - (a) in the case of personal delivery, on the date of delivery;
 - (b) in the case of post, on the 3rd working day after posting;
 - (c) in the case of email, on the date of dispatch if sent on a working day before 5 pm, otherwise on the next working day.
- 18.2 If either party's details specified in Item 11 of Schedule 1 change then the party whose details change must provide the other party with the changed details within 5 working days of such change.

19. What about the payment of costs?

- 19.1 The Concessionaire must pay the Grantor's legal costs and expenses of and incidental to preparing and signing any variation of this Concession, including a partial surrender.
- 19.2 The Concessionaire must pay in full immediately and on demand all costs and fees (including solicitor's costs and fees of debt collecting agencies engaged by the Grantor) arising out of and associated with steps taken by the Grantor to enforce or attempt to enforce the Grantor's rights and powers under this Concession including

the right to recover outstanding money owed to the Grantor.

20. What about the powers implied by statute?

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

21. What about Co-Siting?

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

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

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

21.4 In addition, the Grantor must withhold consent if:

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

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

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

- (a) detrimentally interfere physically or technically with the use by the Concessionaire of the Easement Area; or
- (b) materially prejudice any resource consents obtained by the Concessionaire or cause more onerous conditions to be imposed on it by the relevant authority; or
- (c) obstruct or impair the Concessionaire's ability effectively to operate from the Easement Area; or
- (d) interfere with or prevent future forecast works of the Concessionaire,

the Grantor, must, as a pre-condition to consideration of an application to grant a concession to a third party, require that third party to obtain, at its own cost, a report prepared by an independent consultant acceptable to the Grantor confirming or rejecting the presence of the matters specified in this clause 21.6. The Grantor must not grant a concession to a third party where the report confirms that the proposed concession would give rise to one or more of the matters specified in this clause 21.6.

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

22. Are there any Special Conditions?

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

23. The Law

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

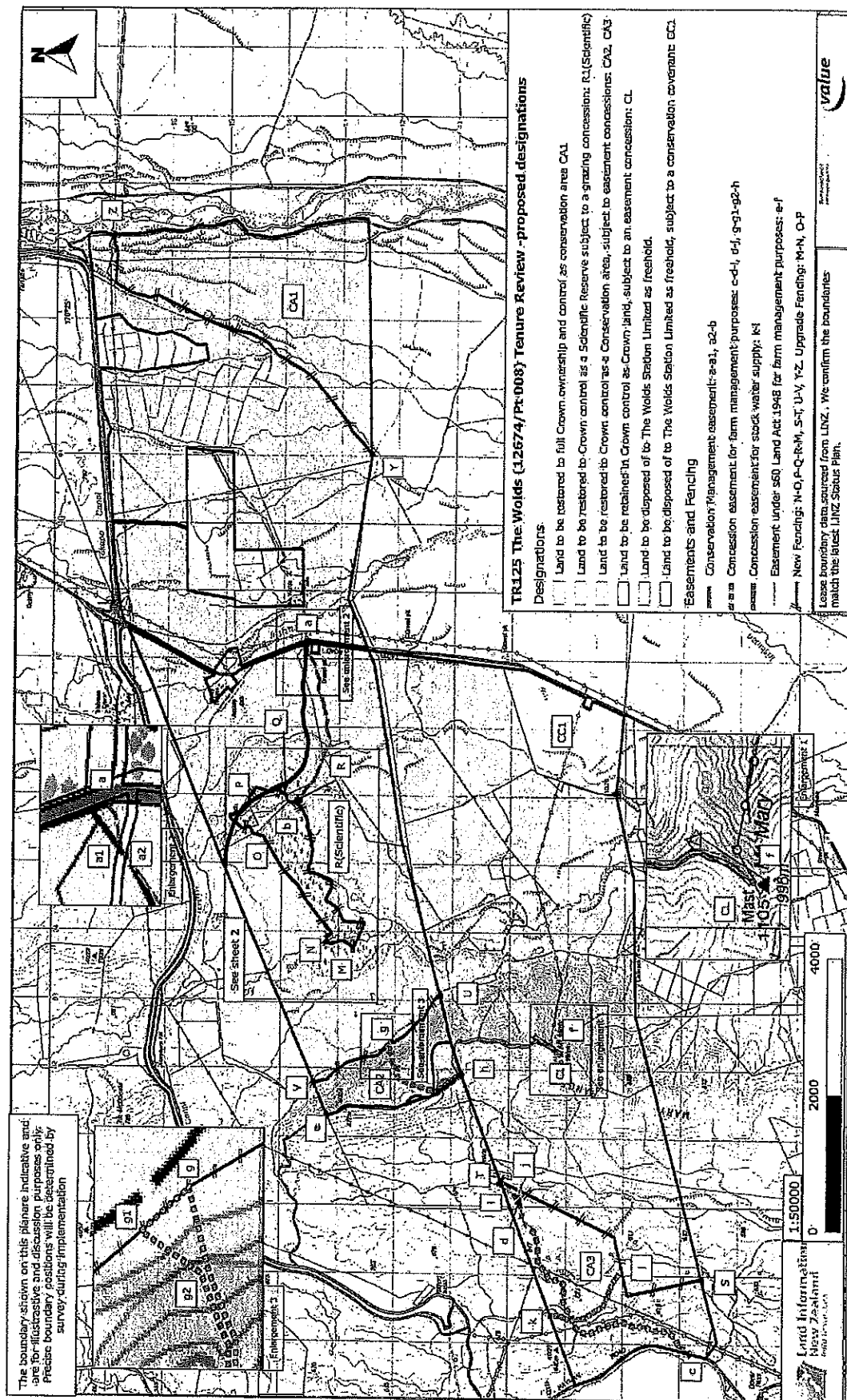
SCHEDULE 3

SPECIAL CONDITIONS

1. The rights implied in easements of vehicular right of way in the 5th Schedule of the Property Law Act 2007 as set out in Schedule 5 of this document are amended by:
 - (a) replacing the word, "grantee" with "Concessionaire"; and
 - (b) adding to Clause 2(a) the words, "after first obtaining the prior consent of the Grantor as required in clauses 6 and 7 of Schedule 2 of this easement.
2. Stock may be only present on the Easement Area while they are being actively driven through the Easement Area.
3. The Concessionaire may maintain that part of the Easement Area being "g-g1-g2-h" to keep it clear of woody vegetation that may impede the movement of domestic stock.

SCHEDULE 4

Designations Plan



The Wolds Concession Contract Easement - DOCDM-1409035
 DOCDM-1409035 - The Wolds - Easement Concession

May 2014
 Nov 2015

SCHEDULE 5

RIGHTS AND POWERS IMPLIED IN EASEMENTS

A. FIFTH SCHEDULE PROPERTY LAW ACT 2007

Rights implied in easements of vehicular right of way

1. Right to pass and re-pass

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

2. Right to establish and maintain driveway

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

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

3. Right to have land restored after completion of work

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

B. LAND TRANSFER REGULATIONS 2002

1. Interpretation

In this schedule, unless the context requires otherwise,—

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

easement facility,—

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

grantee, in relation to an easement,—

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

grantor, in relation to an easement,—

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

servient land, in relation to an easement, means—

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

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

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

2. Classes of easements

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

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

Rights and powers implied in easements granting certain rights

3. Right to convey water

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

4. Right to drain water

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

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

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

5. Right to drain sewage

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

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

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

6. Rights of way

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

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

- (a) vehicle, machinery, or implement; or
- (b) domestic animal or (if the servient land is rural land) farm animal.

3. A right of way includes—

- (a) the right to establish a driveway, to repair and maintain an existing driveway, and (if necessary for any of those purposes) to alter the state of the land over which the easement is granted; and
- (b) the right to have the easement facility kept clear at all times of obstructions (whether caused by parked vehicles, deposit of materials, or unreasonable impediment) to the use and enjoyment of the driveway.

7. Right to convey electricity

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

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

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

8. Right to convey telecommunications and computer media

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

9. Right to convey gas

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

Rights and powers implied in all classes of easements

10. General rights

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

11. Repair, maintenance, and costs

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

12. Rights of entry

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

13. Default

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

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

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

14. Disputes

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

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

Appendix 5: Form of Grazing Concession to be Created



Department of Conservation
Te Papa Atawhai

Concession Number:

Concession Document (Grazing Licence)

THIS CONCESSION is made this day of

PARTIES:

- 1. Minister of Conservation** (the Grantor)
- 2. THE WOLDS STATION LIMITED** (the Concessionaire)

BACKGROUND

- A. The Department of Conservation ("Department") Te Papa Atawhai is responsible for managing and promoting conservation of the natural and historic heritage of New Zealand on behalf of, and for the benefit of, present and future New Zealanders.
- B. The land described in Item 1 of Schedule 1 as the Land is a Conservation Area or a Reserve under the management of the Grantor.
- 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 Land subject to the terms and conditions of this Concession.
- E. The parties wish to record the terms and conditions of this Concession and its Schedules.

OPERATIVE PARTS

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

<p>SIGNED on behalf of the Minister of Conservation by [insert name and title of delegate]</p> <p>acting under delegated authority in the presence of:</p> <p>_____</p> <p>Witness Signature: _____</p> <p>Witness Name: _____</p> <p>Witness Occupation: _____</p> <p>Witness Address: _____</p> <p>A copy of the Instrument of Delegation may be inspected at the Director-General's office at 18-22 Manners Street, Wellington.</p>	<p>SIGNED by The Wolds Station Limited by its Director John Bruce Murray:</p> <p>_____</p> <p>in the presence of:</p> <p>Witness Signature: _____</p> <p>Witness Name: _____</p> <p>Witness Occupation: _____</p> <p>Witness Address: _____</p>
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SCHEDULE 1

1.	Land (Schedule 4)	<p>As marked on the Proposed Designations plan attached in Schedule 4</p> <p>Physical description/ Common name: Area shown as R (scientific) on the designations plan located within the Maryburn catchment on The Wolds Station and being shaded pink.</p> <p>Land Status: Proposed scientific reserve held under section 21 of the Reserves Act 1977</p> <p>Area: 150 hectares approximately</p> <p>Legal description: Described in Land Registry Folio Reference CB _____ (Canterbury Registry)</p> <p>Map reference: NaPALIS ID</p>
2.	Concession Activity (clause 2)	Grazing on the Land at any time of the year of not more than 300 stock units during each year of the term together with the use of structures situated on the Land for activities associated with grazing
3.	Term (clause 3)	10 years commencing on the date that an approved plan is registered vesting the Land in the Crown as a conservation area or reserve (the commencement date).
4.	Renewal(s) (clause 3)	None.
5.	Final Expiry Date (clause 3)	The 10th anniversary of the commencement date.
6.	Concession Fee (clause 4 and Schedule 5)	<p>Concession Activity Fee</p> <p>An activity fee will be calculated on the basis of \$7.50 per stock unit per annum plus GST for the stock run on the Land during the permitted grazing period for that year.</p> <p>In order that the activity fee may be calculated, the Concessionaire will file a return of stock in the form in Schedule 5 to the Grantor each year showing the stock carried on the Land over the preceding 12 months in accordance with clause 4.</p> <p>If a return is not made by this date, the activity fee will be charged assuming the maximum stock numbers had been run for the total permitted period.</p> <p>Annual Management Fee: \$250.00 per annum plus GST</p> <p>Annual Environmental Monitoring Fee: Not required</p>

Concessionaire's initials

Grantor's initials

7.	Concession Fee Payment Instalments (clause 4)	Annually
8.	Concession Fee Payment Date(s) (clause 4)	Annually in arrears 3 months after the anniversary of the commencement of the term set out in Item 3 above. The Concessionaire will maintain records of stock grazed on the land and will provide a return of these stock numbers accompanied by the appropriate fee by the payment date.
9.	Penalty Interest Rate (clause 4)	Double the current Official Cash Rate (OCR). <u>See Reserve Bank of New Zealand website</u>
10.	Concession Fee Review Date(s) (clause 5)	On the fifth anniversary of the date of commencement of this Concession as set out in item 3 above.
11.	Health and Safety (clause 12)	Safety Plan: Not required
12.	Insurance (To be obtained by Concessionaire) (clause 11)	Types and amounts: Public Liability Insurance for: (a) General indemnity for an amount no less than \$500,000.00; and (b) Forest and Rural Fires Act extension for an amount no less than \$500,000.00; and Subject to review on each Concession Fee Review Date
13.	Addresses for Notices (clause 21)	The Grantor's address is: Physical Address: Department of Conservation Conservation House 77 Lower Stuart Street Dunedin 9016 Postal Address: PO Box 5244 Moray Place Dunedin 9058 Phone: (03) 477 0677 Email: permissionsdunedin@doc.govt.nz
		The Concessionaire's address in New Zealand is: The Wolds Station Limited C/- JB Murray Rapid Number 1855 Tekapo Twizel Road State Highway 8 Lake Tekapo 7945 Postal Address: P O Box 154 Lake Tekapo 7945

Concessionaire's initials

Grantor's initials

		<p>Phone: 03 680 6608 or 027 294 1443 Email: Thewolds@farmside.co.nz</p> <p>Registered office and address for service The Wolds Station Limited C/- PS Alexander & Associated Limited Level 1, Unit 1 Amuri Park 25 Churchill Street Christchurch 8640</p>
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Note: The clause references are to the Minister of Conservation's Standard Terms and Conditions for Grazing Licences set out in Schedule 2.

Note: Please initial each page of Schedule 1

<i>Concessionaire's initials</i>		<i>Grantor's initials</i>	
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SCHEDULE 2

STANDARD TERMS AND CONDITIONS FOR GRAZING LICENCES

1. Interpretation

1.1 In this Concession, unless the context otherwise requires:

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

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

"Concession Activity" means the activity described in item 2 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

"Land" means the land described in item 1 of Schedule 1.

"Reserve" has the same meaning as "reserve" in section 59A of the Reserves Act 1977.

"Structure" includes a bridge, a culvert, and a fence, but not a temporary electric fence.

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

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

2. What is being authorised?

- 2.1** The Concessionaire is only allowed to use the Land for the Concession Activity.

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

- 3.1** This Concession commences on the date set out in Item 3 of Schedule 1 and ends on the Final Expiry Date specified in Item 5 of Schedule 1.
- 3.2** No renewals of this Concession are permitted.

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

- 4.1** The Concessionaire must pay to the Grantor in the manner directed by the Grantor the Concession Fee (which includes the Annual Activity Fees, the Management Fee, and the Environmental Monitoring Fee) plus GST in the instalments and on the Concession Fee Payment Dates specified in Items 6, 7 and 8 of Schedule 1.

- 4.2 If the Concessionaire fails to make payment within 14 days of the Concession Fee Payment Date then the Concessionaire is to pay interest on the unpaid Concession Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 9 of Schedule 1.

5. When can the fees be reviewed?

- 5.1 The Grantor is to review the Concession Fee on the Concession Fee Review Date stated in Item 10 of Schedule 1. The new Concession Fee is to be the market value of the Concession Activity carried out on the Land having regard to the matters set out in section 17Y(2) of the Conservation Act 1987.
- 5.2 Both parties are to agree on the new fee within 30 working days of the Grantor giving the Concessionaire written notice of the review.
- 5.3 If the parties cannot so agree then each party is to appoint a Registered Valuer who must meet and agree on the new fee. If the Registered Valuers fail to reach agreement the new fee is to be determined by an umpire appointed by the two Registered Valuers. Each party is to bear that party's own costs and half the costs of the umpire (if any).

6. Are there any other charges?

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

7. When can the Concession be assigned?

- 7.1 The Concessionaire must not transfer, sub licence, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Concession or any part of it (which includes the Concessionaire entering into a contract or any other arrangement whatsoever whereby the Concession Activity would be carried out by a person (called the assignee) other than the Concessionaire) without the prior written consent of the Grantor.
- 7.2 The Grantor may in the Grantor's discretion decline any application for consent under clause 7.1.
- 7.3 Sections 17P, 17S, 17T, 17U, 17W, 17X, 17ZB and 17ZC of the Conservation Act 1987 apply to applications for consent under this clause unless the Grantor, in the Grantor's discretion, decides otherwise.
- 7.4 If the Grantor gives consent under this clause then the Concessionaire remains liable to observe and perform the terms and conditions of this Concession throughout the Term and is to procure from the Assignee a covenant to be bound by the terms and conditions of this Concession.

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

7.6 Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire is to be deemed to be an assignment and requires the consent of the Grantor.

8. What are the obligations to protect the environment?

8.1 The Concessionaire must not cut down or damage any vegetation; or damage any natural feature or historic resource on the Land; or light any fire on the Land without the prior consent of the Grantor.

8.2 The Concessionaire must use and manage the Land in a good and husband like manner, and not impoverish or waste its soil.

8.3 The Concessionaire must keep the Land free from plant and animal pests and must comply with the Biosecurity Act 1993 and relevant pest management strategies.

8.4 The Concessionaire must not bury

(a) any toilet waste within 50 metres of a water source on the Land; or

(b) any animal or fish or any part thereof within 50 metres of any water body, water source or public road or track.

9. When can structures be erected?

9.1 The Concessionaire must not place any Structure on the Land nor alter the Land without the prior written consent of the Grantor.

9.2 The Concessionaire must keep all Structures, gates, stiles, cattle stops drains and other physical improvements now or hereafter upon the Land, in good order, condition and repair and must keep the land in a clean and tidy condition and must not store hazardous materials on the Land, or store other materials on the Land where they may obstruct the public or create a nuisance.

9.3 Despite clause 9.1, where there are existing tracks on the Land, the Concessionaire may maintain these tracks within their existing alignment at its own cost, without obtaining the prior written consent of the Grantor.

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

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

11. What are the liabilities and who insures?

11.1 The Concessionaire agrees to use the Land at the Concessionaire's own risk and releases to the full extent permitted by law the Grantor and the Grantor's employees and agents from all claims and demands of any kind and from all liability which may

arise in respect of any accident, damage or injury occurring to any person or property in or about the Land.

- 11.2 The Concessionaire must indemnify the Grantor against all claims, actions, losses and expenses of any nature which the Grantor may suffer or incur or for which the Grantor may become liable arising from the Concessionaire's performance of the Concession Activity.
- 11.3 This indemnity is to continue after the expiry or termination of this Concession in respect of any acts or omissions occurring or arising before its expiry or termination.
- 11.4 Without prejudice to or in any way limiting its liability under this clause 12 the Concessionaire at the Concessionaire's expense must take out and keep current policies for insurance and for the amounts not less than the sums stated in Item 12 of Schedule 1 with a substantial and reputable insurer.
- 11.5 The Grantor may on each Concession Fee Review Date on giving 10 working day's notice to the Concessionaire alter the amounts of insurance required under clause 11.4. On receiving such notice the Concessionaire must within 10 working days take out and keep current policies for insurance and for the amounts not less than the sums specified in that notice.
- 11.6 The Concessionaire must, provide to the Grantor within 5 working days of the Grantor so requesting:
 - (a) details of any insurance policies required to be obtained under this Concession, including any renewal policies if such renewal occurs during the Term; and/ or;
 - (b) a copy of the current certificate of such policies.

12. **What about Health and Safety?**

- 12.1 The Concessionaire must exercise the rights granted by this Concession in a safe and reliable manner and must comply with the Health and Safety in Employment Act 1992 and its regulations and all other provisions or requirements of any competent authority relating to the exercise of this Concession. The Concessionaire must comply with its safety plan (if one is required in Item 11 of Schedule 1), and with any safety directions of the Grantor.
- 12.2 Before commencing the Concession Activity the Concessionaire must, if required by Item 11 of Schedule 1 prepare a safety plan;
- 12.3 The Grantor may at any time request the Concessionaire to provide the Grantor with a copy of the current safety plan in which case the Concessionaire must provide the copy within 10 working days of receiving the request.
- 12.4 The Concessionaire must notify the Grantor of any natural events or activities on the Land or surrounding area which may endanger the public or the environment.

13. **What are the compliance obligations of the Concessionaire?**

- 13.1 The Concessionaire must comply where relevant:
 - (a) with the provisions of any conservation management strategy or conservation management plan under the Conservation Act 1987 or Part 2A of the Reserves

Act 1977, or any general policy statement made under the Conservation Act 1987, National Parks Act 1980, Reserves Act 1977, or the Wildlife Act 1953, or management plan under section 45 of the National Parks Act 1980, whichever is appropriate to the Land, together with any amendment or review of any policy, strategy or plan whether approved before, on, or after the date on which this Concession takes effect; and

- (b) with the Conservation Act 1987, the Reserves Act 1977, National Parks Act 1980, Wildlife Act 1953 and any other statute, ordinance, regulation, bylaw, or other enactment (collectively the "Legislation") affecting or relating to the Land or affecting or relating to the Concession Activity, including any regulations made under the Conservation Act 1987 and Wildlife Act 1953 or bylaws made under the Reserves Act 1977; and
- (c) with all notices and requisitions of any competent authority affecting or relating to the land or affecting or relating to the conduct of the Concession Activity.

13.2 The Concessionaire must comply with this Concession.

13.3 A breach or contravention by the Concessionaire of a relevant conservation management strategy, conservation management plan, management plan or any statement of general policy referred to in clause 13.1 (a) is deemed to be a breach of this Concession.

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

14. **When can the Concession be suspended?**

14.1 If, in the Grantor's opinion, there is a temporary risk to any natural or historic resource on or in the vicinity of the Land or to public safety whether arising from natural events such as earthquake, land slip, volcanic activity, flood, or arising in any other way, whether or not from any breach of the terms of this Concession on the part of the Concessionaire, then the Grantor may suspend this Concession.

14.2 If, in the Grantor's opinion, the activities of the Concessionaire is having or may have an adverse effect on the natural, historic or cultural values or resources of the Land and the Grantor considers that the effect can be avoided, remedied or mitigated to an extent satisfactory to the Grantor, then the Grantor may suspend this Concession until the Concessionaire avoids, remedies or mitigates the adverse effect to the Grantor's satisfaction.

14.3 The Grantor may suspend the Concession for such period as the Grantor determines where the Concessionaire has breached any terms of this Concession.

14.4 The Grantor may suspend this Concession while the Grantor investigates any of the circumstances contemplated in clauses 14.1 and 14.2 and also while the Grantor investigates any potential breach or possible offence by the Concessionaire, whether or not related to the Concession Activity under the Conservation Act 1987 or any of the Acts mentioned in the First Schedule of that Act.

14.5 The word "investigates" in clause 14.4 includes the laying of charges and awaiting the decision of the Court.

14.6 During any period of temporary suspension arising under clauses 14.1 or 14.2 the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.

14.7 The Grantor is not to be liable to the Concessionaire for any loss sustained by the Concessionaire by reason of the suspension of the Concession under this clause 14 including loss of profits.

15. When can the Concession be terminated?

15.1 If:

(a) the Concessionaire breaches any of the conditions of this Concession; or

(b) the whole or any part of the Land is required for the Grantor's use

the Grantor may terminate this Concession at any time in respect of the whole or any part of the Land. Before so terminating the Grantor must give the Concessionaire either

(c) one calendar month's notice in writing; or

(d) such other time period which in the sole opinion of the Grantor appears reasonable and necessary

of the Grantor's intention so to terminate this Concession. If this Concession is terminated then the Grantor, at the Grantor's sole discretion, may adjust the Concession Fee payable or refund any Concession Fee paid in advance.

16. What are the Grantor's Rights to remedy defaults?

16.1 The Grantor may choose to remedy at any time without notice any default by the Concessionaire under this Concession. Where that occurs, the Concessionaire must pay forthwith on demand all reasonable costs incurred by the Grantor in remedying such default.

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

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

17.2 The Concessionaire may, with the Grantor's written consent, remove any specified Structures, gates, drains and other physical improvements erected or placed on the land by the Concessionaire on the Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Land in a clean and tidy condition.

17.3 The Concessionaire must, if the Grantor gives written notice, remove any specified Structures, gates, drains and other physical improvements on the Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Land in a clean and tidy condition.

18. When is the Grantor's consent required?

18.1 Where the Grantor's consent or approval is expressly required under this Concession then the Concessionaire must seek that approval or consent for each separate time it is required even though the Grantor may have given approval or consent for a like purpose on a prior occasion. Any such consent or approval may be made on such conditions as the Grantor considers appropriate.

19. Are there limitations on public access and closure?

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

20. How will disputes be resolved?

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

20.2 If the dispute cannot be resolved by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to the Disputes Tribunal, where relevant, or to arbitration which arbitration is to be carried out in accordance with the provisions of the Arbitration Act 1996.

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

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

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

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

21.1 Any notice to be given under this Concession is to be in writing and made by personal delivery, fax, by pre paid post or email to the receiving party at the address, fax number or email address specified in Item 13 of Schedule 1. Any such notice is to be deemed to have been received:

- (a) in the case of personal delivery, on the date of delivery;
- (b) in the case of fax, on the date of dispatch;
- (c) in the case of post, on the 3rd working day after posting;
- (d) in the case of email, on the date receipt of the email is acknowledged by the addressee by return email or otherwise in writing.

21.2 If either party's details stated out in Item 13 of Schedule 1 change then the party whose details change must within 5 working days of such change provide the other party with the changed details.

22. What about the payment of costs?

22.1 The Concessionaire must pay the Grantor's legal costs and expenses of and incidental to preparing and signing any variation of this Concession.

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

23. When can the conditions of the Concession be varied?

23.1 The Grantor may on each Concession Fee Review Date, after first consulting with the Concessionaire, vary any condition of this Concession to make the condition more effective in addressing any adverse effects resulting from the Concession Activity.

23.2 Nothing in clause 23.1 otherwise affects the Grantor's rights to vary the Concession under section 17ZC of the Conservation Act 1987.

24. What are the Special Conditions?

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

25. The Law

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

SCHEDULE 3**SPECIAL CONDITIONS – Note: Please initial each page of Schedule 3**

1.	Stock matters	<p>The Concessionaire must monitor stock at regular intervals to ensure that:</p> <p>(a) they do not graze to a level resulting in damage to, or pugging of, the Land.</p> <p>The Concessionaire must not develop wintering pads, stand off pads or silage pits on the Land.</p>
2.	Land Management	Notwithstanding clause 10.2 the Concessionaire shall not be required to control pests on or emanating from the land, nor shall the Concessionaire be required to engage a pest exterminator.
3.	Inspection	The Grantor reserves the right for the Grantor's employees or agents to enter the land at any times for the purpose of inspecting the land.
4.	Grazing	The Concessionaire is allowed grazing at any time of the year of not more than 300 stock units on an annual basis. However the Concessionaire will minimise stock grazing on the Land and will provide an annual return of grazing to the Grantor that will be the basis of the annual rental.
5.	Monitoring	<p>The Minister may desire and undertake an indigenous monitoring programme:</p> <p>a) To ensure the ecological integrity of the Land and associated indigenous vegetation and fauna is maintained.</p> <p>b) To enable the monitoring of any effects of the indigenous vegetation cover and conditions, fauna values and any other conservation values on the Land.</p> <p>The monitoring programme will be reviewed at regular intervals and if in the opinion of the Minister there are any issues identified with the status of any of the species on the land or deterioration in a condition in the extent of the ecological condition the Minister reserves the right to take any necessary steps to further protect any species, including reducing the stock units. The Minister will liaise with the Concessionaire in implementing these measures and the Concessionaire will co-operate in giving effect to any measures considered necessary by the Minister.</p>
6.	Farm vehicles	The Concessionaire may use farm vehicles for the purposes of the Concession Activity and for pest management on existing formed tracks on the Land.
7.	Firearms	The Concessionaire may use firearms on the Land for the purposes of the Concession Activity and for pest management.
8.	Dogs and horses	The Concessionaire may use dogs on the Land for the purposes of the Concession Activity.

9.	Weed control	In addition to the Concessionaire's obligations under Schedule 2 clause 8.3 the Concessionaire must also take reasonable steps to keep the Land free from broom, gorse and rabbits.
10.	Fencing	<p>The Concessionaire is solely responsible for meeting the cost of work (as that word is defined in section 2 of the Fencing Act 1978) on any fence during the term of the concession.</p> <p>The Concessionaire must keep and maintain all fences (including boundary fences) or gates on the land in good repair.</p>
11.	Adverse effects	If, in the opinion of the Grantor, the Concession Activity is having or may have an adverse effect on the Land or riparian margins administered by the Grantor, the Grantor may require the Concessionaire to comply with all reasonable notices and directions by the Grantor concerning the activities conducted by the Concessionaire including but not limited to notices or directions regarding the numbers of stock that may be grazed on the Land or any part of the Land. The Grantor, at the sole discretion of the Grantor, may adjust the Concession Fee payable or refund any Concession Fee paid in advance.
12.	Suspension for plant and/ or animal control	The Grantor by giving one month's written notice to the Concessionaire may suspend the carrying out of the Concession Activity while plant or animal control is carried out by or on behalf of the Grantor on the Land.
13.	Hunters	The Grantor reserves the right to authorise hunters who hold a current hunting permit issued by the Director-General to hunt on the Land accompanied by dogs.
14.	Changes in Concessionaire's shareholding	Notwithstanding clause 7.6 in Schedule 2, where any change in the shareholding of the Concessionaire involves the same shareholders or immediate family members of the shareholders in the Concessionaire, the Grantor's consent is not required.

SCHEDULE 4

Plan or map -- *Insert Designations Plan*

docDM-1409595 - The Wolds Concessions Contract - Grazing Licence
DOCDM-1405495 - The Wolds -- Grazing Concession

Jan 2013
Jan 2015

SCHEDULE 5

Activity Return

Stock type (if more than one type available)	Numbers	Date stock placed on Land	Date stock removed from land	Total weeks Land grazed (not exceeding xx)	Price per stock unit per annum	Total annual activity fee

Appendix 6: Form of Land Act Easement

DEED OF GRANT OF EASEMENT

Dated

2015

Parties

1. HER MAJESTY THE QUEEN acting by and through the Commissioner of Crown Lands, under the Land Act 1948 ("the Grantor").
2. THE WOLDS STATION LIMITED at Christchurch ("the Grantee").

Background

- A. The Grantor is the owner of the Grantors Land under the Land Act 1948.
- B. The Grantee is the owner of the Grantee's Land.
- C. The Grantor has, pursuant to Section 60 Land Act 1948, agreed to grant to the Grantee an appurtenant easement being a right of way in favour of the Grantee's Land on the terms specified in this Deed.

This Deed Witnesses:

1. Interpretation

In this Deed, unless the context otherwise requires:

- (a) "Act" and "Regulations" have the meaning given to them in the Interpretation Act 1999.
- (b) "Commencement Date" means the date on which an approved plan is lodged with the District Land Registrar pursuant to Section 64 Crown Pastoral Land Act 1948 for the tenure review of pastoral lease Pt008, The Wolds.
- (c) "Deed" means this deed, the background and the schedules.
- (d) "Easement Facility" means that part of the Grantor's Land described as the Stipulated Area.
- (e) A reference to "Grantee" includes its respective servants, agents, employees, workers and contractors, and any licensee, lessee or tenant of the Grantee, and the Grantee's successors and transferees.
- (f) "Grantee's Land" means that land containingha more or less being comprised in Computer Freehold Register [currently shaded green on the designations plan attached in Schedule 1]
- (f) "Grantor's Land" means that land containingha more or less being [currently marked "CL" on the designations plan attached in Schedule 1]

- (g) "Stipulated Area" means that part of the Grantors Land, marked
[currently marked "e-f" on the designations plan attached in Schedule 1] appurtenant to the
Grantees Land, on the terms specified in this Deed.

2. Rights Granted

- 2.1** Pursuant to section 60 of the Land Act 1948 the Grantor grants to the Grantee from the Commencement Date and for all time a right of way over the Easement Facility appurtenant to the Grantees Land, on the terms specified in this Deed.

- 2.2** The rights and powers set out in Schedule 4 of the Land Transfer Regulations 2002 shall apply to the easement rights created by this Deed except as varied in the following paragraphs:

- 2.2.1.** The maintenance provisions in Schedule 4 are modified as follows:

2.2.1.1 Subject to the provisions of subclauses (5) and (6) of clause 11, no Grantor or Grantee shall be liable to contribute to the cost of maintaining, repairing or replacing any part of the Easement Facility which is not used by the Grantor or the Grantee or in respect of which use by the Grantor or Grantee has not commenced.

2.2.1.2 The word "equally" in clause 11(2) shall be read as "for a reasonable contribution in proportion to their use."

- 2.3** The covenants implied in Schedule 5 of the Property Law Act 2007 are expressly excluded.

- 2.4** Where there is a conflict between different provisions of this easement the following provisions will have priority (in decreasing order of paramountcy):

2.4.1 This Deed

2.4.2 Schedule 4 of the Land Transfer Regulations 2002

3. Consideration

- 3.1** This Deed is entered into by the Grantor in consideration of the sum of \$1.00 paid to the Grantor by the Grantee (the receipt of which is acknowledged).

- 3.2** The Grantee will meet the obligations imposed by this Deed.

4. Costs

- 4.1** The Grantor shall meet the costs of preparing and registering this Deed.

- 4.2** The Grantee shall meet its own costs in relation to this Deed.

5. Grantee obligations in exercising Easement Rights

- 5.1** In exercising the Grantee's rights and obligations under this Deed, the Grantee shall:

(a) where practicable, keep vehicles within existing tracks on the Easement Facility and leave

the gates as found and if requested by the Grantor locked when not used by the Grantee for passing through; and

- (b) not obstruct the Grantor or invitees, agents, employees and contractors of the Grantor; and
- (c) not erect any structures on the Easement Facility; and
- (d) comply with all Acts and Regulations.

6. Indemnity

- 6.1** The Grantee indemnifies the Grantor against any loss, claim, damage, cost, expense, liability or proceeding suffered or incurred at any time by the Grantor in connection with this Deed or as a direct result of the exercise by the Grantee of its rights under this Deed, or any breach by the Grantee of its obligations, undertakings or warranties contained or implied in this Deed.

7. Exclusion of Grantor liability

- 7.1** The Grantor holds no liability in contract, tort, or otherwise in relation to any aspect of this Deed. This exclusion of liability extends to consequential loss, anything arising directly or indirectly from this Deed, and any activity of the Grantor on the Grantor's land.

8. Termination

- 8.1** The Grantor may terminate the rights created by this Deed if the Grantee breaches any of the terms of this Deed and the breach remains unremedied following written notice to the Grantees specifying the breach and seeking rectification within 28 days or such later date specified in the notice.

- 8.2** If the breach remains unremedied (or is unable to be remedied) then the Grantor may by a further written notice terminate this Deed.

- 8.3** Upon termination (for whatever reason) of the grant of easement evidenced by this Deed all rights of the Grantee shall immediately cease. Upon termination the Grantee shall formally surrender the rights under this Deed and surrender the grant of easement.

9. Registration

- 9.1** This Deed, or a transfer instrument incorporating the terms of the Deed may be registered and both parties will do all things necessary to enable registration.

10. Grantor's rights of delegation

- 10.1** The Grantor may delegate all or any right, benefits and obligations conferred by this Deed; provided that in the exercise of any such rights, benefits or obligations by that person shall not limit the liability of the Grantor in the performance or observance of the provisions of this Deed.

11. Disputes

- 11.1** If any party requires the resolution of a dispute between them regarding the rights or obligations under this Deed then:

- (a) the procedure set out in section 17 of the Land Act 1948 shall be followed if that section can be applied; and

- (b) if section 17 of the Land Act 1948 cannot be applied to the dispute, then clause 14 of Schedule 4 of the Land Transfer Regulations 2002 shall apply.

12. Notices

12.1 A written notice to be sent pursuant to the terms of this Deed shall be:

- (a) delivered to that person; or
- (b) posted by ordinary mail to that person's address if it is a natural person and if it is a company then to its registered office; or
- (c) sent by facsimile machine to a telephone number used by that person for the transmission of documents by facsimile.
- (d) transmitted by electronic mail to a known electronic address for that person.

- 12.2** (a) A notice delivered to a natural person shall be served by handing the notice to that person. If service is to a company then delivery shall be by handing the notice to an officer of the company or to a person working at the registered office of the company.
- (b) A posted notice shall be deemed to be received three working days after it is posted.
- (c) A notice sent by facsimile machine or electronic mail is deemed to have been received on the working day following the day on which it was properly transmitted.

13. Severability

Where any part of this Deed is held to be illegal, void, or unenforceable, such determination shall not impair the enforceability of the remaining parts of this Deed which shall remain in full force.

SIGNED for and on behalf of Her Majesty
the Queen by
pursuant to a delegation from the
Commissioner of Crown Lands in the
presence of:

Witness Signature

Print Name

Witness Occupation

Place of residence

SIGNED for and on behalf of The Wolds
Station Limited by its sole director in the
presence of:

John Bruce Murray

Witness Signature

Print Name

Witness Occupation

Place of residence

SCHEDULE 1

Appendix 7: Form of Easement to be Created

TRANSFER GRANT OF EASEMENT IN GROSS

Management Purposes

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*Transferor Surnames must be underlined

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

Transferee 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

Signature, or common seal of Grantor

Signed in my presence by the Grantor
Signature of Witness

Witness to complete in BLOCK letters
(unless typewritten or legibly stamped)

Witness name

Occupation

Address

(continued on page 4 of Annexure Schedule)

Certified correct for the purposes of the Land Transfer Act 1952

Annexure Schedule

Insert below

"Mortgage", "Transfer", "Lease", etc

Transfer Easement

Dated

Page

of

Pages

Definitions

1. In this transfer unless the context otherwise requires:

- 1.1 "Easement Area" means that part of the Servient Land being 20 metres wide (shown as "a-a1" and "a2-b"" on the designations plan) which is marked "[]" on Deposited Plan/S.O. Plan No [].
- 1.2 "Management Purposes" means:
 - the protection of a significant inherent value of any land managed by the Grantee;
 - the ecological sustainable management of any land managed by the Grantee.
 - the management of the Easement Area consistent with the purposes for which the easement is held under the Reserves Act 1977.
- 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 the Grantee's tenants, agents, contractors, and invitees; and any employee or contractor of 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.
- 1.6 "Working day" means the period between any one midnight and the next, excluding Saturdays, Sundays and statutory holidays in the place where the Servient Land is located.

Standard Easement Terms

Access

2. The Grantee has the right in common with the Grantor to pass and re-pass at any time over and along the Easement Area on foot, or on or accompanied by horses, or by non-motorised vehicle, or by motor vehicle, with or without machinery and implements of any kind, with guns and accompanied by dogs, for Management Purposes ONLY.
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.

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.

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.

Annexure Schedule

Insert below

"Mortgage", "Transfer", "Lease", etc

Transfer Easement

Dated

Page

of

Pages

Term

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

Dispute Resolution

- 6.1 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.
- 6.2 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.
- 6.3 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.
- 6.4 The arbitration is to be determined in accordance with the Arbitration Act 1996 and its amendments or any enactment passed in substitution.

Notice

- 7.1 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.
- 7.2 If clause 7.1(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.
- 7.3 If clause 7.1(c) applies the notice will be deemed to have been received on the day on which it is emailed if that day is a working day or, if dispatched after 5.00pm, on the next working day after the date of email.
8. Where the Grantor wishes to erect fences across the Easement Area, the Grantor shall install a gate not less than 3 metres wide, and either:
- 8.1 keep the gate unlocked; or
 - 8.2 ensure the Grantee is provided with a key which will unlock the gate.

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.

Annexure Schedule

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

Transfer Easement

Dated

Page of Pages

Special Easement Terms

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

9. Maintenance of the easement route will be shared between the Grantor and Grantee on the basis of use by each party and as agreed from time to time.
10. For clarification, any Grantee's invitees exercising rights under this Easement must be invited by the Grantee onto the Easement Area for management purposes ONLY, including for the purpose of undertaking studies or restoration work in the scientific reserve accessed by the Easement.

Continuation of "Attestation"

Signed for and on behalf of
Her Majesty the Queen by
[name] _____
under a written delegation in the
presence of:

)
)
)
)
)

Witness (Signature)

Name _____

Address _____

Occupation _____

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

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

TRANSFER GRANT OF EASEMENT IN GROSS

Management Purposes

Land Transfer Act 1952

Law Firm Acting

Solicitor
Legal Services
Department of Conservation
Dunedin

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

Appendix 8: Form of Conservation Covenant to be Created

DATED _____

Between

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

and

MINISTER OF CONSERVATION
("the Minister")

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



Department of Conservation
Te Papa Atawhai

THIS DEED of COVENANT is made the day of

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

AND **MINISTER OF CONSERVATION**

BACKGROUND

- A. The Commissioner of Crown Lands is deemed for the purposes of section 77 of the Reserves Act 1977 to be the owner of the Land under section 80(5) of the Crown Pastoral Land Act 1998.
- B. The Land contains certain Values specified in Schedule 1.
- C. The parties agree that the Land should be managed so as to preserve the particular Values specified in Schedule 1, and that such purpose can be achieved without the Minister acquiring a fee simple or leasehold interest in the Land.
- D. An approved plan designating the Land as land over which a Covenant under section 77 of the Reserves Act 1977 is to be created has been registered under section 64 of the Crown Pastoral Land Act 1998.
- E. The Commissioner of Crown Lands has agreed to grant the Minister a Covenant over the Land to preserve the particular Values specified in Schedule 1.

OPERATIVE PARTS

In accordance with section 77 of the Reserves Act 1977, and with the intent that the Covenant run with the Land and bind all subsequent Owners of the Land, the Commissioner of Crown Lands and the Minister agree as follows:

1. INTERPRETATION

1.1 In this Covenant unless the context otherwise requires:

- | | |
|---------------------------|---|
| "Act" | means the Reserves Act 1977. |
| "Covenant" | means this Deed of Covenant made under section 77 of the Act. |
| "Director-General" | means the Director-General of Conservation. |
| "Fence" | includes a gate. |
| "Fire Authority" | means a Fire Authority as defined in the Forest and Rural Fires Act 1977. |
| "Land" | means the land described in Schedule 1. |
| "Minerals" | means any mineral that is a Crown owned mineral under section 2 of the Crown Minerals Act 1991. |
| "Minister" | means the Minister of Conservation. |
| "Natural Water" | includes water contained in streams the banks of which have, from time to time, been realigned. |

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

1.2 For avoidance of doubt:

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

2. OBJECTIVE OF THE COVENANT

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

3. THE OWNER’S OBLIGATIONS

- 3.1 Unless agreed in writing by the parties, the Owner must not carry out or allow to be carried out on or in relation to the Land:
- 3.1.1 grazing of the Land by livestock;
- 3.1.2 subject to clauses 3.2.1 and 3.2.3, felling, removal or damage of any tree, shrub or other plant;
- 3.1.3 the planting of any species of tree, shrub or other plant;
- 3.1.4 the erection of any Fence, building, structure or other improvement for any purpose;
- 3.1.5 any burning, chemical spraying, top dressing or sowing of seed;

- 3.1.6 any cultivation, earth works or other soil disturbances;
- 3.1.7 any archaeological or other scientific research involving disturbance of the soil;
- 3.1.8 the damming, diverting or taking of Natural Water;
- 3.1.9 any action which will cause deterioration in the natural flow, supply, quantity, or quality of water of any stream, river, lake, pond, marsh, or any other water resource affecting the Land;
- 3.1.10 any other activity which might have an adverse effect on the Values.
- 3.1.11 any prospecting or mining for Minerals, coal or other deposit or moving or removal of rock of any kind on or under the Land;
- 3.1.12 the erection of utility transmission lines across the Land.
- 3.2 The Owner must:
 - 3.2.1 eradicate or control all weeds and pests on the Land to the extent required by any statute; and in particular comply with the provisions of, and any notices given under, the Biosecurity Act 1993;
 - 3.2.2 if it is safe to do so, assist the Fire Authority to extinguish any wildfire upon or threatening the Land;
 - 3.2.3 keep the Land free from exotic tree species;
 - 3.2.4 keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
 - 3.2.5 grant to the Minister or authorised agent of the Minister or any employee or contractor of the Director-General, a right of access at all times on and to the Land, with or without motor vehicles, machinery, and implements of any kind, for purposes associated with the management of this Covenant;
 - 3.2.6 keep all Fences on the boundary of the Land in good order and condition and, notwithstanding clause 3.1.4, rebuild or replace all such Fences when reasonably required except as provided in clause 4.2.

4. THE MINISTER'S OBLIGATIONS

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

5. IMPLEMENTATION OF OBJECTIVES

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

- 5.1.3 prepare, in consultation with the Owner, a monitoring plan to assist the parties to meet the objectives specified in clause 2.1.

6. DURATION OF COVENANT

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

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

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

8. MISCELLANEOUS MATTERS

8.1 Rights

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

8.2 Trespass Act:

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

8.3 Reserves Act

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

8.4 Titles

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

8.5 Acceptance of Covenant

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

8.6 Fire

- 8.6.1 The Owner must notify, as soon as practicable, the appropriate Fire Authority and the Minister in the event of wild fire threatening the Land;
- 8.6.2 If the Minister is not the appropriate Fire Authority for the Land, the Minister will render assistance to the Fire Authority in suppressing the fire if:
 - 8.6.2.1 requested to do so; or
 - 8.6.2.2 if there is in place between the Minister and the Fire Authority a formalised fire agreement under section 14 of the Forest and Rural Fires Act 1977.

9. NOTICES

- 9.1 A notice to be given under this Covenant by one party to the other is to be in writing and made by personal delivery, by pre-paid post, or by email addressed to the receiving party at the address or email address set out in Schedule 1.
- 9.2 A notice given in accordance with clause 9.1 will be deemed to have been received:
 - (a) in the case of personal delivery, on the date of delivery;
 - (b) in the case of pre-paid post, on the third Working Day after posting;
 - (c) in the case of email, on the day on which it is dispatched if that is a Working Day or, if it is not a Working Day or if it is dispatched after 5.00pm, on the next Working Day after the date of dispatch.
- 9.3 The Owner must notify the Minister of any change of ownership or control of all or part of the Land and must supply the Minister with the name and address of the new owner or person in control.

10. DEFAULT

- 10.1 Where either the Minister or the Owner breaches any of the terms and conditions contained in this Covenant the other party:
 - 10.1.1 may take such action as may be necessary to remedy the breach or prevent any further damage occurring as a result of the breach; and
 - 10.1.2 will also be entitled to recover from the party responsible for the breach as a debt due all reasonable costs (including solicitor/client costs) incurred by the other party as a result of remedying the breach or preventing the damage.
- 10.2 Should either the Minister or the Owner become of the reasonable view that the other party (the defaulting party) has defaulted in performance of or observance of its obligations under this Covenant then that party (notifying party) may, by written notice:
 - 10.2.1 advise the defaulting party of the default.
 - 10.2.2 state the action reasonably required of the defaulting party to perform or observe in accordance with this Covenant; and
 - 10.2.3 state a reasonable period within which the defaulting party must take action to remedy the default.

11. DISPUTE RESOLUTION PROCESSES

- 11.1 If any dispute arises between the Minister and the Owner in connection with this Covenant, the parties must, without prejudice to any other rights they may have under this Covenant,

attempt to resolve the dispute by negotiation or other informal dispute resolution technique agreed between the parties.

11.2 Mediation

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

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

11.3 Failure of Mediation

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

11.3.2 notwithstanding anything to the contrary in the Arbitration Act 1996, if the parties do not agree on the person to be appointed as arbitrator, the appointment is to be made by the President of the New Zealand Law Society;

11.3.3 the parties further agree that the results of arbitration are to be binding upon the parties.

12. JOINT OBLIGATIONS

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

13. FURTHER AGREEMENT AND APPROVAL

13.1 Where clauses in this Covenant require further agreement between the parties such agreement must not be unreasonably withheld.

13.2 Where clauses in this Covenant require the approval of the Minister such approval must not be unreasonably withheld.

14. SPECIAL CONDITIONS

14.1 Special conditions relating to this Covenant are set out in Schedule 2.

14.2 The standard conditions contained in this Covenant must be read subject to any special conditions.

Executed as a Deed

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

Witness: _____

Address : _____

Occupation: _____

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

Witness: _____

Address : _____

Occupation: _____

SCHEDULE 1

1. Description of the Land

All that piece of land containing 238 hectares approximately shown shaded yellow on the plan attached to the Proposal and labelled CC1.

2. Address for Service¹

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

Department of Conservation
77 Stuart Street
PO Box 5244
Dunedin 9058

Phone: (03) 477 0677

Email: permissionsdunedin@doc.govt.nz

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

Mr John Bruce Murray
PO Box 154
Lake Tekapo 7945
Phone: (03) 680 6608 or 027 294 1443
Email: thewolds@farmside.co.nz

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

- a) To preserve the natural environment of the Land with particular regard to indigenous flora.
- b) To preserve the landscape amenity of the Land

Natural Environment – Indigenous Flora:

Spring annual plants are short lived annual species that appear in early spring, flower and die within a couple of months. They represent a unique part of the New Zealand dryland flora. They are associated with environmentally stressed habitats that are typically found within distinctive naturally rare and threatened ecosystems, such as ephemeral wetlands, inland alluvial surfaces and dry moraines (Williams et al 2007; Holdaway 2012). Naturally rare and threatened ecosystems disproportionately include many of the rarest and most threatened plant species in the country. Accordingly, the protection of naturally rare and threatened ecosystems is also a national priority for natural conservation in New Zealand (MfE 2007).

On The Wolds Station, New Zealand mouse-tail (nationally endangered 2013) was found at several locations within well developed channels among old moraines and outwash terraces that adjoin the main road. Collectively, many hundreds of plants comprise The Wolds population, although the number may be far higher given full and repeated survey. This constitutes a substantial new meta-population for this species and is of considerable conservation value.

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

Several other species of note were also present within various channels on The Wolds adding to the overall conservation significance of these distinctive habitats for rare and threatened plants (conservation status 2009), and for their unusual native plant communities generally. These include *Leptinella conjuncta* (nationally critical), the inland cress (*Lepidium solandri*) (nationally endangered), *Montia angustifolia* (naturally uncommon) and *Leptinella serrulata* (naturally uncommon). Common native species present includes *Raoulia parkii*, *R. australis*, *R. hookerii*, *R. apicinigra*, *Poa maniototo*, *Carex resectans*, *C. breviculmis*, *Rytidosperma pumilum*, *Pyranthera exigua*, *Coprosma petriei*, *Luzula ulophila*, *Carmichaelia nana*, with the exotic mouse-ear hawkweed, bare ground, rocks and lichen typically dominating the cover.

Over and above the individual threatened species present, these channel habitats are an integral part of the wider glacial moraine and outwash ecosystems. These ecosystems are significant because they remain largely undeveloped and retain representative native vegetation in the form of relatively intact fescue tussock grasslands, matagouri, and include a diverse range of associated native grassland species.

The area comprises ecosystems on At Risk LENZ that are poorly represented in the national network of existing reserves. These ecosystems are nationally rare and threatened and similar examples have been greatly reduced in the Mackenzie Basin in recent years, and throughout New Zealand as a whole.

Landscape Amenities:

A study (Landscape Change in the Mackenzie/Waitaki Basins, 1992. Boffa Miskell Partners Limited) concluded that the Mackenzie Basin is a regionally outstanding natural feature and landscape. The study determined that the Basin is one of the most investigated, painted, written about, visited, eulogized and argued over landscapes in New Zealand. Its key quality attributes include:

- The formation of the land is expressed in many ways – moraines, outwash plains, terraces and fans, etc.
- The openness and naturalness of the area.
- The coherence of the land cover and underlying landform.

This area comprises a series of low moraines and associated outwash surfaces. It contains an important landscape which is notable for its distinctive glacial landforms and dryland ecosystems that are highly visual from the state highway 8. This area comprises some of the oldest moraines in the basin from the Balmoral advance. It contains a complex array of hummocky moraines, containing numerous erratic. It includes inland alluvial surfaces of high significance.

Risks to the Landscape:

This unit has the potential to be adversely affected by the following changes in land use and activities:

- Further shelter planting, especially close or parallel to roads, which will block out vistas and cause an unnatural sense of enclosure.
- Introduction of further pylons and any other vertical man-made structures.
- Further subdivision and land use intensification that will create unnatural geometric patterns within a landscape, which has a strong sense of homogeneity.
- Further spread of wilding pines.
- Unsympathetic design and siting of buildings.

SCHEDULE 2

Special Conditions

- 1 Clause 3.1.1 is modified to allow sheep and cattle grazing on the Land at a stocking rate that does not, in the opinion of the Minister, adversely impact on the values. Cattle numbers are not to exceed 50 at any one time.
- 2 Notwithstanding clause 3.2.1, the Owner must control wilding pines, lupins, exotic broom and gorse on the Land and must take all practicable steps to prevent them seeding. The Owner will bear the cost of this work. Should the Owner fail to undertake this work on the Land the Minister may arrange to have this work undertaken and the Owner will bear the cost which may include reasonable costs of the Minister. In the event that grazing on the Land is reduced pursuant to Schedule 3 clause 4.2, the costs of weed control may be shared between the Minister and the Owner as agreed
- 3 Rabbits, will be controlled by the Owner to low levels to avoid damage to the values on the Land.
- 4 Clause 3.1.5 is amended to allow for oversowing and topdressing on the Land. Grass and clover seeds only may be sown.
- 5 No irrigation is permitted on the Land.
- 6 Feeding out hay and supplements is permitted on the Land during adverse weather conditions. However no part of the Land may be used as a feedout pad for stock to the extent that it adversely impacts on the values.
- 7 The Land will be monitored to ensure that the conditions of the Covenant have been adhered to. The details of monitoring including timing, methods, results and any consequential actions are further described in Schedule 3.

SCHEDULE 3

DESCRIPTION OF THE MONITORING PROGRAMME TO BE ESTABLISHED.

1. Responsibilities:

- 1.1 A vegetation and landscape monitoring programme will be established on the Land at the commencement of the covenant term by the Minister.
- 1.2 Subsequent re-monitoring of the Land will occur every 5 years (and prior to any sale of the property) and is to be organised by the Owner with the assistance of the Minister. The Minister will be party to the re-monitoring by providing one staff member to assist with the physical monitoring. The Minister will be consulted by the Owner as to the selection of a suitably qualified monitoring provider for any re-monitoring (which does not preclude the Owner undertaking this work to an acceptable standard).
- 1.3 The Minister will be given a copy of the monitoring report in a format nominated by the Minister.

2. Costs

- 2.1 The Minister is responsible for the initial cost of establishing monitoring.
- 2.2 The Owner will be responsible for the cost of repeat monitoring and the report write up. The Minister will cover his own staff cost for re-monitoring.

3. Monitoring Methods

- 3.1 A series of general repeatable photo point sites will be established on the Land.
- 3.2 The purpose of these photo points is to detect any detrimental impact on the Values where these are caused by actions or omissions of the Owner, such as deterioration in the natural environment particularly indigenous flora, and any detrimental effects to landscape amenity.
- 3.3 Photo points will be at yet to be decided sites and yet to be decided number.

4. Monitoring Results

- 4.1 Following monitoring, results will be discussed between the Owner and the Minister.
- 4.2 Should the results indicate the Owner's stock or other management practices are having a detrimental impact on the Values then, in consultation with the Minister, the Owner will take actions to prevent this continuing. These actions may include (but are not limited to) measures such as reducing grazing pressure or changing stock types.

GRANT of

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

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

COMMISSIONER OF CROWN
LANDS

to

MINISTER OF CONSERVATION

Solicitor

Department of Conservation

DUNEDIN/CHRISTCHURCH

The Wolds Conservation Covenant - Spring Annuals and Landscape - DOCDM-1409335 CC1

Jan 2015

Appendix 9: Form of easement granted to Pukaki Irrigation Company Limited

GRANT OF EASEMENT OVER CROWN PASTORAL LEASE

PARTIES

- (1) **THE COMMISSIONER OF CROWN LANDS** at Wellington and **CLASSIC PROPERTIES LIMITED** a company at Timaru ("the Grantor")

AND

- (2) **PUKAKI IRRIGATION COMPANY LIMITED** hereinafter with its successors and permitted assigns ("the Grantee")

BACKGROUND

- A. The Grantee wishes to obtain an easement to convey water.
- B. The Grantor has agreed to grant to the Grantee easements over the Easement Land on the terms and conditions set out in this Deed.

TERMS OF THIS DEED

1. DEFINITIONS and INTERPRETATION

1.1 In this Deed

"Deed" means this deed and the background.

"Easement Land" means the stipulated course being the areas of the Servient Land marked "Proposed Pipeline" (being a stipulated course which is Thirty (30) metres wide along the length of the Proposed Pipeline) and "Construction Intake Area" (being a stipulated area of one hundred (100) metres by one hundred (100) metres) on the attached Plan within which the Grantee may exercise the rights granted by this Deed.

"Grantee" means the Pukaki Irrigation Company Limited and includes the Grantee's servants, agents, employees, workers, licensees and contractors.

"Grantor" means:

1. the Commissioner of Crown Lands; and
2. Classic Properties Limited, a company with its registered office at Timaru

and includes the Grantor's servants, agents, employees, workers, invitees, licensees and contractors and all other persons authorised by the Grantor to enjoy the rights granted by this Deed.

"Lessee" means Irishman Creek Station Limited and The Wolds Station Limited.

"Servient Land" means:

- A. All that parcel of land containing 10832.9438 hectares being Part Run 343 and marked V Survey Office Plan 15864, being all the land in Computer Interest Register CB529/19. The Lessee being Irishman Creek Station Limited;
- B. All that parcel of land containing 8809.3789 hectares being Part Run 85B, Rural Section 39017, Rural Section 39018, Rural Section 41708 and Part Run 85A, being all the land in Computer Interest Register CB529/16. The Lessee being The Wolds Station Limited;
- C. All that parcel of land containing 8477.0031 hectares being Part Run 85 and Part Run 85A and Rural Section 41616 and Rural Section 41617, being all the land in Computer Freehold Register 712483, the registered proprietor being Classic Properties Limited.

"Works" includes the excavation, construction, maintenance and upkeep of a vehicular farm track, water pipelines, intake structures, sheds, fences and includes the structures associated with the covered line of pipes including an uncovered intake structure and uncovered air release valves and associated works across the Easement Land.

- 1.2 In the interpretation of this Deed unless the context otherwise requires:
 - 1.2.1 The headings and subheadings appear as a matter of convenience and shall not affect the interpretation of this Deed;
 - 1.2.2 References to any statute, regulation or other statutory instrument or bylaw shall be deemed to be references to the statute, regulation, instrument or bylaw as from time to time amended and includes substitution provisions that substantially correspond to those referred to and;
 - 1.2.3 The singular includes the plural and vice versa and words incorporating any gender shall include every gender.

2. GRANT OF EASEMENT

- 2.1 Pursuant to section 60 of the Land Act 1948, or sections 90A and 90F of the Land Transfer Act 1952 where relevant, the Grantor grants to the Grantee, subject to clause 2.2, a right to convey water by means of a covered line of pipes over the Easement Land, together with such rights and powers set out in Schedule Four to the Land Transfer Regulations 2002 except to the extent that they are inconsistent with the terms and conditions set out in this Deed or modified, varied or negated by the terms and conditions set out in this Deed to the intent that the easements shall be an Easement in Gross forever.
- 2.2 Pursuant to section 60 of the Land Act 1948, or sections 90A and 90F of the Land Transfer Act 1952 where relevant, the Grantor grants to the Grantee the right for the Grantee to construct and maintain water pipelines across the Easement Land and to construct and maintain intake works.

- 2.3 Pursuant to section 60 of the Land Act 1948, or sections 90A and 90F of the Land Transfer Act 1952 where relevant, the Grantor grants to the Grantee the right from time to time and at all times to enter, exit, pass and remain on, under or over such part of the Servient Land as is reasonable for the exercise of the rights granted under this Deed with or without vehicles or machinery necessary for such purposes but subject to the limitations expressed in this Deed.
- 2.4 For the avoidance of doubt this Deed confers no general right of access to the public, the rights of access are solely those set out in clause 2.1, 2.2 and 2.3 herein.
- 2.5 The rights granted under this Deed are non-exclusive and are exercisable in common with the Grantor and any other person having similar rights either now or in the future.

3. CONSIDERATION

- 3.1 In consideration of the grant of easement in this Deed:
 - 3.1.1 The Grantee shall pay the Grantor the sum of \$120,000 plus GST (if any) on execution of this Deed in the manner determined by the Grantor. For the purposes of this clause "the Grantor" refers to the Commissioner of Crown Lands only
 - 3.1.2 The Grantee shall observe the obligations imposed on it under this Deed.
 - 3.1.3 The Lessees are entitled to compensation under section 60(1) of the Land Act 1948 to be determined by the Grantor and payable by the Grantee.

4. REGISTRATION

- 4.1 The deed, or a transfer instrument incorporating the terms of the deed may be registered and both parties will do all things necessary to enable registration.

5. OBLIGATIONS OF THE GRANTEE

- 5.1 The Grantee shall when on the Easement Land or the Servient Land (in terms of clause 2) of this Deed:
 - 5.1.1 Take all reasonable precautions for guarding against any danger (including, but without limitation, fire, physical damage or disease).
 - 5.1.2 Ensure that as little damage or disturbance as possible is caused to the surface of the Servient Land and that the surface is restored as nearly as possible to its former condition and any of the damage done by reason of the activities permitted on the Easement Land by this Deed is similarly restored. The Grantee shall store any topsoil removed separately for use in the restoration and shall replace any vegetation removed with an appropriate pasture species. For the avoidance of doubt both parties acknowledge that these obligations apply both during the initial construction of the Works and during any ongoing maintenance.
 - 5.1.3 The Grantee shall only enter onto the Grantor's land pursuant to the Deed and upon reasonable notice except in an emergency where the Grantee may enter without notice if necessary provided that subsequent notice is given as soon as practicable.

In both cases notice shall be given to both the Grantor and the Lessee (if any).

- 5.1.4 To avoid the spread of weeds and pests, all machinery to be used by the Grantee for the Works shall be cleaned prior to entry onto the Servient Land.
- 5.1.5 The Grantee shall, at its cost, maintain and repair to the satisfaction of the Grantor any part of the Servient Land, including the tracks, fences, gates, drains, buildings or other structures, which are damaged directly or indirectly by the Grantee.
- 5.1.6 The Grantee shall implement an Annual Maintenance Programme for the control of wilding pines, thistle, gorse and broom on the Easement Land.
- 5.2 The Grantee shall compensate the Grantor for any loss suffered by the Grantor resulting directly or indirectly from the actions of the Grantee.
- 5.3 The Grantee shall at all times in the exercise of the rights set out in this Deed not obstruct or hamper the Grantor, the Grantor's Lessees or any agents, employees and contractors of the Grantor or the Grantor's Lessees, in its normal or reasonable use of the Easement Land.
- 5.4 The Grantee shall not at any time except with the prior written approval of the Grantor carry out any activity which is not included within clause 2 of this Deed on the Easement Land, or do any other thing which would affect the ability of the Grantor to use the Easement Land.
- 5.5 The Grantee shall comply at all times with all statutes and regulations and obtain all approvals, consents and authorisations as are necessary for the Grantee to conduct the activities permitted by this Deed.
- 5.6 The Grantee may at its own expense form a metalled surface access track suitable for four wheel drive vehicles on the Easement Land and shall maintain that access track to a standard sufficient for use by four wheel drive vehicles, save when the track is impassable for reason of snowfall.
- 5.7 The Grantee shall at its own expense restrict stock from entering any area where any Works are being carried out under the terms of this Deed.

6. OWNERSHIP OF STRUCTURES

- 6.1 All structures and Works placed by the Grantee on the Easement Land for the purposes of exercising the rights of the Grantee created by this Deed will remain the property of the Grantee and no part of them will become a fixture on the Grantor's Land.

7. COSTS

- 7.1 The Grantee shall bear all reasonable costs and expenses (including the Grantor's legal costs including costs as between solicitor and client) in relation to the enforcement or attempted enforcement of any of the provisions of this Deed.
- 7.2 The Grantee shall be solely responsible for and bear all costs of the preparation and registration of this Deed.
- 7.3 All costs for the installation and maintenance of the Works, and carrying out of

associated works, permitted by this Deed shall be the Grantee's.

8. INDEMNITY

- 8.1 The Grantee hereby indemnifies the Grantor and the Lessee against any loss, claim, damage, costs, expense, liability or proceeding suffered or incurred at any time by the Grantor and/or the Lessee in connection with this Deed or as a result of the exercise by the Grantee of its rights under this Deed, or any breach by the Grantee of its obligations, undertakings or warranties contained or implied in this Deed.
- 8.2 The Grantee will bear the cost of any additional local authority rates assessed on the value of any structures or Works placed by the Grantee on the Easement Land for the purpose of exercising the rights created by this Deed.

9. EXCLUSION OF GRANTOR'S LIABILITY

- 9.1 The Grantor holds no liability in contract, tort, or otherwise in relation to any aspect of this deed. This exclusion of liability extends to consequential loss, anything arising directly or indirectly from the deed, and any activity of the Grantor on the Grantor's land.

10. GRANTOR'S RIGHTS OF DELEGATION

- 10.1 The Grantor may delegate all of any rights, benefits and obligations conferred by this deed; provided that the exercise of any such rights, benefits or obligations by that person shall not limit the liability of the Grantor in the performance or observance of the provisions of this Deed.

11. DISPUTES

- 11.1 If any dispute arises between the Grantor and the Grantee concerning the rights created by this Deed the parties shall enter into negotiations in good faith to resolve their dispute. If the dispute is not resolved within one month of the date on which the parties begin their negotiations the parties shall submit to the arbitration of an independent arbitrator appointed jointly by the parties; and if one cannot be agreed upon within 14 days, to an independent arbitrator appointed by the President for the time being of the New Zealand Law Society. Such arbitration shall be determined in accordance with the Arbitration Act 1996, excluding the Second Schedule thereof, and the parties' execution of this Deed shall be deemed to be a submission to arbitration **PROVIDED THAT** this clause shall be subject in all respects to the provisions of section 17 of the Land Act 1948.

12. SEVERABILITY

- 12.1 If any part of this Deed is held by any court or administration body of competent jurisdiction to be illegal, void, or unenforceable, such determination shall not impair the enforceability of the remaining parts of this Deed which shall remain in full force.

13. NOTICES

- 13.1 Any notice or other communication given under this agreement must be in writing and to the address notified by that party in writing from time to time.
- 13.2 A notice is deemed to have been served:
- (a) In the case of personal delivery, when received by the party;
 - (b) In the case of posting or ordinary mail, on the fifth working day following the date of posting to the address for service notified in writing by the party;
 - (c) In the case of a facsimile transmission, when sent to the facsimile number notified in writing by the party; and
 - (d) In the case of email, when acknowledged by the party or by return email or otherwise in writing.

14. ACCIDENTAL DISCOVERY

- 14.1 In the event of a discovery, or suspected discovery, of a site of cultural importance (Waahi Taonga/Tapu), the Grantee shall immediately cease operations in that location and inform the Grantor.

15. LAPSE

- 15.1 The rights created by this Deed will lapse if:
- (a) the Grantee has not commenced any Works within 7 years of the date of registration of the terms of the Deed; or
 - (b) the Grantee has not exercised the right to convey water pursuant to the terms of this Deed for a continuous period of 7 years.
- 15.2 Upon the lapse of the Deed the Grantee shall formally surrender the rights under this Deed and surrender the grant of easement.

16. TERMINATION AND REMOVAL ON EXPIRY

- 16.1 The Grantor may terminate the rights created by this Deed if the Grantee breached any of the terms of this Deed and the breach remains unrectified following written notice to the Grantee specifying the breach and seeking rectification within 21 days or such other time provided the parties agree.
- 16.2 If the breach remains unrectified (or is unable to be rectified) then termination must be by written notice from the Grantor.
- 16.3 Upon termination (for whatever reason) of the grant of easement set out in this Deed


all rights of the Grantee shall immediately cease (subject to Clause 16.5 below) but the Grantee shall not be released from any liability to pay consideration or other monies up to the date of termination.

- 16.4 Upon termination the Grantee shall formally surrender the rights under this Deed and surrender the grant of easement.
- 16.5 The Grantee will, on expiry of the term granted or sooner determination of the rights created by this Deed remove all Works from the Easement Land within six months and will restore the Servient Land to the condition that it was in at the commencement of this Deed.
- 16.6 If the Grantee has not taken the steps set out in clause 16.5 within the specified time frame, the Grantor may remove the Works from the Easement Land and restore the Servient Land as close as is reasonably possible to the condition that it was in at the commencement of this Deed and recover all costs incurred from the Grantee.

Deed dated _____ day of _____

IN WITNESS WHEREOF this Deed has been duly executed on the date first written above.

SIGNED by the Commissioner of Crown
Lands pursuant to section 60
of the Land Act 1948
in the presence of:


.....

D. J. GULLEN
COMMISSIONER OF CROWN LANDS
LAND INFORMATION NEW ZEALAND
WELLINGTON


.....

Witness name: CHERYL DAWNE ROBINSON

Occupation: SOLICITOR

Address: 4102, Wellington.

SIGNED by CLASSIC PROPERTIES
LIMITED

).....(director)
)
).....(director)

SIGNED by **PUKAKI IRRIGATION**
COMPANY LIMITED by its sole director
In the presence of

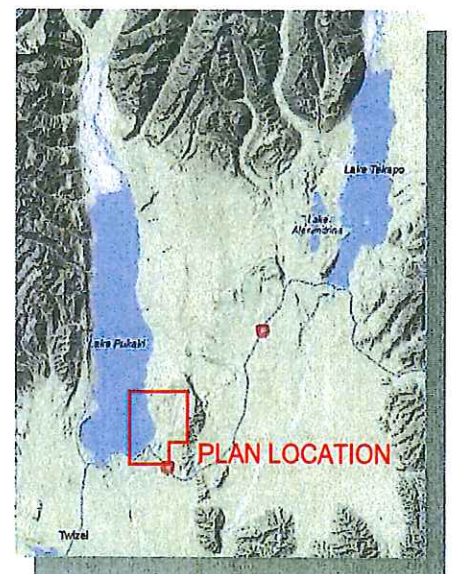
).....
) (MG Valentine – director)
)

Witness signature

Full name

Occupation

Address



Appendix 10: Form of easement granted to Classic Properties Limited

DEED OF EASEMENT (PURSUANT TO SECTION 60 LAND ACT 1948)

Dated this day of 2015

PARTIES

1. **THE COMMISSIONER OF CROWN LANDS** at Wellington under the Land Act 1948 ("the Grantor").

AND

2. **CLASSIC PROPERTIES LIMITED** at Timaru ("the Grantee").

BACKGROUND

- A. The Grantor has agreed to grant the Grantee a right to convey water over the Grantor's Land (being The Wolds Land as set out in the First Schedule) on the terms and conditions set out in this Deed.

TERMS OF THIS DEED

Preface: This document sets out the Terms agreed between the Parties, and is intended to be binding on the Parties. However, the Easement herein granted cannot be registered until completion of, inter alia, a Survey Plan showing, with particularity, the Easement Area (as defined below). By signing this document in its current form the Grantor and Grantee acknowledge that they become bound to do all things and execute all documents necessary to register on all affected titles the Easement upon completion of the Survey Plan. The Easement then to be registered will be identical in form to this Deed, but for:

- (a) *The definition of "Easement Land" shall incorporate a legal description defining the area with reference to the Survey Plan;*
- (b) *Removal of this italicised Preface.*

1 DEFINITIONS AND INTERPRETATION

1.1 In this Deed (including the Schedules):

"Commencement Date" means the date this Deed of Easement is signed by both parties.

"Deed" means this Deed, the Background and the Schedules.

"Construct" includes construct, install, lay, inspect, use, remove and replace and "Construction" and "constructing" has a similar meaning.

"Dominant Land" means part of the Grantee's land described as Part Run 85 and Part Run 85A situated in the Mackenzie Survey District including stopped roads marked D and E on SO15479 and E, F and H on SO15480 such land being subject to Pastoral Lease PT.41 and contained in Computer Interest Register CB529/45 (Canterbury Land Registry) but further defined as the land coloured green on the Tenure Review Designation Plan (reference 12688/Pt 041) (which land is to be freehold in favour of the Grantee, to the intent that the easement provided by this Deed is intended to register on the Grantee's freehold land as coloured green on the Tenure Review Designation Plan).

"Easement" means the right to convey water easement granted over the Easement Land in favour of the Grantee as set out in clause 2.1 of this Deed.

"Easement Land" means that part of the Grantor's land which is to be subject to the easement, and being an area not exceeding six (6) metres wide as depicted on the plan attached in the Second Schedule to this Deed.

For the avoidance of doubt, the Easement Land does not include any part of the area to be designated as Conservation Area 1 under the Tenure Review Plan for The Woods (the CA1 Land), and any activities authorized under this Deed are expressly prohibited to take place on the CA1 Land.

"Equipment" includes equipment, tools, machinery, vehicles, cables, lines, wires and all materials and items required for the purposes of exercising any of the rights granted by this Deed.

"Grantee" means the current registered proprietor for the time being of the Dominant Land and includes the Grantee's servants, agents, employees, workers and contractors, and any licensee, lessee, or tenant of the Grantee.

"Grantor" for the time being means the Commissioner of Crown Lands, but when the Grantor's Land is freehold and a Computer Freehold Register created, the Grantor means the registered proprietor of the Grantor's Land (and includes the Grantor's successors and assigns).

"Grantor's Land" means the land described as The Woods Land as set out in the First Schedule.

"Lessee" means The Woods Station Limited, and includes their successors and assigns.

"Maintain" includes maintain, repair, renew, alter, and inspect and "maintenance" has a similar meaning.

"Pastoral Lease" means, in respect of The Woods Land, PL 08 recorded in Computer Interest Register CB520/16 being the lease registered against The Woods Land being part of the Grantor's Land as set out in the First Schedule.

"Pipeline" means a pipe under the Easement Land for the purpose of conveying water together with release valves (above or on the Easement Land) and any other equipment suitable to assist in the conveying of water, and anything in replacement or substitution.

"Working Day" means any day of the week excluding Saturday, Sunday, national statutory holidays, and the anniversary days commonly observed in the locality in which the Easement Land is situated.

1.2 In the interpretation of this Deed unless the context otherwise requires:

1.2.1 The headings and subheadings appear on a matter of convenience and shall not affect the interpretation of this Deed;

1.2.2 References to any statute, regulation or other statutory instrument or bylaw shall be deemed to be references to the statute, regulation, instrument or bylaw as from time to time amended and includes substitution provisions that substantially correspond to those referred to and;

1.2.3 The singular includes the plural and vice versa and words incorporating any gender shall include every gender.

2 GRANT OF EASEMENT

2.1 Pursuant to section 60 of the Land Act 1948 the Grantor grants to the Grantee an easement for a right to convey water over the Easement Land, to be appurtenant to the Dominant Land and on the terms and conditions contained in this Deed, with the right from time to time and at all times:

2.1.1 To take, lead and convey water in any quantity in a free and unimpeded flow from the point of entry at or about N5115406.085 E1392593.520 through the Pipeline to the Dominant Land, exiting the Grantor's land at or about N5112534.717 E1390606.090 (both locations with reference to NZTM GD2000);

2.1.2 To construct a Pipeline, provided that the pipes forming part of the Pipeline shall be laid at a depth of between 70cm and 180cm below the surface of the Easement Land and that the internal diameter of the pipes shall not exceed 47.5cm;

2.1.3 To construct no more than five 80mm air release valves on the surface of the Easement Land to be situated at or about the locations marked on the plan attached in Schedule 2 to this Deed. On the surface of the land the air release valves shall be housed in a valve box occupying an area of no more than 2.25m² in each case, and protruding approximately 300mm above ground level;

2.1.4 The right from time to time and at all times to enter, exit, pass and remain on, under or over the Easement Land as shall be required for all purposes reasonably necessary for the exercise of the rights granted under this Deed and with or without Equipment necessary for such purposes but subject to the limitations expressed in this Deed;

2.1.5 To undertake all inspections, investigations and surveys necessary for the Grantee to exercise its rights under this Deed; and

2.1.6 To clear and keep the Easement Land clear of any trees or shrubs for installation and maintenance of the pipeline, provided that where the pipeline installation disturbs tussock on the Easement Land, the affected area is to have at least 100mm of topsoil reinstated on top of the pipeline trench, with no visible stones showing, and the Grantee shall apply seed and fertiliser to the affected area to establish weed-free vegetation cover.

2.2 The Pipeline shall not be constructed during lambing (1 October to 30 November) and shall not be maintained nor shall the Grantee be entitled to exercise its rights of access under this Deed during lambing, unless there is an emergency.

3 TERM

3.1 The term of the Easement is thirty five (35) years from the Commencement Date,

3.2 The Grantor grants to the Grantee ongoing rights of renewal of the term of the Easement of ten (10) years each from the expiry of the initial or any subsequent term of the Easement, such rights of renewal to be in accordance with this clause 3 of this Deed.

3.3 If the Grantee is, at the date of expiry of the then current term of the Easement (on each occasion, the "term expiry date");

3.3.1 Using the Easement for the purposes outlined in this Deed; and

3.3.2 Not in material breach of the terms and conditions contained in this Deed; and

3.3.3 Has, at least three (3) months before the term expiry date, given the Grantor written notice to renew the Easement;

then the Grantor will grant the Grantee a new Easement on the terms of this Deed for a further period of ten (10) years as from the term expiry date (the "renewed term").

3.4 On every renewal of the term of the Easement as set out in clause 3.3 of this Deed the consideration which shall be payable by the Grantee to the Grantor for the renewed term shall be Current Market Value.

3.5 'Current Market Value' for the purposes of clause 3.4 shall be assessed as follows:

(a) The Grantor and the Grantee shall within 10 working days of Notice being given under clause 3.3.3 attempt to agree upon the appointment of one Registered Valuer to determine Current Market Value as at the term expiry date. If the parties are able to reach agreement on this appointment then the determination of that Registered Valuer shall be final and binding on the parties, and not subject to Appeal. Each party shall pay one half of the cost of such valuation;

(b) If after 10 working days of Notice being given under clause 3.3.3, the Grantor and the Grantee have been unable to agree upon the appointment of a single Registered Valuer then the following provisions shall apply:

(i) Each party shall within 10 working days appoint a Registered Valuer (at their cost) and give written notice of the appointment to the other party;

(ii) The Registered Valuers appointed by the parties shall on or before the term expiry date determine the Current Market Value at the term expiry date, but if they fail to agree then the Current Market Value shall be determined by a single arbitrator who shall conduct arbitral proceedings in accordance with the Arbitration Act 1996 or any other statutory provisions then applying to arbitration.

(c) If the parties are unable to agree on the arbitrator within 10 working days after the term expiry date, an arbitrator shall be appointed, upon request of either party, by the then-President of the Canterbury-Westland Branch of the New Zealand Law Society. Such appointment shall be binding on the Grantor and the Grantee and shall not be Appealed. Article 11 of Schedule 1 of the Arbitration Act 1996 as varied accordingly.

3.6 The consideration determined as payable for the renewed term will be paid by the Grantee to the Grantor within thirty (30) working days determination.

4 CONSIDERATION

4.1 In consideration of the grant of easement in this Deed:

4.1.1 The Grantee shall pay the Grantor the sum of \$20,000.00 plus GST (if any) or any higher sum that the Grantor and Grantee may agree on before the Commencement Date of this Deed.

4.1.2 The Grantee shall observe the obligations imposed on it under this Deed.

4.2 Lessee's Compensation. The Lessee is entitled to compensation under section 40(1) of the Land Act 1949. The parties record that this matter has been settled.

5 COSTS

5.1 The Grantor shall bear all costs and expenses (including the Grantor's legal costs and expenses) in relation to the preparation and registration of this Deed and for all costs of the construction, operation and maintenance of the Pipeline, and the carrying out of all associated works permitted by this Deed shall be at the Grantee's cost.

6 OBLIGATIONS OF THE GRANTEE

6.1 The Grantee shall only enter onto the Easement Land pursuant to this Deed upon reasonable notice to the Grantor and the Lessee (if any) of at least two (2) working days, provided

however that in the case of an emergency the Grantee may enter onto the Easement Land without notice if necessary provided that subsequent notice is given to the Grantor and the Lessee (if any) as soon as practicable.

6.2 The Grantee shall when on the Easement Land:

6.2.1 Wherever possible remain on the formed roads and tracks and when on those roads or tracks comply with all traffic laws and regulations as are applicable to public roads or in accordance with the Grantor's reasonable directions;

6.2.2 Immediately after passing through any gates, close such of them as were closed and lock such of them as were locked immediately before such passing through;

6.2.3 Take all reasonable precautions for guarding against any danger (including, but without limitation, fire, physical damage or disease), and in particular shall (but without limiting the general obligation to take full and proper precautions pursuant to this clause 6.2.3) comply with all reasonable conditions that may be imposed from time to time by the Grantor or any lawful authority;

6.2.4 Ensure that as little damage or disturbance as possible is caused to the surface of the Easement Land and that the surface is restored as nearly as possible to its former condition and any other damage done by reason of the activities permitted on the Easement Land by this Deed is similarly restored;

6.3 The Grantee shall, at the Grantee's cost, repair to the reasonable satisfaction of the Grantor any part of the Grantor's Land, including the tracks, fences, gates, drains, buildings or other structures, which is damaged directly or indirectly by the Grantee;

6.4 The Grantee shall at all times in the exercise of the rights set out in this Deed not obstruct or hamper the Grantor, or any agents, employees and contractors of the Grantor, in its normal or reasonable use of the Grantor's Land;

6.5 The Grantee shall at all times keep the Easement Land clear of weeds for a period of 20 years from commencement of construction of the pipeline.

6.6 The Grantee shall prevent the Pipeline the Grantee placed on the Easement Land from becoming a danger or a nuisance.

6.7 The Grantee will comply with all obligations imposed on the Grantee at law as the person in charge of a place of work and will be responsible for the health and safety of any person who enters on any part of the Grantor's Land at the request of the Grantee.

6.8 The Grantee shall comply at all times with all statutes and regulations and obtain all approvals, consents, permits and authorisations as are necessary for the Grantee to conduct the activity permitted by this Deed.

6.9 The Grantee will compensate the Grantor for any damage caused to the Grantor's/Lessee's stock located on the Grantor's Land as a result of the Grantee carrying out any activity permitted by this Deed.

6.10 The Grantee is required to, so far as is reasonably practicable to keep the Grantor informed of any health and safety concerns, hazards or risks arising from or relating to any work being carried out or any services being performed by or for the Grantee on any part of the Grantor's land and/or the Easement land;

6.11 In accordance with section 34 of the Health and Safety at Work Act 2015, the Grantee shall, so far as is reasonably practicable, consult, cooperate with, and coordinate activities with:

(a) The Grantor; and

(b) The Lessee; and

(c) Other persons conducting a business or undertaking (as defined in section 17 of the Health and Safety at Work Act 2015) who are accessing any part of the Easement Land.

8.12 The Grantee will comply with its duties in respect of the Health and Safety at Work Act 2015 and promulgated regulations, and ensure its own health and safety and that of its workers and any person who enters on any part of the Grantor's land and/or the Easement Land at the request of the Grantee.

8.13 The Grantee shall, so far as is reasonably practicable, ensure the safety of its workers, and shall ensure the safety of other persons is not put at risk from work carried out by the Grantee on the Easement Land.

7 OBLIGATIONS OF THE GRANTOR

7.1 The Grantor shall not at any time do, permit or suffer to be done any act whereby the rights, powers, licences and liberties granted to the Grantee may be interfered with or affected in any way.

8 OWNERSHIP OF PIPELINE

8.1 The Pipeline will remain the property of the Grantee and will not for any reason become the property of the Grantor.

8.2 The Grantee will remove the Pipeline as soon as practicable on termination or expiry of the rights created by this Deed and will restore the Grantor's Land as nearly as possible to the condition that it was in at the Commencement Date.

8.3 If the Grantee has not taken the steps set out in clause 8.2 of this Deed within the specified time, the Grantor may remove the Pipeline from the Easement Land and restore the Grantor's Land as nearly as possible to the condition that it was in at the Commencement Date and recover the costs of removal and restoration from the Grantee.

9 COVENANTS, RIGHTS AND POWERS

9.1 The covenants, right and powers outlined in the Fourth Schedule to the Land Transfer Regulations are specifically excluded and replaced with those included in this Deed.

10 INDEMNITY

10.1 The Grantee hereby indemnifies the Grantor and the Lessee of the Grantor's Land against any loss, claim, damage, costs, expenses, liability or proceeding suffered or incurred at any time by the Grantor or Lessee in connection with this Deed or as a direct result of the exercise of rights by the Grantee under this Deed, or any breach by the Grantee of its obligations, undertakings or warranties contained or implied in this Deed.

11 GRANTOR'S LIABILITY EXCLUDED

11.1 The Grantor holds no liability in contract, tort or otherwise in relation to any aspect of this Deed. This exclusion of liability extends to consequential loss, anything arising directly or indirectly from the Deed and any activity of the Grantor on the Grantor's Land.

12 TERMINATION

12.1 The Grantor may terminate the rights created by this Deed if the Grantee breaches any of the terms of this Deed and the breach remains unrectified following written notice to the Grantee specifying the breach and seeking rectification within 30 Working Days or such other time agreed in writing by the parties.

- 12.2 If the breach remains unrectified (or is unable to be rectified) then termination must be by written notice from the Grantor.
- 12.3 Upon termination (for whatever reason) of the grant of easement evidenced by this Deed all rights of the Grantee shall immediately cease (subject to clause 8.2 of this Deed) but the Grantee shall not be released from any liability to pay consideration or other moneys up to date of termination.
- 12.4 Upon termination the Grantee shall formally surrender the rights under this Deed and surrender the grant of easement.

13 REGISTRATION

- 13.1 The Deed, or a transfer instrument incorporating the terms of the Deed, will be registered upon completion of a Survey Plan showing the Easement Land, and both parties will do all things reasonably necessary to enable registration.

14 RESOLUTION OF DISPUTES

- 14.1 If any dispute arises between the Grantor and the Grantee concerning the rights and obligations created by this Deed, the parties will enter into negotiations in good faith to resolve their dispute. If the dispute is not resolved within 20 Working Days of the date on which the dispute was notified, the parties will submit to arbitration of an independent arbitrator appointed jointly by the parties. If the parties cannot agree on the arbitrator within a further 10 Working Days the President or his/her nominee for the time being of the Canterbury-Westland Branch of the New Zealand Law Society will appoint an independent arbitrator in the area. In the event that the President of the Canterbury-Westland Branch of the New Zealand Law Society fails or refuses to appoint an arbitrator, either party may request the High Court to make an appointment. The appointment decision of the High Court may not be appealed. The arbitration proceedings will be conducted in accordance with the Arbitration Act 1996, excluding the Second Schedule thereof, and the parties' execution of this Deed shall be deemed to be a submission to arbitration provided that this clause shall be subject in all respects to the provisions of section 17 of the Land Act 1948.

15 NOTICES

- 15.1 Any notice to be given by one party under this Deed to the other shall be in writing and shall be forwarded by either delivering or posting it to the addressee at the appropriate address or facsimile number set out below or to such address or facsimile number notified by the address in writing to the other party.

15.1.1 The Grantor's Address as set out in the First Schedule;

15.1.2 The Grantee's Address as set out in the First Schedule.

- 15.2 All such notices are deemed to have been delivered:

15.2.1 if posted, three Working Days following deposit in the mail with postage prepaid; or

15.2.2 if delivered, when delivered by hand; or

15.2.3 if sent by facsimile, when a completed transmission report is received by the sender unless a verifiable query as to material legibility is promptly raised by the recipient,

provided, however, that a notice sent or delivered on a day which is not a Working Day shall be deemed to be received at 9:00am on the next Working Day.

16 SEVERABILITY

- 16.1 If any part of this Deed is held by any court or administrative body of competent jurisdiction to be illegal, void, or unenforceable, such determination shall not impact the enforceability of the remaining parts of this Deed which shall remain in full force.

17 NO WAIVER

- 17.1 A waiver of any provision of this Deed shall not be effective unless given in writing, and then it shall be effective only to the extent that it is expressly stated to be given.

- 17.2 A failure, delay or indulgence by one party in exercising any power or right shall not operate as a waiver of that power or right. A single exercise or partial exercise of any power or right shall not preclude further exercises of that power or right or the exercise of any other power or right.

18 BINDING ON SUCCESSORS

- 18.1 This Deed will be binding on and enforce for the benefit of the executors, administrators, successors and assigns of all parties.

19 FURTHER ASSURANCES

- 19.1 Each of the parties agrees to execute and deliver any documents and to do all acts and things as may reasonably be required by the other party or parties to obtain the full benefit of this Deed according to its true intent.

EXECUTION

Signed by and on behalf of the)
Commissioner of Crown Lands)
~~pursuant to a delegation under-~~)
~~section 41 of the State Sector~~)
~~Act 1988~~)
in the presence of:)

Bullen

Alice Verry
Witness signature

Alice Ellen Verry
Witness name

Solicitor
Witness occupation

Wellington
Witness town of residence

Signed by and on behalf of)
Classic Properties Limited)
by its director)
in the presence of:)

Witness signature

Witness name

Witness occupation

Witness town of residence

FIRST SCHEDULE

1 Grantor's Land

- The Woods Land: Part Run 250 situated in the Mackenzie Survey District (being subject to Pastoral Lease PT 06 and contained in Computer Interest Register C6529/16 (Canterbury Land Registry))

2 Grantor's Address

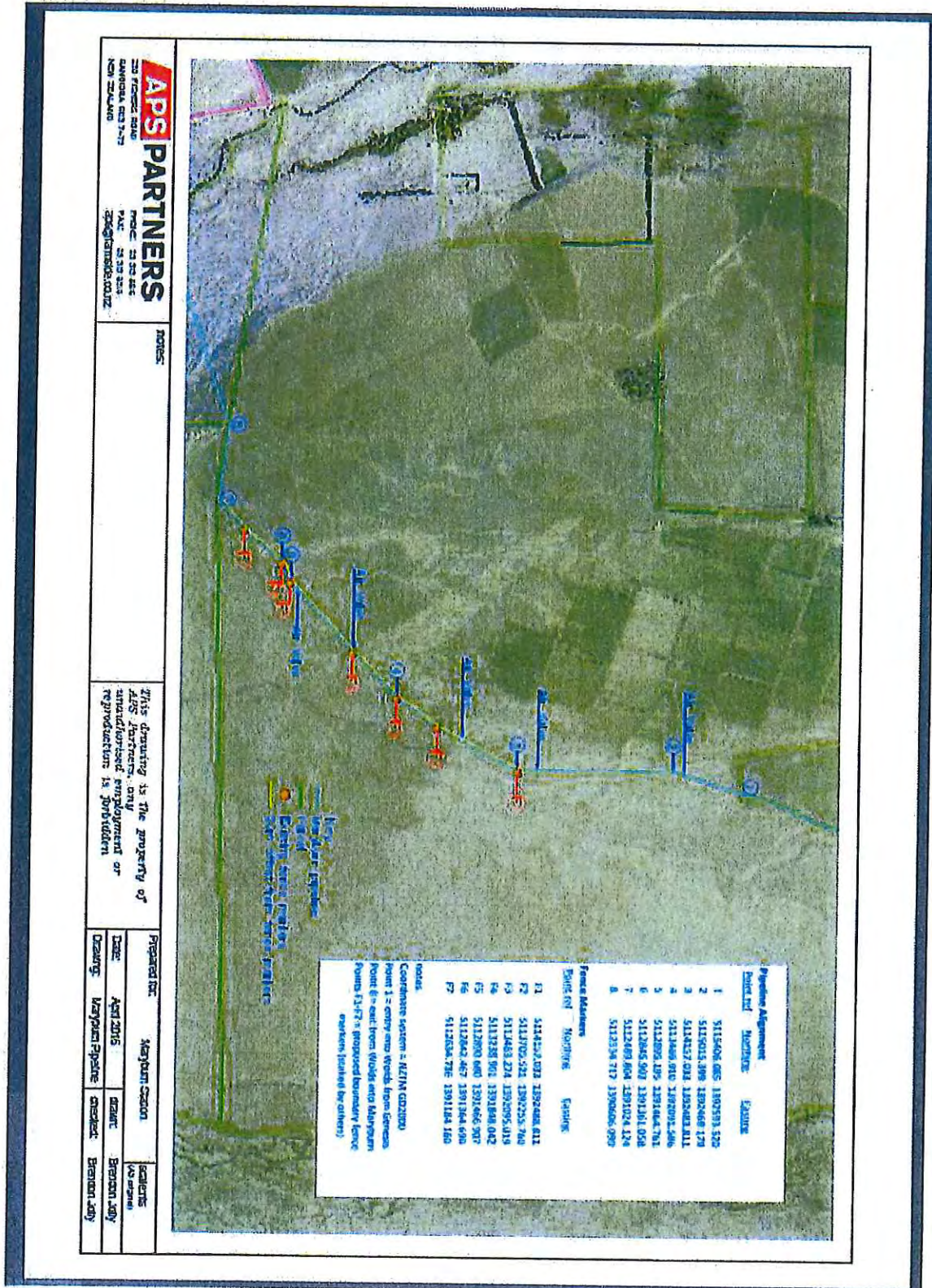
LINZ Pastoral Team
Private Bag 4721
Christchurch 8140

3 Grantor's Address

Classet Properties Limited
C/- Mr M D & Mrs P J Murray
Maryburn Station
Private Bag 66025
Faxio

SECOND SCHEDULE

Easement Land




Handwritten signature/initials

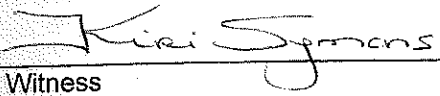
Execution Section

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:



Brian John Usherwood



Witness

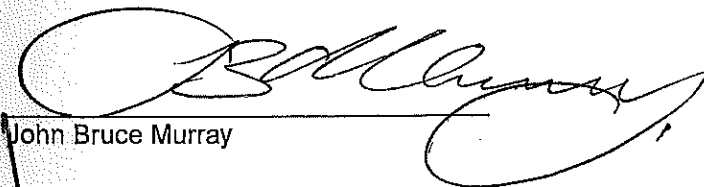
Solicitor

Occupation

63 Wilton Road

Address
Wellington

SIGNED for and on behalf of The Wolds Station Limited
by its sole director:



John Bruce Murray



Witness
Solicitor

Occupation

Wayne Nathan Peter van Vuuren
Solicitor
Timaru

Timaru

Address