

Tenure Review of Godley Peaks Pastoral Lease – Substantive Proposal



April 2021

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

Date:

Parties

Holder:

Verity Farms NZ Limited
29 Wallace St,
Motueka 7120
Email: poindexternz@gmail.com

Holder's Solicitor:

Kit Mouat
Tavendale and Partners
329 Durham Street North
PO Box 442
Christchurch 8140
Email: kit.mouat@tp.co.nz

Commissioner of Crown Lands:

Land Information New Zealand
Private Bag 4721
Christchurch 8140
Attention: Richard Summerlee
Email: tenurereview@linz.govt.nz

The Land

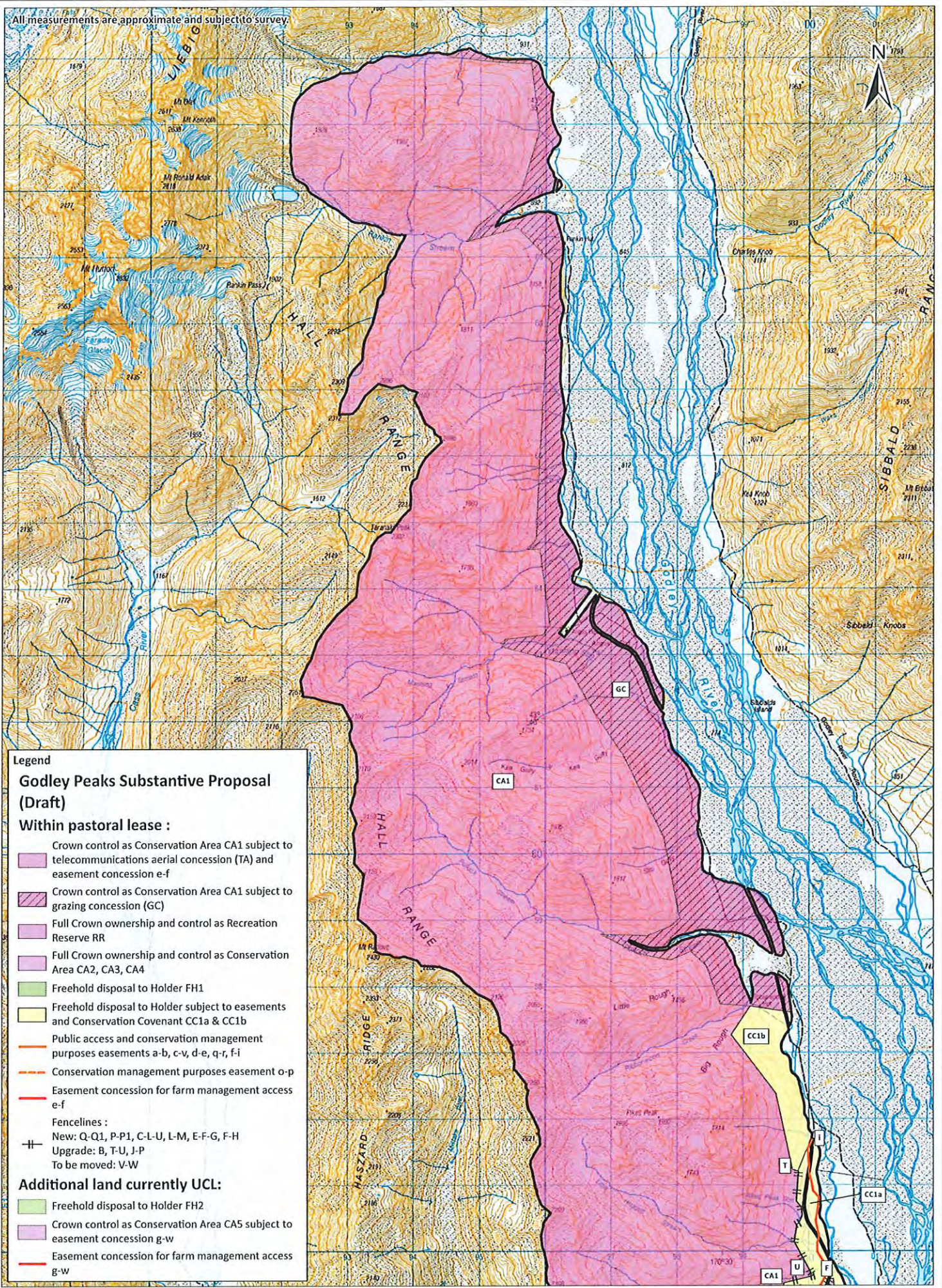
<u>Lease:</u>	Godley Peaks
Legal Description:	Part Run 80 situated in Blocks VIII, XII & XVI Cook, Blocks V, IX & XIII Godley, Blocks IV & XIX Cass, Blocks I, II, V, VI, IX, X, XIII & XIV Tekapo North and Blocks I & II Tekapo Survey Districts.
Area:	14,493.0582 hectares (subject to survey)
Certificate of Title/Unique Identifier:	CB30B/914
<u>Unused Crown Land:</u>	
Legal Description:	Shown on SO 105
Area:	Approximately 66 hectares (subject to survey)

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.

All measurements are approximate and subject to survey.



Legend

Godley Peaks Substantive Proposal (Draft)

Within pastoral lease :

- Crown control as Conservation Area CA1 subject to telecommunications aerial concession (TA) and easement concession e-f
- Crown control as Conservation Area CA1 subject to grazing concession (GC)
- Full Crown ownership and control as Recreation Reserve RR
- Full Crown ownership and control as Conservation Area CA2, CA3, CA4
- Freehold disposal to Holder FH1
- Freehold disposal to Holder subject to easements and Conservation Covenant CC1a & CC1b
- Public access and conservation management purposes easements a-b, c-v, d-e, q-r, f-i
- Conservation management purposes easement o-p
- Easement concession for farm management access e-f

Fencelines :

- New: Q-Q1, P-P1, C-L-U, L-M, E-F-G, F-H
- Upgrade: B, T-U, J-P
- To be moved: V-W

Additional land currently UCL:

- Freehold disposal to Holder FH2
- Crown control as Conservation Area CA5 subject to easement concession g-w
- Easement concession for farm management access g-w

All measurements are approximate and subject to survey.

Legend

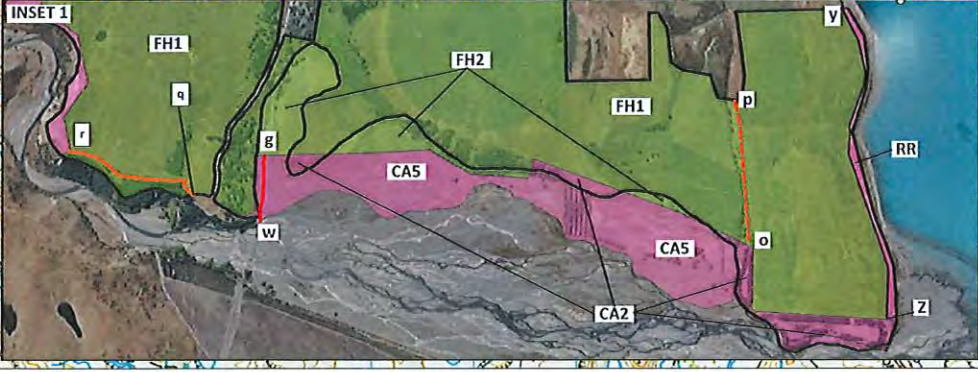
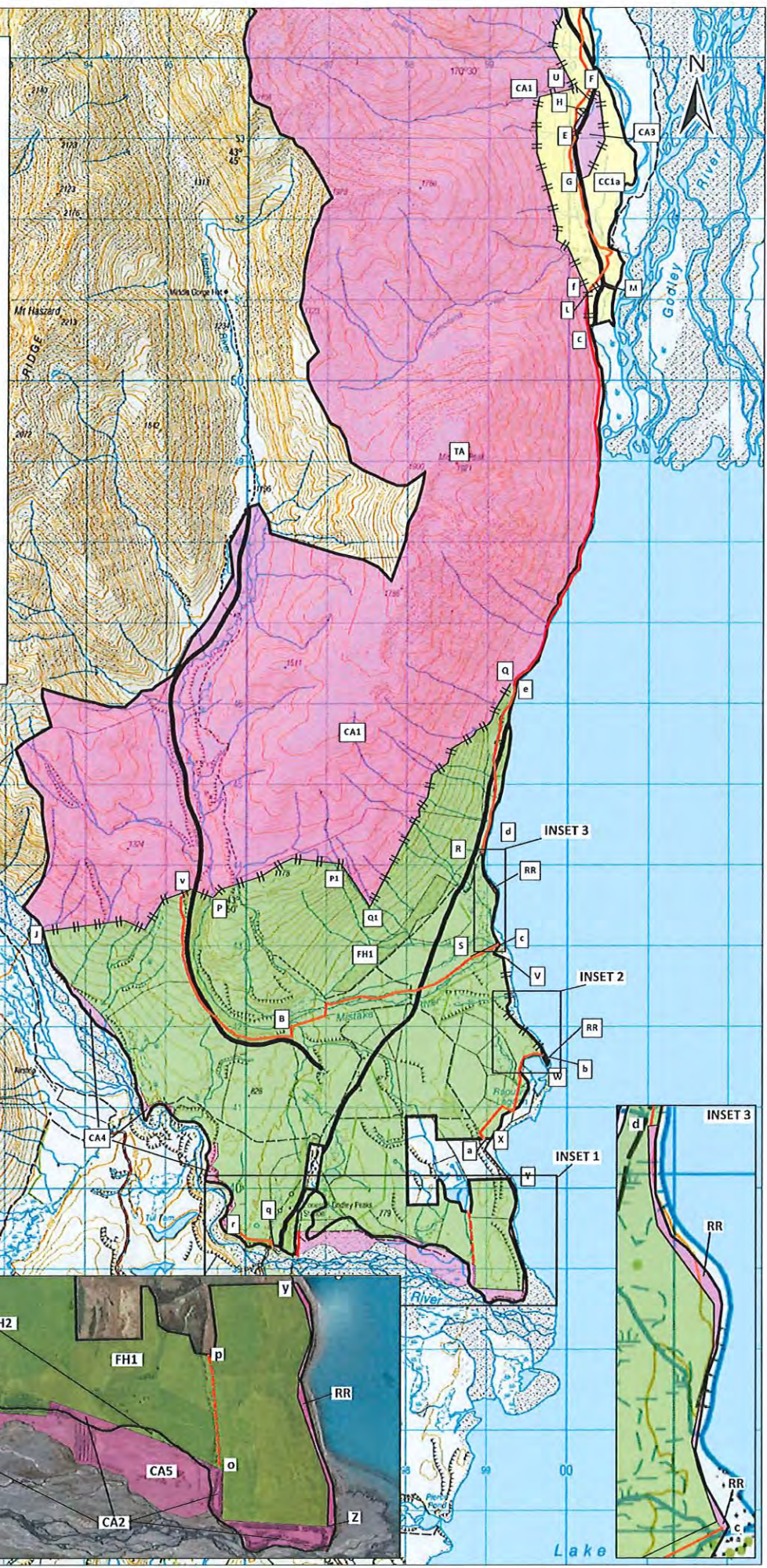
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2 Conditions

- 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 (including any schedules or other documents) may be executed and delivered in any number of counterparts (including scanned and emailed PDF counterparts), each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same document. A signed copy of this Proposal and the Notice transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy.
- 26.6 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.
- 26.7 The illegality, invalidity or unenforceability of any provision in this Proposal will not affect the legality, validity or enforceability of any other provision.
- 26.8 In relation to notices and other communications under this Proposal:
- (a) Each notice or other communication is to be in writing, and sent by personal delivery, email or by post to the addressee at the 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 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
 - (ii) In the case of a letter, on the fifth working day after mailing (postage paid); and
 - (iii) In the case of an email, if the addressee has designated an information system for receiving emails, at the time the email first enters that information system, or in other situations, when the email comes to the attention of the addressee.

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 the land shaded pink on the Plan and labelled "RR", being 8 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control as reserve held for the purpose of recreation.
- 1.2 Under this Proposal the land shaded pink on the Plan and labelled "CA2", being 15 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control as conservation area.
- 1.3 Under this Proposal the land shaded pink on the Plan and labelled "CA3", being 27 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control as conservation area.
- 1.4 Under this Proposal the land shaded pink on the Plan and labelled "CA4", being 24 hectares (approximately) is designated as land to be restored to or retained in full Crown ownership and control as conservation area.

2 Schedule One Improvements

Nil

Schedule Two: Provisions relating to the Schedule Two Land

1 Details of designation

- 1.1 Under this Proposal the land shaded pink on the Plan and labelled "CA1", being 11,760 hectares (approximately) is designated as land to be restored to or retained in Crown control as conservation area subject to:
- (a) the granting of an easement concession for farm management purposes marked in red and labelled "e-f" on the Plan, substantially as set out in Appendix 4;
 - (b) the granting of the concession for telecommunications purposes labelled "TA" on the Plan, substantially as set out in Appendix 5;
 - (c) the granting of a grazing concession, marked with cross hatching and labelled "GC" on the Plan, substantially as set out in Appendix 6.
- 1.2 The land shaded pink on the Plan and labelled "CA5", being 49 hectares (approximately) is designated as land to be restored to or retained in Crown control as conservation area, subject to an easement concession for farm management purposes marked in red and labelled "g-w" on the plan, substantially as set out in Appendix 4.

2 Information Concerning Proposed Concessions

2.1 Easement Concessions for farm management access:

2.1.1 Description of the proposed activity:

This easement is a right of way for farm management purposes only for the Concessionaire (including the Concessionaire's tenants and contractors) on foot, on or accompanied by horses, by motor vehicles, with or without machinery and implements of any kind, and with or without domestic livestock, guns and farm dogs.

The easement is marked on the Plan as "e-f" and "g-w" being 20 metres wide.

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

The easement allows access between two parts of the freehold land on "e-f" and a ford of the Cass River "g-w".

2.1.3 Description of potential affects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse affect:

No adverse impacts are expected. The easement "e-f" will help keep the route up the Godley River open and maintained and be of significant benefit for DOC and maintaining public access over this track.

2.1.4 Details of the proposed type of concession:

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

2.1.5 Proposed duration of concession and reason for proposed duration:

Proposed duration- In perpetuity.

Reasons for proposed duration- The concession will be in perpetuity as this route "e-f" is the only access between the two areas of freehold land. Route "g-w" is needed to allow the fording of vehicles too heavy for the Cass River bridge.

2.1.6 Relevant information about the proposed Concessionaire including information relevant to the Concessionaire's ability to carry out the proposed activity:

Proposed Grantee- Verity Farms NZ Limited

Relevant information- the holders have been farming this property for many years and have been keeping the difficult access open. The farm has the heavy bulldozer needed to maintain these two routes.

2.2 Concession for telecommunications purposes:

2.2.1 Description of the proposed activity:

To establish, operate, maintain and repair a telecommunications facility for the provision of communication services and the right of helicopter access to the site labelled as "TA" on the Plan.

2.2.2 Description of area where proposed activity is to be carried out and proposed status:

Conservation Land situated in the Canterbury Land District and designated as Conservation Area on the Hall Range and Mistake Peak being labelled CA1 and shaded pink on the Plan.

2.2.3 Description of potential affects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse affect:

No adverse impacts are expected. The site is very small and not visible without climbing to the top of the peak.

2.2.4 Details of the proposed type of concession:

A Telecommunications Aerial Concession under Section 17Q(1) Conservation Act 1987.

2.2.5 Proposed duration of concession and reason for proposed duration:

Proposed duration- 30 years.

Reasons for proposed duration- Maximum that can be provided for this type of concession. Technology is likely have moved on in 30 years time and this site may not be needed.

2.2.6 Relevant information:

Proposed Grantee- Verity Farms NZ Limited

Relevant information-

The holders have been farming this property for many years and use this site for on farm communications.

2.3 Grazing Concession:

2.3.1 Description of the proposed activity:

Grazing for up to 4000 ewes in the period between 1 October to 10 May inclusive for a 15 year term.

An activity fee will be calculated on the basis of \$9 plus GST per ewe grazed per annum for the ewes run on the land during the grazing period for that year.

In order that the activity fee may be calculated, the Concessionaire will file a return of stock in the form in Schedule 5 with the Grantor by 30 June in each year showing the stock carried on the grazing concession area over the preceding 12 months. The approach of paying for only the grazing used will minimise the use of this concession.

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

The grazing concession consists of river flats and lower hill adjacent to the Godley River. This land will be PCL under the Conservation Act 1987 and is marked with cross hatching and labelled "GC" on the Plan.

2.3.3 Description of potential affects of proposed activity and any actions proposed to avoid, mitigate or remedy any adverse affect:

This land has been grazed by sheep (mainly wethers) and cattle for at least 100 years.

The change to ewes and the removal of cattle should avoid and mitigate any negative impact on waterways and shrublands. Ewes do not tend to move as high in altitude as wethers or camp on high points. This grazing is a significant reduction in grazing levels of the past.

DOC staff will periodically visit the proposed conservation land as part of the normal management regime and to assess if the concession activity is having any serious negative effects. The 15 year term is too short to have effective formal monitoring of effects and then to make significant changes as a result. The reduction in stocking from historical levels is the best way to minimise impacts.

2.3.4 Details of the proposed type of concession:

The proposed concession will be in terms of Section 17Q(1) Conservation Act 1987.

2.3.5 Proposed duration of concession and reason for proposed duration:

Proposed duration- The concession will be for a term of 15 years with no right of renewal.

Reasons for proposed duration-

While we look forward to managing this area without stock grazing, this concession gives the Concessionaire an ongoing grazing opportunity without any significant negative outcomes. The grazing concession and the term are negotiated outcomes of the tenure review.

- 2.3.6 Relevant information about the proposed Concessionaire including information relevant to the Concessionaire's ability to carry out the proposed activity:

Proposed grantee- Verity Farms NZ Limited

Relevant information - the proposed Concessionaire have been farming this property for many years.

Schedule Three: Provisions relating to the Schedule Three Land

1 Details of designation

- 1.1 Under this Proposal the land shaded green and yellow on the Plan and labelled FH1, FH2, CC1a and CC1b, being 2,676.0582 hectares (approximately) is designated as land to be disposed of by freehold disposal to the Holder subject to:
- (a) Part IVA of the Conservation Act 1987,
 - (b) Section 11 of the Crown Minerals Act 1991,
 - (c) The easement marked orange and labelled "a-b, c-v, d-e, q-r, f-i, and o-p" on the Plan and substantially as set out in Appendix 7; and
 - (d) The covenant shaded yellow and labelled "CC1a" and "CC1b on the Plan", and substantially as set out in Appendix 8.

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

Fence sections:

P-P1	1726m	(approx.)	new fence – 7 wire sheep/cattle type
Q-Q1	3426m	(approx.)	new fence – 7 wire sheep/cattle type
L-M	215m	(approx.)	new fence – 7 wire sheep/cattle type
E-F-G	1955m	(approx.)	new fence – wetland netting type
F-H	120m	(approx.)	new fence – wetland netting type
J-P	2370m	(approx.)	upgrade
T-U	1205m	(approx.)	upgrade
L-U	3047m	(approx.)	new fence – 7 wire sheep/cattle type
C-L	417m	(approx.)	new fence – 7 wire sheep/cattle type
V-W	1402m	(approx.)	to be moved and upgraded - netting type
B			gate only required

Waypoints (wpt) as per plans in Pre Implementation Report

P-P1

- New 7 wire sheep/cattle fence
- At wpt 138 (point P), fence to be made stock proof to creek. No flood gate required across creek.
- Upper part of this fence will in some places replace existing dilapidated old fence along freehold side of old fence.
- Gate required at wpt 140.

Q-Q1

- New 7 wire sheep/cattle fence
- Upper part of this fence will in some places replace existing dilapidated old fence along freehold side of old fence.
- Netting flood gate required at wpt 150
- 4.25m gate in new fence required at wpt 151
- 4.25m gate in new fence required at wpt 164

L-M

- New 7 wire sheep/cattle fence

C-L-U

- New 7 wire sheep/cattle fence
- 4.25m gate in the new fence required at wpt 133

E-F-G and F-H

- New wetland netting type fence
- 2 wire electric cattle fence from wpt 74 to willows (approx. 50m)
- From wpt 74 to creek to be made stock proof, or position wpt 74 strainer on post on eastern side of waterway.
- Wpts 79-82-83 existing fence to be removed and replaced with netting type.
- Gates to be installed in new fence at wpt 82 and existing fence at wpt 83 (eastern side).
- Netting beyond strainer at wpt 86 to creek to make stock proof.
- An additional new wetland netting type fence from wpt 79 through 80 to existing gateway at wpt 81. Old fence to be removed.

J-P

- Upgrade of existing fence required between wpts 99 and 138.
- Minor repairs including occasional re stapling, re straining, and repair of broken wires. Ensure fence is stock proof.

T-U

- Upgrade of existing fence required between wpts 66 and 73

- Replace broken wires. Restrain.
- Wooden batons between posts to be replaced where broken, or spaced evenly and re stapled to wires.
- Approx 50% of the length of this fence requires some work.
- Ensure fence is stock proof.

V-W

- Relocate existing fence to waypointed line and reinstall as netting type
- Wpt 39 to be end strainer. Remove existing fence from wpt 39 to lake.

B

- Install a 4.25m gate in existing fence at wpt 88 to connect existing 4wd track coming from down valley (inside Mistake Creek block) with route across Mistake Creek (which is on upstream side of an existing fence).

Specifications:

All wires to be on freehold side of fence where practicable.

Netting type fences:

- 6 line 600 x 300 sheep netting clipped to Y- post and stapled to wooden post
- 1 x 2.5mm high tensile wire along top of netting
- 1 x 2.5mm high tensile wire along bottom of netting
- 1 x 2.5mm electrified top wire with insulations on all y posts and timber posts
- 2.1m x 175mm treated timber strainer posts
- 1.8m x 125mm treated timber intermediate posts or equivalent 1/4 round type super post
- All strainers to be tied down with full length y post
- 1.8m x 125mm stay posts with pointed end drilled into strainers 1/3 way up
- Max strain length for netting 200m
- Max strain length for high tensile wire 300m
- Permanent style strainers on all wires including netting
- All stay blocks to be driven in as far as possible.
- Electric top wire to be connected continuously at strainers and across gateways using double insulated under gate cable dug in min depth 200mm
- Electric cut out switches at appropriate gateways and crossings (2 per 1000m approx.)
- 4.25 'economy' style steel gates to be swung to open fully back and close on to adjoining gate way strainer post, secured closed with full wrap around chains.
- 50 x 4 mm barbed staples driven well in but to allow wires to run through
- 1.5m Y posts at 4 m spacings min weight y post 2.0kg/m
- Intermediate wooden posts @ 12m spacings.

7 wire sheep/cattle type fences:

- 6 x 1.5m Y post @ 3m max spacing 2.0kg/m min weight
- 1 x 1.8 x 125mm or equivalent ¼ round super treated timber posts @ 20m max spacing
- 2.1m x 175mm treated timber strainer posts
- 1.8 x 125mm or equivalent super posts for stays with pointed end drilled into strainer posts 1/3 way up.
- Stay blocks driven in
- All strainers tied down with full length y post
- 1 x 4.00mm bottom wire remaining 100mm clear of ground
- 6 x 2.5mm high tensile wires
- Top wire firmly laced on with 3.55mm wire
- All wires strained to manufacturers specifications with permanent type wire strainers with max strain length 300m
- Tie backs permitted on non grazed side of fence.
- All tie down and tie back wire to be 4.00mm remaining clear of ground.

- 1.65m x 6mm T -irons acceptable for intermediate posts and intermediate strainers if ground conditions do not allow timber posts to be used.

Wetland netting type fences:

- As per netting fencing specifications except:
- No 'y' posts, and 1.8m timber posts at 4m intervals
- 2.7m x 175mm treated timber strainer posts

Fence upgrades:

- Repair broken wires ensuring bottom wire remains clear of ground
- Restrain where necessary
- Replace missing staples
- Ensure fence is stock proof including flood gates and fence endings

Floodgates:

- Netting type hung from 2 X 4mm Wire secured to anchor points either side of waterway above high water level.
- Netting left to swing freely and flood gates to operate and be constructed independent to fence.

Fence endings/bluff offs:

- Beyond end strainers posts to be netting with top barbed wire, secured to create a stock poof barrier.

The Construction Works

Line clearance could be achieved by hand tools. However, some mechanical line skimming of vegetation, minor humps and hollows and surface rock would be of benefit along some sections of fence lines, subject to obtaining any required resource or other consents. The leaseholder is able to carry out such line preparation at their cost.

Any line clearance will be minimized and will require an undertaking of:

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

If in the course of fencing preparation or fence construction the contractor considers that mechanical clearance or other earthworks are required, then separate consent from LINZ will be required prior to any work being undertaken. Such consent is to be sought by LINZ's implementation contractor and approval will require an undertaking in relation to the above matters, with Works Consents obtained from ECAN as appropriate.

Appendix 4: Form of easement concession to be created over CA1 (e-f) and CA5 (g-w)



Concession Document (Easement)

THIS CONCESSION is made this day of

PARTIES:

1. **Minister of Conservation** (the Grantor)
2. **Verity Farms NZ 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 Burdened 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 Benefited 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 Benefited Land over that part of the Burdened 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 Benefited Land to carry out the Concession Activity on the Easement Area subject to the terms and conditions contained in this Concession and its Schedules.

SIGNED on behalf of the Minister of Conservation by TBC [insert name and title of delegate]

acting under delegated authority
in the presence of:

SIGNED by **Verity Farms NZ Limited** by its Director **Ann Harriet Poindexter**:

in the presence of:

<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>Witness Signature: _____</p> <p>Witness Name: _____</p> <p>Witness Occupation: _____</p> <p>Witness Address: _____</p>
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SCHEDULE 1

<p>1.</p>	<p>Burdened Land (Schedule 4)</p>	<p>As marked on the Proposed Designations plan attached in Schedule 4 being the area shaded pink and labelled CA1 and CA5:</p> <p><i>Physical Description/Common Name:</i> <i>Land Status: Conservation Area – Proposed stewardship area held under Section 62 of the Conservation Act 1987.</i> <i>Area: 11809 hectares</i> <i>Legal Description:</i></p>
<p>2.</p>	<p>Benefited Land (Schedule 4)</p>	<p>As marked on the Proposed Designations plan in Schedule 4 being the area outlined shaded green and labelled FH1, and shaded yellow labelled CC1:</p> <p><i>Physical Description/Common Name:</i> <i>Land Status:</i> <i>Area: 14493.0582 hectares more or less, subject to survey</i> <i>Legal Description: Part Run 80 situated in Blocks VIII, XII & XVI Cook, Blocks V, IX & XIII Godley, Blocks IV & XXX Cass, Blocks I, II, V, VI, IX, X, XIII & XIV Tekapo North and Blocks I & II Tekapo Survey Districts (TBC)</i></p>
<p>3.</p>	<p>Easement Areas (Schedule 4)</p>	<p>(a) As marked on the Proposed Designations Plan attached in Schedule 4 being the land between the points marked in red shown as “e-f” and being 20 metres wide over that part of the servient land labelled as CA1.</p> <p><i>Legal Description: (subject to tenure review survey)</i></p> <p>(b) As marked on the Proposed Designations Plan attached in Schedule 4 being the land between the points marked in red shown as “g-w” and being 20 metres wide over that part of the servient land labelled as CA5.</p> <p><i>Legal Description: (subject to tenure review survey)</i></p>

<p><i>Concessionaire's initials</i></p>	<p><i>Grantor's initials</i></p>	
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4.	Concession Activity (clause 2)	A right of way for farm management purposes only over: (a) Easement Area “e-f” AND (b) Easement Area “g-w”; for the Concessionaire (including the Concessionaire’s tenants and contractors) on foot, on or accompanied by horses, by motor vehicles, with or without machinery and implements of any kind, and with or without domestic livestock (being sheep and cattle only), guns and farm dogs. The Concessionaire may hold stock overnight on the Easement Area.
5.	Term (clause 3)	In perpetuity
6.	Final Expiry Date (clause 3)	Not Applicable
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)	Double the current Official Cash Rate (OCR). See Reserve Bank of New Zealand website
10.	Insurance (To be obtained by Concessionaire) (clause 9)	<u>Types and amounts:</u> Public Liability Insurance for: General indemnity for an amount no less than \$1,000,000.00; and Third party vehicle liability for an amount no less than \$500,000.00 Insurance amounts subject to review (clause 9)
11.	Addresses for Notices (clause 19)	The Grantor’s address is: Department of Conservation Level 1, John Wickliffe House

Concessionaire’s initials		Grantor’s initials	
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		<p>265 Princes Street Dunedin 9016 New Zealand</p> <p>Postal Address: PO Box 5244 Dunedin 9058 New Zealand</p> <p>Phone: +64 (0)3 477 0677 Email: permissionsdunedin@doc.govt.nz</p>
		<p>The Concessionaire's address in New Zealand is:</p> <p>C/- Milnes Beatson Limited 29 Wallace Street Motueka 7120 New Zealand</p> <p>Phone: 03 5288760 Email: david@mba.net.nz</p> <p>Postal Address: 210 Patons Rock Road Rd 2 Takaka 7182 New Zealand</p> <p>Phone: 03 6806919 Email: poindexter@clear.net.nz</p>

Note: The clause references are to the Grantor's Standard Terms and Conditions 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

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.

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

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

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

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

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

“**Concessionaire**” means the registered proprietor for the time being of the Benefited 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.

“**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 Burdened Land specified in Item 3 of Schedule 1.

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

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

“**Term**” means the period of time specified in Item 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 Area). 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 Area), as if the breach had been committed by the Concessionaire.

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

2. What is being authorised?

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

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

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

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

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

5. Are there any other charges?

- 5.1 The Concessionaire must pay all levies rates and other charges, including utility charges payable in respect of the Easement Area or for the services provided to the Easement Area which relate to the Concessionaire's use of the Easement Area 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 authorise 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 Area.
- 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 Area 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 where this arises from the Concessionaire's performance of the Concession Activity 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 at Work Act 2015 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 Burdened 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 Burdened 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 Burdened 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 Burdened 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 Area.

- 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, Burdened Land and other public conservation land affected by the removal in a clean and tidy condition, and replant the Burdened Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term.

14. When is the Grantor's consent required?

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

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

15. Are there limitations on public access and closure?

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

16. What about other concessions?

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

17. How will disputes be resolved?

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

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

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

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

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

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

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

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

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

- (a) in the case of personal delivery, on the date of delivery;
- (b) in the case of post, on the 3rd working day after posting;
- (c) in the case of email, notice will be deemed to have been received on the day on which it is emailed if that is a working day or, if dispatched after 5.00pm, on the next working day after the date of email.

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

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

19. What about the payment of costs?

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

20. What about the powers implied by statute?

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

21. What about Co-Siting?

- 21.1 In this clause "Co-Site" means the use of the Concessionaire's structures or facilities on the Easement Area by a third party for an activity; and "Co-Sitee" and "Co-Siting" have corresponding meanings.
- 21.2 The Concessionaire must not allow Co-Siting on the Easement Area without the prior written consent of the Grantor.
- 21.3 The Grantor's consent must not be unreasonably withheld but is at the Grantor's sole discretion and subject to such reasonable terms and conditions as the Grantor thinks fit including a requirement that the Co-Sitee be liable for direct payment to the Grantor of a concession fee and any environmental premium assessed in respect of the Co-Sitee's activity on the Easement Area.
- 21.4 In addition, the Grantor must withhold consent if:
- (a) the Co-Siting would result in a substantial change to the Concession Activity on the Easement Area; or
 - (b) the Grantor considers the change to be detrimental to the environment of the Easement Area.
- 21.5 Subject to clause 21.4 the Concessionaire must, if required by the Grantor, allow Co-Siting on the Easement Area.
- 21.6 Where the Concessionaire maintains that Co-Siting by a third party on the Easement Area 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

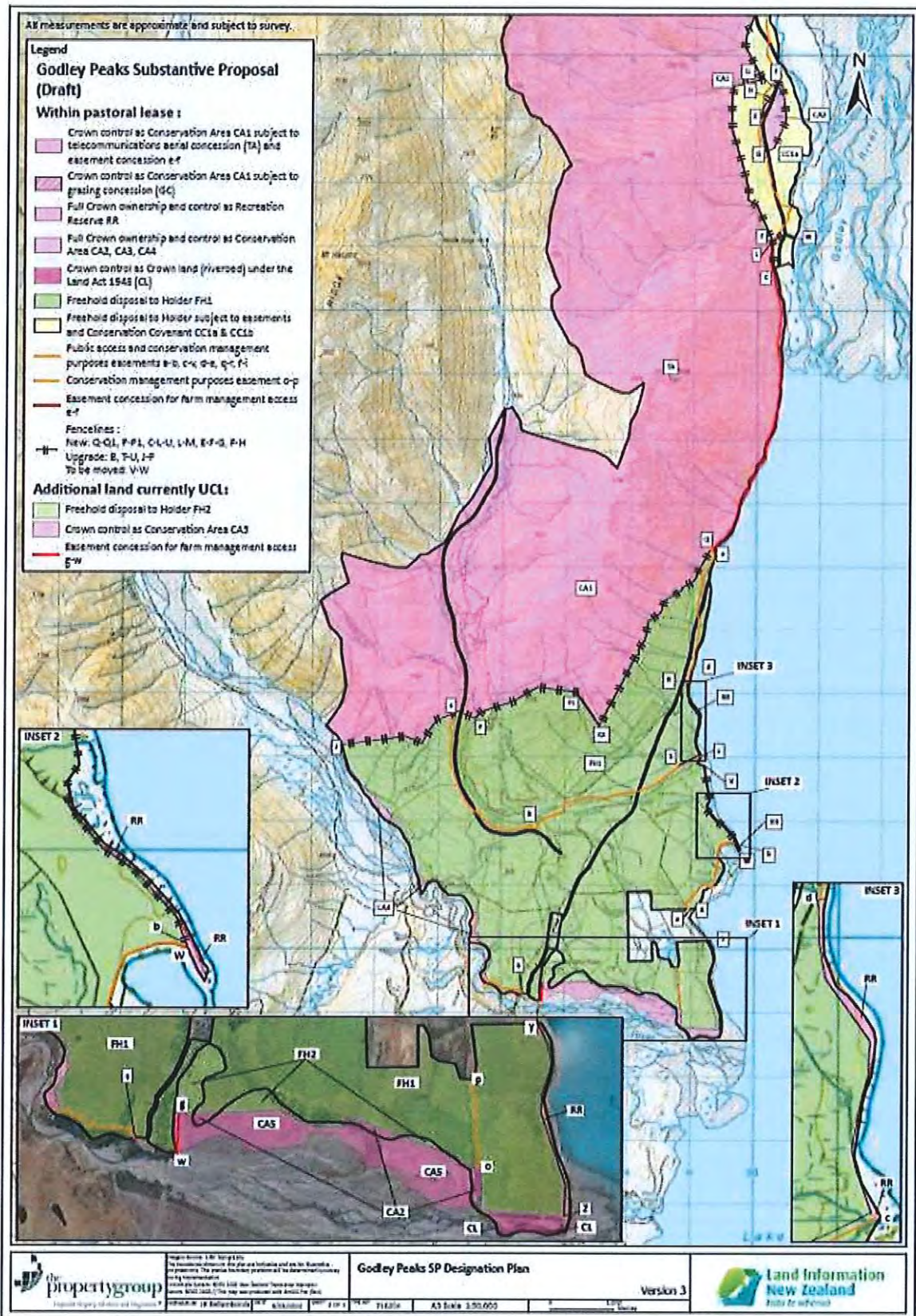
SPECIAL CONDITIONS

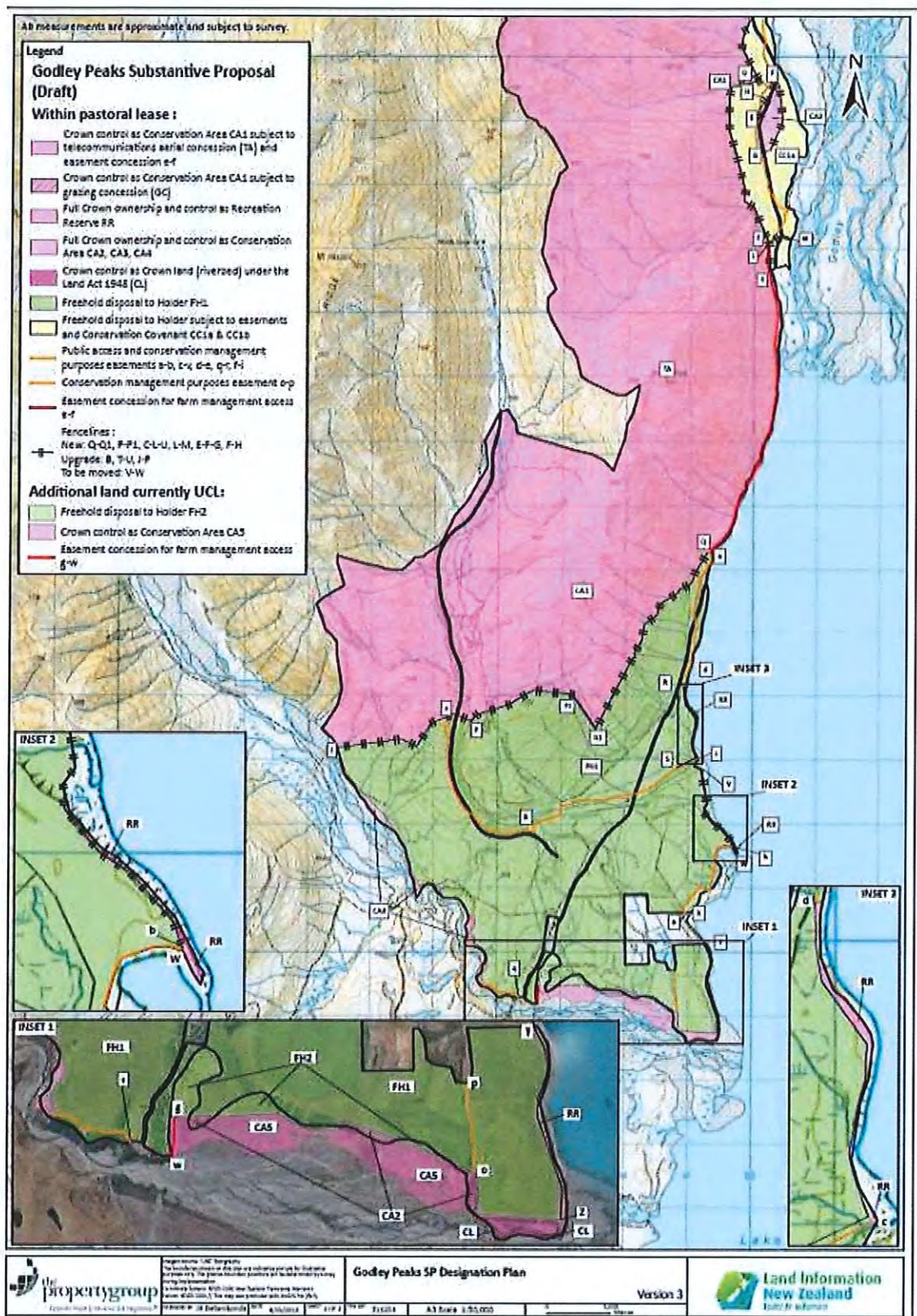
1. The Right and Powers implied in easements under the 5th Schedule of the Property Law Act 2007 as set out in Schedule 5 of document area are amended by:
 - (a) Replacing the word, “grantee” with “Concessionaire” and
 - (b) adding to Clause 2(a) the words “after first obtaining the prior consents of the Grantor as required in clauses 7 and 8 of Schedule 2 of this easement.
2. Clause 6.1 is amended to read:

Without the prior written consent of the Grantor, the Concessionaire must not carry out any of the following on the Easement Area.
3. Should there be a significant rock fall or other natural event which obstructs any part of the Easement Area, or there is a permanent shift in the course of the Godley River or to the shore of Lake Tekapo which degrades part of the Easement Area immediately adjacent to the bank or shore; then, with the prior consent of the Grantor, the Concessionaire may attempt to remediate the track to a standard suitable for farm management purposes, or reconstruct a track to that standard on another location as agreed by the parties.
4. The Concessionaire is under no obligation to maintain the Easement Area to any standard other than that which is necessary for the Concessionaire’s own purposes. Maintenance of the track is to be shared between the parties and, where significant works are required, the parties will agree on the proportion of costs to be paid by each party prior to any works commencing.

SCHEDULE 4

Designations Plan





SCHEDULE 5

RIGHTS AND POWERS IMPLIED IN EASEMENTS

A. FIFTH SCHEDULE PROPERTY LAW ACT 2007

Rights implied in easements of vehicular right of way

1. Right to pass and re-pass

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

2. Right to establish and maintain driveway

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

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

3. Right to have land restored after completion of work

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

Appendix 5: Form of telecommunications concession to be created over CA1 - (TA)



Concession Document (General Licence)

Concession Number:

THIS CONCESSION is made this day of

PARTIES:

Minister of Conservation (the Grantor)

Verity Farms NZ 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

- F. In exercise of the Grantor's powers under the Conservation legislation the Grantor **GRANTS** to the Concessionaire a **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> <hr/>	<p>SIGNED by Verity Farms NZ Limited by its Director Ann Poindexter:</p> <hr/>
<p>acting under delegated authority in the presence of:</p>	<p>in the presence of:</p>
<p>Witness Signature: _____</p>	<p>Witness Signature: _____</p>
<p>Witness Name: _____</p>	<p>Witness Name: _____</p>
<p>Witness Occupation: _____</p>	<p>Witness Occupation: _____</p>
<p>Witness Address: _____</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>	

SCHEDULE 1

1.	Land (clause 2)	Conservation Land situated in the Canterbury Land District and designated as Conservation Area on the Hall Range and Mistake Peak being labelled CA1 and shaded pink in the Plan attached to the Proposal.
2.	Concession Activity (clause 2)	(a) To establish, operate, maintain and repair a telecommunications facility for the provision of communication services, and (b) to undertake aircraft landings to service, operate, maintain and repair the telecommunications facility, as needed from time to time, at the site labelled as "TA" on the plan attached to the Proposal and shown in Schedule 4
3.	Term (clause 3)	30 years commencing on the date that an approved plan is registered, affecting Certificate of Title CB 30B/914 (Canterbury Registry), vesting the land in the Crown as a conservation area, being the day of 20.... (the commencement date)
4.	Renewal(s) (clause 3)	One right of renewal from the 30 th anniversary of the commencement date for a further term of 30 years.
5.	Final Expiry Date (clause 3)	The 60th anniversary of the commencement date.
6.	Concession Fee (clause 4)	Activity Fee: \$1.00 per annum plus GST Management Fee: \$500.00 per annum plus GST Environmental Monitoring Fee (clause 9) To be negotiated between Grantor and Concessionaire if required (see Schedule 3 Special condition 8) Community Services Contribution (clause 6) Not required
7.	Concession Fee Payment Instalments (clause 4)	Annually, in arrears upon commencement of the term set out in clause 4 for payment instalments.
8.	Concession Fee Payment Date(s) (clause 4)	On or before the date specified on the invoice issued by the Grantor.
9.	Penalty Interest Rate (clause 4)	Double the current Official Cash Rate (OCR). See Reserve Bank of New Zealand website
10.	Concession Fee Review Date(s) (clause 5)	On the third anniversary of the date of commencement of this Concession set out in item 3 above and the corresponding date every 3 years thereafter until the expiry of the term.
11.	Health and Safety (clause 13)	Not required
12.	Concessionaire	Not required

	Identification (clause 31)	
13.	Insurance (To be obtained by Concessionaire) (clause 12)	Types and amounts: Public Liability Insurance for General indemnity for an amount no less than \$1,000,000.00 Subject to review on each Concession Fee Review Date
14.	Addresses for Notices (clause 24)	The Grantor's address is: Physical Address: Department of Conservation Level 1 John Wickliffe House 265 Princes Street Dunedin 9016t 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: Address: C/- Milnes Beatson Ltd 29 Wallace Street Motueka 7120 Phone: (03) 528 8760 Email: david@mba.net.nz Director's Address: 210 Patons Rock Road RD2 Takaka 7182 Phone: 021 531 227 Email: ann@verityfarms.co.nz
15.	Special Conditions (clause 34)	See Schedule 3.

Note: The clause references are to the Grantors Standard Terms and Conditions of Licence set out in Schedule 2.

Note: Please initial each page of Schedule 1

SCHEDULE 2

STANDARD TERMS AND CONDITIONS OF LICENCE

1. Interpretation

- 1.1 Where the Grantor's consent or approval is expressly required under a provision of this Concession, the Concessionaire must seek the consent or approval of the Grantor for each separate occasion it is required notwithstanding that the Grantor has granted consent or approval for a like purpose on a prior occasion.
- 1.2 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.
- 1.3 Where this Concession requires the Grantor to exercise a discretion or give any approval or provides for any other actions by the Grantor, then the Grantor must act reasonably and within a reasonable time. When a consent is required under this Concession such consent must not be unreasonably withheld.
- 1.4 Where this Concession provides for approvals, directions, reports and consents to be given by one party to the other, those approvals, directions, reports and consents must be given by notice in writing and clause 24 is to apply.

2. What is being authorised?

- 2.1 The Concessionaire is only allowed to use the Land for the Concession Activity.
- 2.2 The Concessionaire must exercise reasonable skill, care and diligence in carrying out the Concession Activity, in accordance with standards of skill, care and diligence normally practised by suitably qualified and experienced people in carrying out such activities.
- 2.3 The Concessionaire must provide the Grantor with evidence of the competency and qualifications of its employees and contractors if the Grantor so requests.

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 If there is a right of renewal then the Grantor at the Concessionaire's cost must renew the Term for a further period as set out in Item 4 of Schedule 1 provided the Concessionaire:
 - (a) gives the Grantor at least three month's written notice before the end of the Term, which notice is to be irrevocable, of the Concessionaire's intention to renew this Concession; and
 - (b) at the time notice is given in accordance with this clause the Concessionaire is not in breach of this Concession.

- 3.3 The renewal is to be on the same terms and conditions expressed or implied in this Concession except that the Term of this Concession plus all further renewal terms is to expire on or before the Final Expiry Date.

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 and any other payment comprised in the Total Payment specified in Item 6 of Schedule 1 in the instalments and 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. When can the fee be reviewed?

- 5.1 The Grantor is to review the Concession Fee on the Concession Fee Review Dates in the following manner:
- (a) The Grantor must commence the review not earlier than 3 months before a Concession Fee Review Date and no later than 9 months following the Concession Fee Review Date by giving notice to the Concessionaire.
 - (b) Subject to clause 5.1(e) the notice must specify the Concession Fee which the Grantor considers to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987.
 - (c) If, within 28 days of receipt of the Grantor's notice, the Concessionaire gives notice to the Grantor that the Concessionaire disputes the proposed new Concession Fee, the new Concession Fee is to be determined in accordance with clause 5.2(a) or (b).
 - (d) If the Concessionaire does not give notice to the Grantor under clause 5.1(c) the Concessionaire is to be deemed to have accepted the Concession Fee specified in the Grantor's notice.
 - (e) Notwithstanding clause 5.1(b) the new Concession Fee so determined or accepted must not be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date and is to be the Concession Fee payable by the Concessionaire from the Concession Fee Review Date.
 - (f) Until determination of the new Concession Fee, the Concession Fee payable by the Concessionaire from the Concession Fee Review Date is to be the Concession Fee specified in the Grantor's notice. On determination of the new Concession Fee an adjustment is to be made and paid, either by the Grantor or by the Concessionaire, whichever is applicable.
- 5.2 Immediately the Concessionaire gives notice to the Grantor under clause 5.1(c) the parties are to endeavour to agree on a new Concession Fee. If the parties are unable to reach agreement within 28 days the new Concession Fee is to be determined either:

- (a) By one party giving notice to the other requiring the new Concession Fee to be determined by the Disputes clause (clause 22) or, if the parties agree,
- (b) by registered valuers acting as experts and not as arbitrators as follows:
 - (i) Each party must appoint a valuer and give notice of the appointment to the other party within 14 days of the parties agreeing to determine the new Concession Fee by this means.
 - (ii) If the party receiving a notice does not appoint a valuer within the 14 day period the valuer appointed by the other party is to determine the new Concession Fee and that valuer's determination is to be binding on both parties.
 - (iii) Before commencing their determination, the respective valuers must appoint an umpire who need not be a registered valuer.
 - (iv) The valuers are to determine the new Concession Fee which they consider to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987 but in no case is the new Concession Fee to be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date. If they fail to agree the Concession Fee is to be determined by the umpire.
 - (v) In determining the Concession Fee the valuers or umpire are to disregard the annual cost to the Concessionaire to maintain or provide access to the Land.
 - (vi) Each party is to be given the opportunity to make written or oral representations or submissions to the valuers or the umpire subject to such reasonable time and other limits as the valuers or the umpire may prescribe.
 - (vii) The valuers or the umpire must have regard to any such representations but are not bound by them.
- (c) The valuers or umpire must give written notice to the parties once they have determined the new Concession Fee. The notice is to be binding on the parties and is to provide how the costs of the determination are to be borne.
- (d)
 - (i) If a Concession Fee Review Date is postponed because of a moratorium imposed by law the Concession Fee Review is to take place at the date the moratorium is lifted or so soon afterwards as is practicable; and
 - (ii) the Concession Fee Review is to establish the market value for the Concession Activity as at that date instead of the date fixed under clause 5.1 having regard to the matters specified in section 17Y(2) of the Conservation Act 1987 but in no case is the new Concession Fee to be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date; and
 - (iii) each subsequent Concession Fee Review is to take place in accordance with the procedure fixed in clause 5.1.

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.
- 6.2 The Grantor is not liable for any cost incurred in re-establishing the supply of any utilities in the event of any of them becoming unavailable for any reason.
- 6.3 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.
- 6.4 Where the Grantor or Director-General has provided a community service, benefit or facility for the benefit of the Concessionaire under section 17ZH of the Conservation Act 1987, the Concessionaire must pay the Grantor the amount specified in Item 7 of Schedule 1 as part of the Total Payment specified in Item 6 of Schedule 1 on the Concession Fee Payment Dates specified in Item 8 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 If the Concessionaire is not a publicly listed company then 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 at its cost keep the Land in a clean and tidy condition and free of weeds and all organisms specified as pests in a relevant pest management strategy.
- 8.3 The Concessionaire must not store hazardous materials on the Land nor store other materials on the Land where they may obstruct the public or create a nuisance
- 8.4 If directed by the Grantor, the Concessionaire must take all steps necessary to control, or, at the Grantor's option, contribute to the cost of controlling any pest, insect or rodent infestation occurring in or emanating from the Land or any structure or facility on the Land, and if directed by the Grantor, engage a pest exterminator approved by the Grantor.
- 8.5 The Concessionaire must make adequate provision for suitable sanitary facilities for the Land if directed by the Grantor and for the disposal of all refuse material and is to comply with the reasonable directions of the Grantor in regard to these matters.
- 8.6 The Concessionaire must keep all structures, facilities and land alterations and their surroundings in a clean and tidy condition. If reasonably directed by the Grantor the Concessionaire must paint all structures and facilities in colours approved by the Grantor and with paints of a type approved by the Grantor.
- 8.7 If, during the Term, the Concessionaire removes a structure or facility from the Land the Concessionaire must, unless the Grantor directs otherwise, repair and make good at its own expense all damage which may have been done by the removal and must leave the Land in a clean and tidy condition.
- 8.8 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. What about Environmental Monitoring?

- 9.1 The Concessionaire must, during the Term, if the Grantor so directs, design in consultation with the Grantor and undertake a programme to monitor and report on the environmental effects of the Concessionaire's use of the Land and conduct of the Concession Activity.
- 9.2 If the Grantor does not issue a direction under clause 9.1 the Concessionaire must, during the Term, pay to the Grantor the annual Environmental Monitoring Contribution specified in Item 6 of Schedule 1 to enable the Grantor to design and undertake a programme to monitor the environmental effects of the Concessionaire's use of the Land and conduct of the Concession Activity.

10. When can new structures be erected or land alterations occur?

- 10.1 The Concessionaire must not erect, alter or bring on to the Land any structure not authorised in Schedule 3 nor alter the Land in any way without the prior approval of the Grantor.
- 10.2 In giving approval under clause 10.1 the Grantor may, in the Grantor's sole and absolute discretion, impose any reasonable terms and conditions, including a review of the Concession Fee, as the Grantor considers appropriate under this clause; and may also decline the grant of such approval

after consideration of the relevant conservation and environmental issues.

- 10.3 The Concessionaire must pay to the Grantor all costs associated with applications for approval under this clause determined at the standard rates then applying in the Department for cost recovery of staff time and expenses.
- 10.4 The Concessionaire must, upon request by the Grantor, submit written engineering or building plans and details to the Grantor for approval before:
 - (a) erecting new structure or altering any structure on the Land
 - (b) altering the Land in any way.
- 10.5 The Concessionaire must at all times where a building warrant of fitness under the Building Act 2004 is required display a copy of the relevant current certificate showing the location of the compliance schedule in a place in each building (as defined in that Act) on the Land to which users of the building have ready access.
- 10.6 The Concessionaire must keep and maintain all building systems and any structure on the Land in accordance with the requirements of any compliance schedule.
- 10.7 The Concessionaire must retain and make available to any territorial authority and any other person with a right to inspect any structures on the Land under the Building Act 2004 a copy of the compliance schedule, together with the written reports relating to compliance with the compliance schedule over the previous two year period.

11. What about advertising?

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

12. What are the liabilities and who insures?

- 12.1 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 arising from the Concessionaire's performance of the Concession Activity.
- 12.2 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.

- 12.3 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.
- 12.4 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.
- 12.5 Despite anything else in clause 12 the Concessionaire is not liable for any indirect or consequential damage or loss howsoever caused.
- 12.6 The Grantor is not liable and does not accept any responsibility for damage to or interference with the Land, the Concession Activity, or to any structures, equipment or facilities on the Land 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 12.7, such damage or interference is caused by any wilful act or omission of the Grantor, the Grantor's employees, agents or contractors.
- 12.7 Where the Grantor is found to be liable in accordance with clause 12.6, the total extent of the Grantor's liability is limited to \$1,000,000 in respect of the Concessionaire's structures, equipment and facilities.
- 12.8 Despite anything else in clause 12 the Grantor is not liable for any indirect or consequential damage or loss howsoever caused.
- 12.9 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 specified in Item 13 of Schedule 1 with a substantial and reputable insurer.
- 12.10 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 12.9. 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.
- 12.11 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.

13. What about Health and Safety?

- 13.1 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.

- 13.2 Before commencing the Concession Activity the Concessionaire must, where the Concessionaire has Qualmark or Outdoorsmark certification, provide the Grantor with a copy of that certification.
- 13.3 If the Concessionaire does not hold Qualmark or Outdoorsmark certification then before commencing the Concession Activity the Concessionaire must, if required by Item 11 of Schedule 1:
- (a) prepare a safety plan;
 - (b) have it audited by a suitably qualified person approved by the Grantor; and forward to the Grantor a certificate from the auditor certifying that the safety plan is suitable for the Concession Activity; and
 - (c) the Concessionaire must obtain from the auditor details as to when the safety plan is to be re-audited. The Concessionaire must comply with any such requirement to re-audit and forward a copy of the re-audit certificate to the Grantor within 5 working days of the certificate being issued.
- 13.4 For any Concession Activity that is subject to the Health and Safety in Employment (Adventure Activities) Regulations 2011, proof of registration with WorkSafe New Zealand will satisfy the Grantor's requirement under clause 13.3(b).
- 13.4 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.
- 13.5 Receipt of the safety plan/audit certificate by the Grantor is not in any way to limit the obligations of the Concessionaire under clause 13 and is not to be construed as implying any responsibility or liability on the part of the Grantor.
- 13.6 The Concessionaire must:
- (a) notify the Grantor of any natural events or activities on the Land or the surrounding area which may endanger the public or the environment;
 - (b) take all practicable steps to protect the safety of all persons present on the Land and must, where necessary, erect signposts warning the public of any dangers they may encounter as a result of the Concessionaire's operations;
 - (c) take all practicable steps to eliminate any dangers to the public and must clearly and permanently mark any that remain and of which the Concessionaire is aware;
 - (d) record and report to the Grantor all accidents involving serious harm within 24 hours of their occurrence and forward an investigation report within 3 days of the accident occurring;
 - (e) ensure that all contracts between the Concessionaire and any contractors contain, at a minimum, the same requirements as clause 13;
 - (f) be satisfied that facilities or equipment provided by the Grantor to enable the Concession Activity to be carried out meet the safety requirements of the Concessionaire;

- (g) not bring onto the Land or any land administered by the Department any dangerous or hazardous material or equipment which is not required for purposes of the Concession Activity; and if such material or equipment is required as part of the Concession Activity, the Concessionaire must take all practicable steps at all times to ensure that the material or equipment is treated with due and proper care.

14. What are the compliance obligations of the Concessionaire?

14.1 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 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, 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 or the National Parks Act 1980; 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; and
- (d) with all Department signs and notices placed on or affecting the Land; and
- (e) with all reasonable notices and directions of the Grantor concerning the Concession Activity on the Land.

14.2 The Concessionaire must comply with this Concession.

14.3 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 14.1(a) is deemed to be a breach of this Concession.

14.4 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.

15. What are the Grantor’s rights to remedy defaults?

15.1 The Grantor may elect to remedy at any time, after giving notice, if practicable, any default by the Concessionaire under this Concession. 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.

15.2 The Concessionaire must pay to the Grantor forthwith on demand all reasonable costs and expenses incurred by the Grantor, including legal costs

and expenses as between solicitor and client, in remedying such default. The Concessionaire is to pay interest on such costs and expenses if payment is not made within 14 days of the Grantor's demand from the date of the demand until the date of payment at the Penalty Interest Rate specified in Item 12 of Schedule 1.

16. When can the Concession be suspended?

- 16.1 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.
- 16.2 If, in the Grantor's opinion, the activities of the Concessionaire are 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.
- 16.3 The Grantor may suspend the Concession for such period as the Grantor determines where the Concessionaire has breached any terms of this Concession.
- 16.4 The Grantor may suspend this Concession while the Grantor investigates any of the circumstances contemplated in clauses 16.1 and 16.2 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.
- 16.5 The word "investigates" in clause 16.4 includes the laying of charges and awaiting the decision of the Court.
- 16.6 During any period of temporary suspension arising under clauses 16.1 or 16.2 the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.
- 16.7 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 16 including loss of profits.

17. When can the Concession be terminated?

- 17.1 The Grantor may terminate this Concession either in whole or in part:
- (a) by 14 days notice to the Concessionaire if the Concession Fee or any other money payable to the Grantor under this Concession is in arrears and unpaid for 14 days after any of the days appointed for payment whether it has been lawfully demanded or not; or
 - (b) by 14 days notice to the Concessionaire or such sooner period as it appears necessary and reasonable to the Grantor if:
 - (i) the Concessionaire breaches any terms of this Concession and in the Grantor's sole opinion the breach is able to be rectified; and

- (ii) the Grantor has notified the Concessionaire of the breach; and
 - (iii) the Concessionaire does not rectify the breach within 7 days of receiving notification; or such earlier time as specified by the Grantor; or
 - (c) by notice in writing to the Concessionaire where the Concessionaire breaches any terms of this Concession and in the sole opinion of the Grantor the breach is not capable of being rectified; or
 - (d) immediately by notice in writing to the Concessionaire where the Concessionaire breaches clauses 12.9 and 13; or
 - (e) by notice in writing to the Concessionaire if the Concessionaire ceases to conduct the Concession Activity or, in the reasonable opinion of the Grantor, the conduct of the Concession Activity is manifestly inadequate; or
 - (f) by notice in writing to the Concessionaire if the Concessionaire is convicted of an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act or any statute, ordinance, regulation, bylaw, or other enactment affecting or relating to the Land or which in the Grantor's sole opinion affects or relates to the Concession Activity; or
 - (g) by notice in writing to the Concessionaire if the Concessionaire or the Guarantor is dissolved; or enters into any composition with or assignment for the benefit of its creditors; or is adjudged bankrupt; or being a company, has a receiver appointed; or is put into liquidation; or is placed under statutory management; or has a petition for winding up presented against it; or is otherwise unable to pay its debts as they fall due; or the estate or interest of the Concessionaire is made subject to a Writ of Sale or charging order; or the Concessionaire ceases to function or operate; or
 - (h) immediately if there is, in the opinion of the Grantor, a permanent risk to public safety or to the natural and historic resources of the Land whether arising from the conduct of the Concession Activity or from natural causes such as earthquake, land slip, volcanic activity, flood, or arising in any other way, whether or not from any breach of the terms of this Concession on the part of the Concessionaire.
- 17.2 The Grantor may exercise its power to terminate under 17.1(h) without giving notice.
- 17.3 The Grantor may exercise the Grantor's right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Grantor or any indulgence granted by the Grantor for any matter or default.
- 17.4 Termination of the Concession is not to prejudice or affect the accrued rights or claims and liabilities of the parties.

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

- 18.1 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.
- 18.2 The Concessionaire may, with the Grantor's written consent, remove any specified structures and other 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 and other public conservation land affected by the removal in a clean and tidy condition.

- 18.3 The Concessionaire must, if the Grantor gives written notice, remove any specified structures and other 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 and other public conservation land affected by the removal in a clean and tidy condition and replant the Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term. If before the expiry of the Term the Concessionaire makes an application for a further concession in respect of the same Concession Activity on the Land then the Grantor can not require such removal and reinstatement until such time as that concession application has been determined. If a new concession is granted then removal and reinstatement can not be required until the expiry or termination of the new concession.

19. When is the Grantor's consent required?

- 19.1 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.

20. Are there limitations on public access and closure?

- 20.1 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.

21. What about other concessions?

- 21.1 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.

22. How will disputes be resolved?

- 22.1 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.
- 22.2 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.

- 22.3 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.
- 22.4 The arbitrator must include in the arbitration award reasons for the determination.
- 22.5 Despite the existence of a dispute, each party must continue to perform its obligations under this Concession.

23. What about prosecution for offences?

- 23.1 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Resource Management Act 1991, the Conservation Act 1987, or any of the Acts listed in the First Schedule to that Act:
- (a) no waiver or failure to act by the Grantor under this Concession is to preclude the Grantor from prosecuting the Concessionaire; and
 - (b) no failure by the Grantor to prosecute the Concessionaire is to preclude the Grantor from exercising the Grantor's remedies under this Concession; and
 - (c) any action of the Grantor in prosecuting the Concessionaire is not to preclude the Grantor from exercising the Grantor's remedies under this Concession.

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

- 24.1 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 14 or 15 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 day the email was sent provided it is sent before 5 pm, otherwise on the next working day.
- 24.2 If any party's details specified in Item 14 or 15 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.

25. What is the scope of the Concession?

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

26. Can provisions be severed?

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

27. What about the payment of costs?

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

27.2 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.

28. What is the relationship of parties?

28.1 Nothing expressed or implied in this Concession is to be construed as:

- (a) constituting the parties as partners or joint venturers;
- (b) conferring on the Concessionaire any right of exclusive occupation or use of the Land;
- (c) granting any exclusive estate or interest in the Land to the Concessionaire;
- (d) affecting the rights of the Grantor and the public to have access across the Land.

29. What about a Guarantee?

29.1 Where the Grantor has in Item 15 of Schedule 1 required this Concession to be guaranteed by a third party the following clauses are to apply.

29.2 In consideration of the Grantor entering into this Concession at the Guarantor's request the Guarantor:

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

29.3 The Guarantor covenants with the Grantor that:

- (a) no release, delay, or other indulgence given by the Grantor to the Concessionaire, to the Concessionaire's successors or assigns, or any other thing whereby the Guarantor would have been released had the Guarantor been merely a surety is to release, prejudice, or affect the liability of the Guarantor as a Guarantor or as indemnifier;
- (b) as between the Guarantor and Grantor the Guarantor may, for all purposes, be treated as the Concessionaire and the Grantor is under no obligation to take proceedings against the Concessionaire before taking proceedings against the Guarantor;
- (c) the guarantee is for the benefit of and may be enforced by any person entitled for the time being to receive the Concession Fee;

- (d) any assignment of this Concession and any Concession Fee Review in accordance with this Concession are not to release the Guarantor from liability;
- (e) should there be more than one Guarantor the liability of each Guarantor under this Guarantee is to be joint and several.

30. What about Co-Siting?

- 30.1 In this clause "Co-Site" means the use of the Concessionaire's structures or facilities on the Land by a third party for an activity; and "Co-Sitee" and "Co-Siting" have corresponding meanings.
- 30.2 The Concessionaire must not allow Co-Siting on the Land without the prior written consent of the Grantor.
- 30.3 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 Land.
- 30.4 In addition, the Grantor must withhold consent if:
 - (a) the Co-Siting would result in a substantial change to the Concession Activity on the Land; or
 - (b) the Grantor considers the change to be detrimental to the environment of the Land.
- 30.5 Subject to clause 30.4 the Concessionaire must, if required by the Grantor, allow Co- Siting on the Land.
- 30.6 Where the Concessionaire maintains that Co-Siting by a third party on the Land would:
 - (a) detrimentally interfere physically or technically with the use by the Concessionaire of the Land; 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 Land; 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 30.6. 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 30.6.
- 30.7 If the independent consultant report rejects the Concessionaire's concerns, the Concessionaire may dispute this in accordance with the procedure set out in clause 22 of Schedule 2.
- 30.8 Where the Concessionaire is required under clause 30.5 to allow Co-Siting on the Land, the Concessionaire is, subject to clause 30.10 entitled to enter into

commercial agreements with third parties for them to conduct an activity on the Land and to receive a reasonable fee from them for any agreed activity they intend to carry out on the Land. 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.

30.9 If the Concessionaire does not accept the Grantor's determination, the Concessionaire may dispute this in accordance with the procedure set out in clause 22 of Schedule 2.

30.10 For the avoidance of doubt, a Co-Sitee permitted on the Land 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 Land. This separate concession must not contain provisions that conflict with the Concessionaire's rights and obligations in relation to the Land.

30.11 The Grantor must not authorise the third party to commence work on the Land 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.

31. What about Identification cards?

31.1 Before commencing the Concession Activity the Concessionaire must, if required by the Grantor in Item 12 of Schedule 1, obtain Concessionaire Identification cards from the Grantor. The Grantor is to supply such cards to the Concessionaire on a cost recovery basis.

31.2 The Concessionaire and any person acting under the authority of the Concession must carry and display a Concession Identification card when carrying out the Concession Activity.

31.3 The Concessionaire must obtain sufficient cards to ensure all people acting under the authority of the Concession can carry and display such cards when undertaking the Concession Activity.

31.4 The Concessionaire may also access, use and/ or display the Grantor's "Approved Label". This right only exists once the Concessionaire agrees to comply with the Grantor's Approved Label terms and conditions and while the Concession remains operative. When the Concessionaire so requests the Grantor is to forward the Concessionaire an electronic link to the Approved Label. This electronic link is to contain the Approved Label terms and conditions.

31.5 The right under this clause 31.4 does not affect the obligation in this clause 31 to carry and display a Concession Identification card.

32. Which clauses survive termination?

32.1 Clauses 12 and 24 survive the termination of this Concession.

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

33.1 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 adverse effects resulting from the Concession Activity.

33.2 Nothing in clause 33.1 otherwise affects the Grantor's rights to vary the Concession under section 17ZC of the Conservation Act 1987.

34. Are there any Special Conditions?

34.1 Special conditions are specified in Schedule 3.

35. The Law

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

SCHEDULE 3

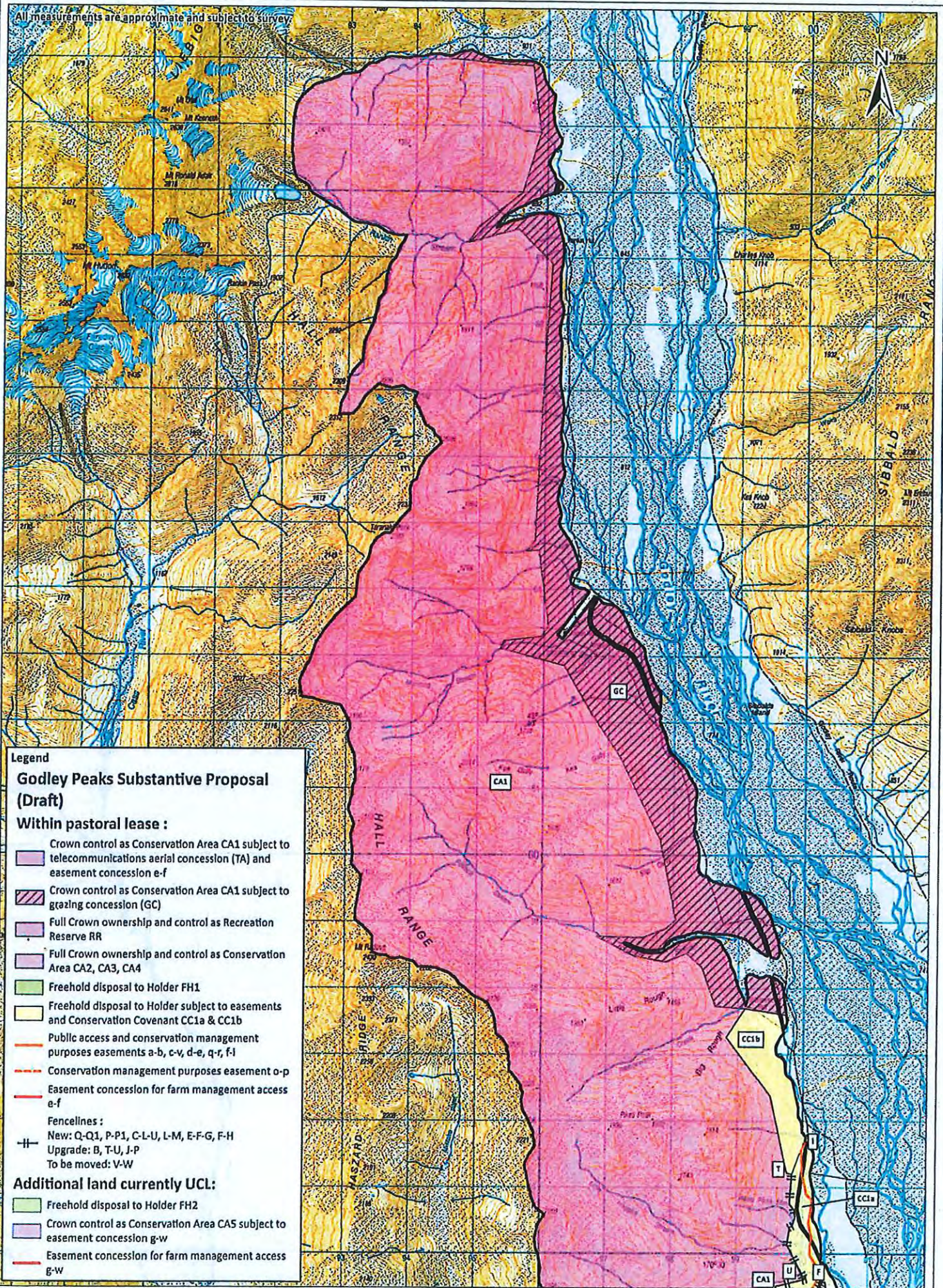
SPECIAL CONDITIONS

1. The Concessionaire must ensure any persons employed by the Concessionaire are requested to recognise and provide for Ngāi Tahu values in the conduct of their activities.
2. The structures authorised on the Land are the telecommunications facility and any associated structures. The telecommunications facility existing at the commencement date is shown in a photograph in Schedule 4.
3. The Grantor acknowledges the telecommunications facility to be located on the Land is the property of the Concessionaire.
4. The Concessionaire shall ensure the telecommunications facility and any associated structures are of a colour consistent with the surrounding environment to the satisfaction of the relevant Manager, Twizel Office, Department of Conservation, or the closest Department office.
5. Aircraft landings are **only** permitted on the Land for purposes associated with operating maintaining and repairing the telecommunications facility.
6. The Concessionaire shall ensure that any aircraft landing on or hovering over the Land and/or any machinery or equipment arriving on the Land are clean and free of weeds or potential weed sources.

SCHEDULE 4



All measurements are approximate and subject to survey.



Legend

Godley Peaks Substantive Proposal (Draft)

Within pastoral lease :

- Crown control as Conservation Area CA1 subject to telecommunications aerial concession (TA) and easement concession e-f
- Crown control as Conservation Area CA1 subject to grazing concession (GC)
- Full Crown ownership and control as Recreation Reserve RR
- Full Crown ownership and control as Conservation Area CA2, CA3, CA4
- Freehold disposal to Holder FH1
- Freehold disposal to Holder subject to easements and Conservation Covenant CC1a & CC1b
- Public access and conservation management purposes easements a-b, c-v, d-e, q-r, f-l
- Conservation management purposes easement o-p
- Easement concession for farm management access e-f

Fencelines :

- New: Q-Q1, P-P1, C-L-U, L-M, E-F-G, F-H
- Upgrade: B, T-U, J-P
- To be moved: V-W

Additional land currently UCL:










- Freehold disposal to Holder FH2
- Crown control as Conservation Area CA5 subject to easement concession g-w
- Easement concession for farm management access g-w

All measurements are approximate and subject to survey.




Legend

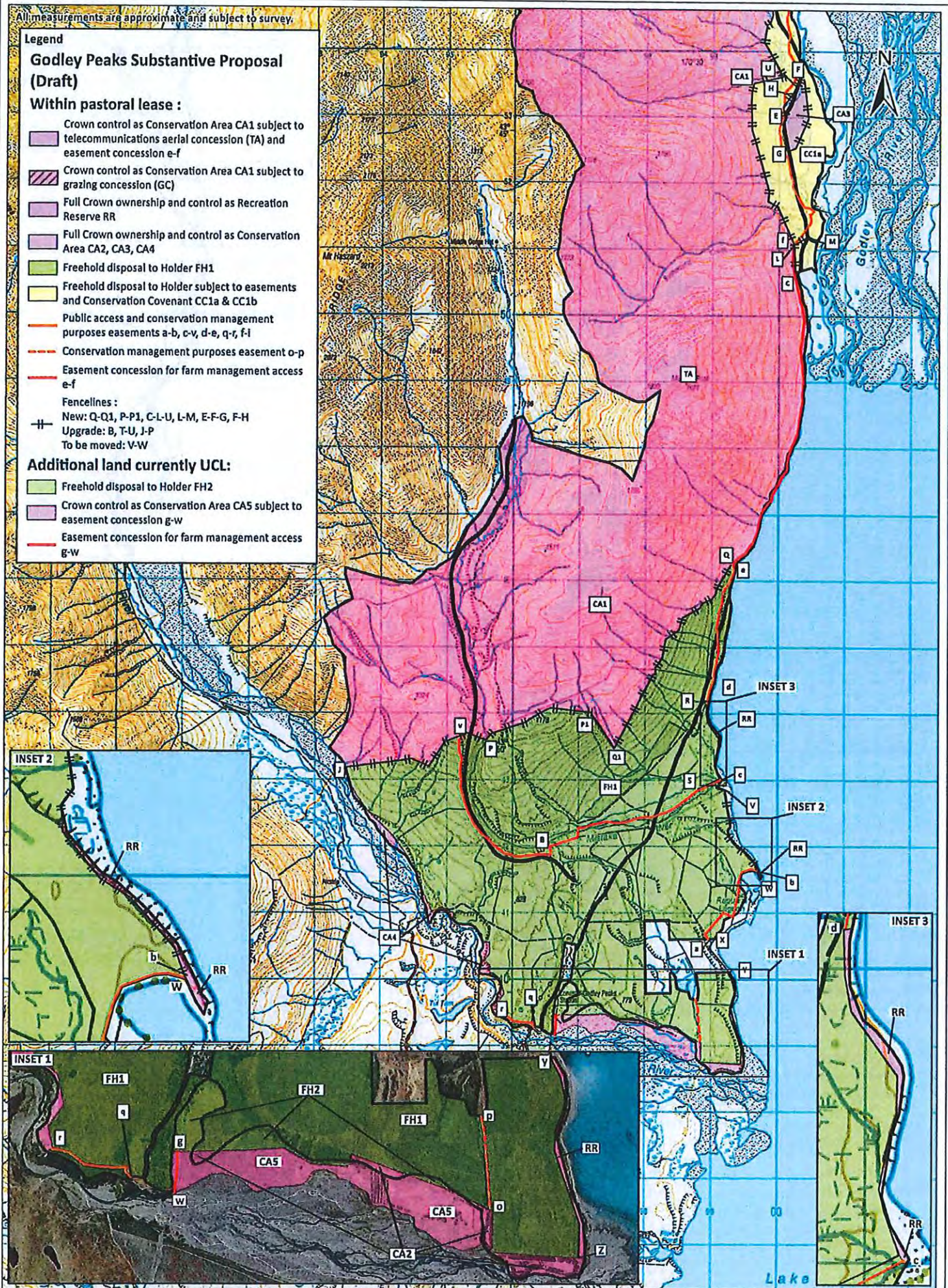
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 -  Freehold disposal to Holder subject to easements and Conservation Covenant CC1a & CC1b
 -  Public access and conservation management purposes easements a-b, c-v, d-e, q-r, f-i
 -  Conservation management purposes easement o-p
 -  Easement concession for farm management access e-f
- Fencelines :
- New: Q-Q1, P-P1, C-L-U, L-M, E-F-G, F-H
 - Upgrade: B, T-U, J-P
 - To be moved: V-W

Additional land currently UCL:

-  Freehold disposal to Holder FH2
-  Crown control as Conservation Area CA5 subject to easement concession g-w
-  Easement concession for farm management access g-w



Appendix 6: Form of grazing concession to be created over CA1 - (GC)



Concession Document (Grazing Licence)

THIS CONCESSION is made this day of

PARTIES:

- 1. Minister of Conservation** (the Grantor)
- 2. Verity Farms NZ 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>_____</p> <p>SIGNED on behalf of the Minister of Conservation by (TBC) <i>[insert name and title of delegate]</i></p> <p>acting under delegated authority</p> <p>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>_____</p> <p>SIGNED by Verity Farms NZ Limited by its Director Ann Harriet Poindexter in the presence of:</p> <p>_____</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)	As marked on the Proposed Designations plan attached in Schedule 4 being the area marked in pink and labelled GC: <i>Physical description/ Common name:</i> <i>Land Status: Conservation Area – Proposed stewardship area held under Section 62 of the Conservation Act 1987.</i> <i>Area: 930 hectares</i> <i>Legal Description: Part Run 80 situated in Blocks VIII, XII & XVI Cook, Blocks V, IX & XIII Godley, Blocks IV & XXX Cass, Blocks I, II, V, VI, IX, X, XIII & XiV Tekapo North and Blocks I & II Tekapo Survey Districts (TBC)</i>
2.	Concession Activity (clause 2)	Grazing on the Land for up to 4000 ewes in the period between 1 October to 10 May inclusive during the term.
3.	Term (clause 3)	15 years commencing on the Commencement date.
4.	Renewal(s) (clause 3)	None.
5.	Final Expiry Date (clause 3)	The 15th anniversary of the commencement date.
6.	Concession Fee (clause 4 and Schedule 5)	Concession Activity Fee An activity fee will be calculated on the basis of \$9 plus GST per ewe grazed per annum for the ewes run on the Land during the grazing period for that year. 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 by 30 June in each year showing the stock carried on the Land over the preceding 12 months. If a return is not made by this date, the activity fee will be charged assuming the maximum stock numbers have been run for the full period. Annual Management Fee: \$400.00 per annum plus GST Annual Environmental Monitoring Fee Nil
7.	Concession Fee Payment Instalments	Insert: Annually

Concessionaire's initials

Grantor's initials

	<i>(clause 4)</i>	
8.	Concession Fee Payment Date(s) <i>(clause 4)</i>	On 30 September in each year of the term. (TBC)
9.	Penalty Interest Rate <i>(clause 4)</i>	Double the current Official Cash Rate (OCR). See Reserve Bank of New Zealand website
10.	Concession Fee Review Date(s) <i>(clause 5)</i>	On the third anniversary of the Commencement date and the corresponding date every 3 years thereafter until the expiry of the term.
11.	Health and Safety <i>(clause 12)</i>	Safety Plan: Not required
12.	Insurance (To be obtained by Concessionaire) <i>(clause 11)</i>	Types and amounts: (a) Public Liability Insurance for General indemnity for an amount no less than \$1,000,000.00; and (b) Third party vehicle liability for an amount no less than \$500,000.00. Subject to review on each Concession Fee Review Date
13.	Addresses for Notices <i>(clause 21)</i>	Department of Conservation Level 1, John Wickliffe House 265 Princes Street Dunedin 9016 New Zealand Postal Address: PO Box 5244 Dunedin 9054 New Zealand Phone: +64 (03) 477 0677 Email: permissionsdunedin@doc.govt.nz
		The Concessionaire's address in New Zealand is: C/- Rob Glover Farm Manager PO Box 10 Lake Tekapo Phone: 03 6806919

Concessionaire's initials		Grantor's initials	
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		<p>Email: godleypeaks@verityfarms.co.nz</p> <p>Postal Address: 210 Patons Rock Road RD 2 Takaka 7182 New Zealand</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.

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

“**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 arising from the Concessionaire's performance of the Concession Activity.

- 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 at Work Act 2015 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, notice will be deemed to have been received on the day on which it is emailed if that is a working day or, if dispatched after 5.00pm, on the next working day after the date of email.

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

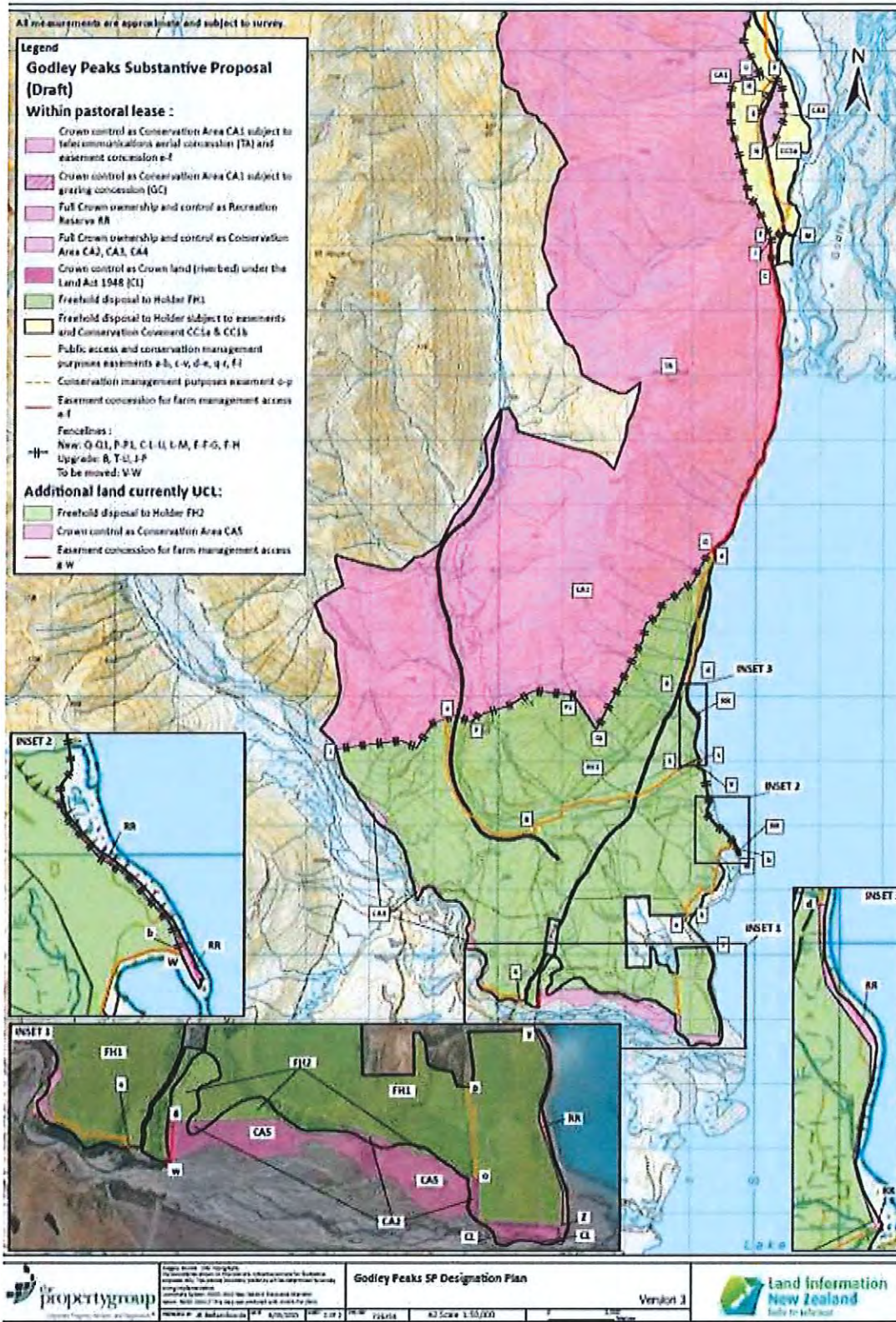
SPECIAL CONDITIONS – Note: Please initial each page of Schedule 3

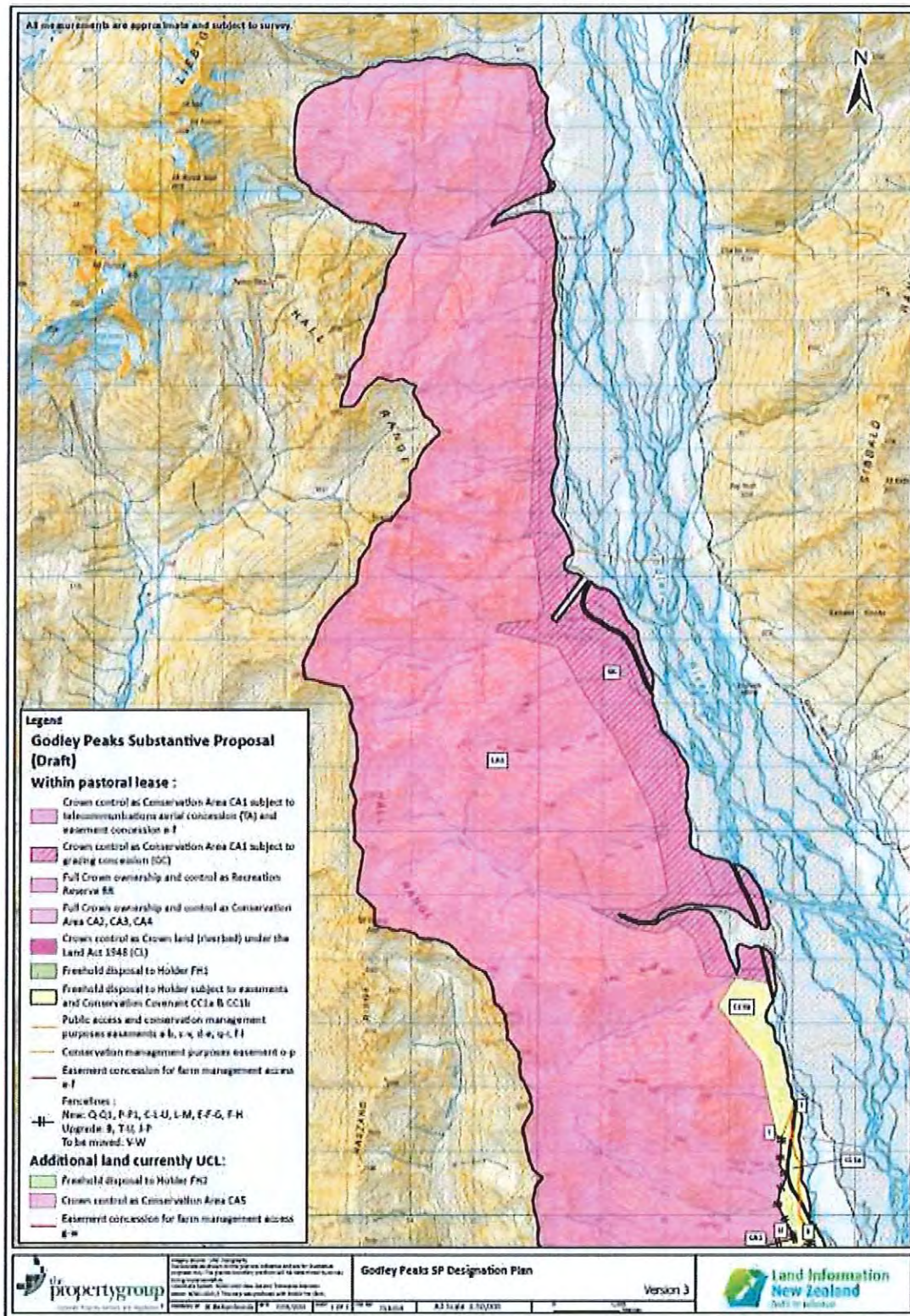
1.	Stock matters	The Concessionaire must monitor stock at regular intervals in an effort to ensure that: (a) they are contained within the Land; and (b) there is sufficient feed available on the Land to discourage stock from grazing other land administered by the Grantor and not part of this Concession; and (c) they do not graze to a level resulting in damage to, or pugging of, the Land.
2.	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.
3.	Firearms	The Concessionaire may use firearms on the Land for the purposes of the Concession Activity and for pest management.
4.	Dogs and horses	The Concessionaire may use dogs and horses on the Land for the purposes of the Concession Activity and for pest management.
5.	Monitoring	The Grantor may monitor the effects of grazing on the Land.
6.	Adverse effects	If, following monitoring or otherwise, in the opinion of the Grantor the Concession Activity is having or may have an adverse effect on the Land or adjoining bush 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.
7.	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 or on adjoining land.
8.	Didymo	The Concessionaire must comply with all guidelines and notices put out by Biosecurity New Zealand regarding measures to avoid spreading the pest organism <i>Didymosphenia geminata</i>

		("Didymo"), and or any other pest organism identified during the term of this Concession.
9.	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. During the grazing period from 1 October to 10 May inclusive, members of the public including hunters will not be permitted to bring or be accompanied by dogs on the Land
10.	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*





SCHEDULE 5

Activity Return

It would be useful to put a Table in here, perhaps as follows:

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 7: Form of easement to be created over proposed freehold land

TRANSFER GRANT OF EASEMENT IN GROSS

For Public Access and Management Purposes

Land Transfer Act 2017

This page does not form part of the Transfer.

TRANSFER

Land Transfer Act 2017

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

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

Record of Title No.	All or Part?	Area and legal description – <i>Insert only when part or Stratum, CT</i>

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.*

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

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 Record(s) of Title and if an easement is described above such is granted or created.

Dated this day of

Attestation

Signed by acting under written delegation from the Commissioner of Crown Lands	Signed in my presence by the Grantor Signature of Witness	(continued on page 7 of Annexure Schedule)
	Witness to complete in BLOCK letters (unless typewritten or legibly stamped)	
Signature, or common seal of Grantor	Witness name	
	Occupation	
	Address	

Certified correct for the purposes of the Land Transfer Act 2017

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 Burdened Land being 20 metres wide which is marked "a-b", "c-v", "d-e", "q-r", "f-i" and "o-p" on Deposited Plan/S.O. Plan No []. The easement area includes a Parking Area near point "e".
 - 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 Conservation Act 1987 or the Reserves Act 1977.
 - 1.3 "Burdened Land" means the land owned by the Grantor and described on page 1.
 - 1.4 "Grantee" means Her Majesty the Queen acting by and through the Minister of Conservation and includes tenants, agents, invitees, contractors, licensees and employees of the Minister of Conservation and the Director-General of Conservation; and for the purposes of clauses 2.1 and 2.2 only, includes any member of the public.
 - 1.5 "Grantor" means the owner of the Burdened Land described on page 1 and includes the Grantor's tenants and invitees. An invitee is somebody specifically invited onto the land by Her Majesty the Queen acting by and through the Minister of Conservation for Management Purposes.
 - 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 Burdened Land is located.
 - 1.7 "non-motorised vehicle" includes an electric pedal-assisted bicycle, which is not a "motor vehicle".

Standard Easement Terms

Access

2. The Grantee has the right in common with the Grantor:
 - 2.1 To pass and re-pass at any time over and along that part of the Easement Area marked "a-b", "c-v", "d-e", "q-r" and "f-i" on foot, on or accompanied by horses, or by non-motorised vehicle powered by a person or persons.
 - 2.2 To pass and re-pass over and along that part of the Easement Area marked "a-b", "c-v", "d-e" and "f-i" by motor vehicle, and to park a motor vehicle on the Parking Area.
 - 2.3 To pass and re-pass at any time over and along that part of the Easement Area marked "a-b", "c-v", "d-e", "q-r", "f-i" and "o-p" on foot, or on or accompanied by

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.

horses, or by non-motorised vehicle, or by motor vehicle, with or without machinery and implements of any kind, with or without guns and accompanied by dogs, for Management Purposes.

3. The Grantor must keep the Easement Area clear at all times of obstructions whether caused by parked vehicles, deposit of materials or unreasonable impediment to the use and enjoyment of the Easement Area, where such event or outcome is caused by or under the control of the Grantor.

Exclusion of Schedules

4. The rights and powers contained in Schedule 5 of the Land Transfer Regulations 2018 and the Schedule 5 of the Property Law Act 2007 are expressly negated.

Term

5. The easement is to be in perpetuity.

Temporary Closure of Easement Area

- 6.1 The Grantee may, at any time in exercise of her/his powers, temporarily close all or part of the Easement Area to the public for such period as she/he considers necessary.
- 6.2 For the avoidance of doubt, it is stated that any such temporary closure by the Grantee of all or part of the Easement Area to the public in accordance with clause 6.1 does not affect the rights of the Grantor to continue to access and use the Easement Area.

Dispute Resolution

- 7.1 If a dispute arises between the Grantor and Grantee concerning the rights, management and operation created by this transfer the parties are to enter into negotiations in good faith to resolve it.
- 7.2 If the dispute is not resolved within 14 days of written notice by one party to the other it is to be referred to mediation.
- 7.3 If the dispute is not resolved within 21 days or such other period as agreed to in writing between the parties after the appointment of the mediator, the parties must submit to the arbitration of an independent arbitrator appointed jointly by the parties or, if one cannot be agreed within 14 days, to an independent arbitrator appointed by the President for the time being of the New Zealand Law Society.
- 7.4 The arbitration is to be determined in accordance with the Arbitration Act 1996 and its amendments or any enactment passed in substitution.

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.

Notice

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

Gates

9. 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:
- 9.1 Keep the gate unlocked at all times, or
 - 9.2 Ensure the Grantee is provided with a key to the gate; and
 - 9.3 Install a stile or appropriate facility to allow for public access by foot, horse or non-motorised vehicle.
10. The Grantee (not being a member of the public) has the right:
- 10.1 To mark the Easement Area as appropriate.
 - 10.2 To erect and maintain stiles and/or gates.
 - 10.3 To erect and maintain signs informing the public:
 - (a) of the location of the land managed by the Crown and available for public access and recreation; and
 - (b) of their rights and responsibilities in relation to the Easement Area.
 - 10.4 From time to time to modify the surface of the Easement Area, including by constructing and maintaining any formed track or the Parking Area at "e", so that it becomes and remains fit for the purpose of clause 2.
 - 10.5 To use whatever reasonable means of access he/she thinks fit over the Easement Area to carry out the works in clause 10.1 to 10.4.
 - 10.6 Prior to undertaking works under this clause 10, the Grantee will consult with the Grantor on the appropriate location and standard of works, including the wording of any signage.

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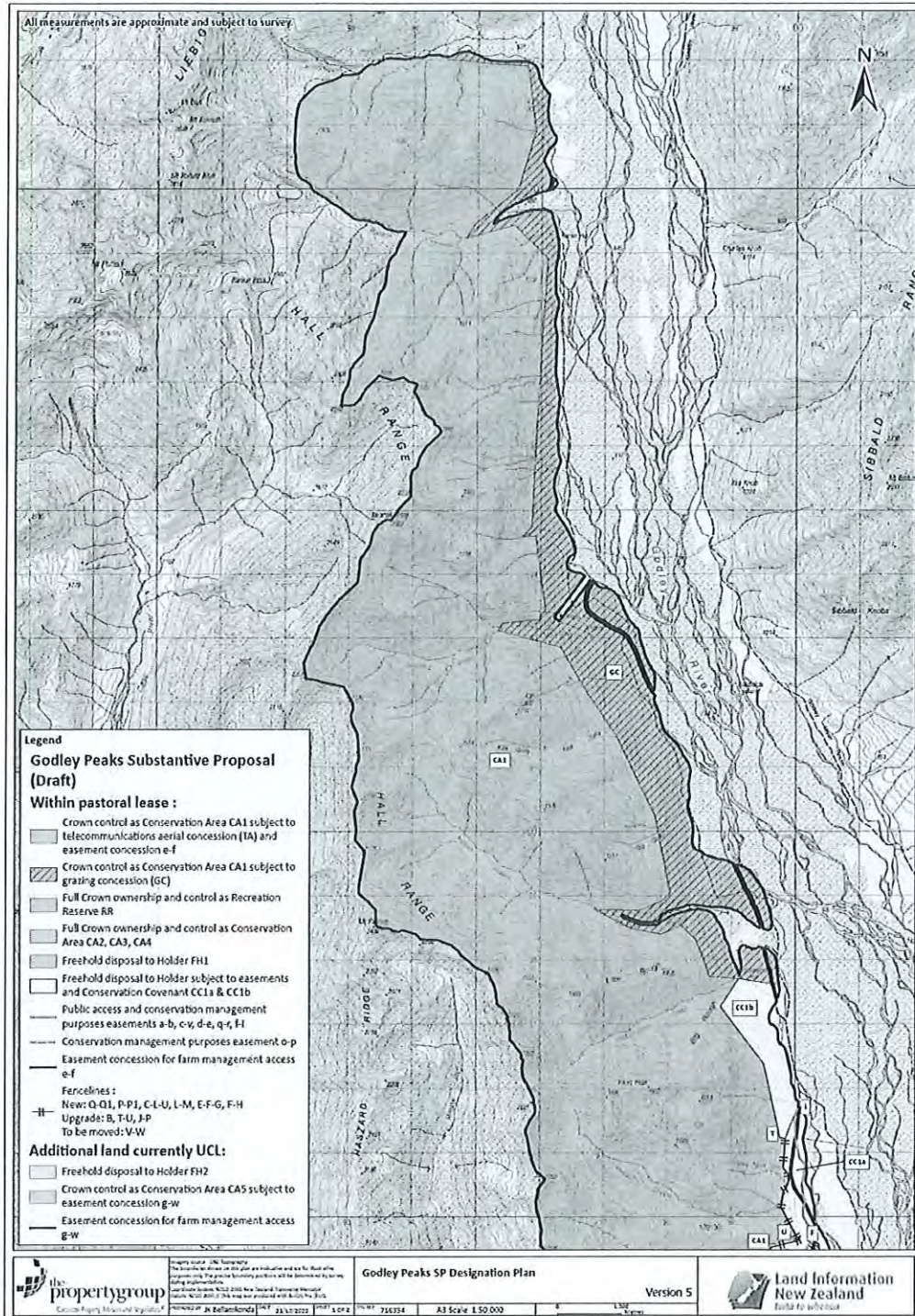
Special Easement Terms

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

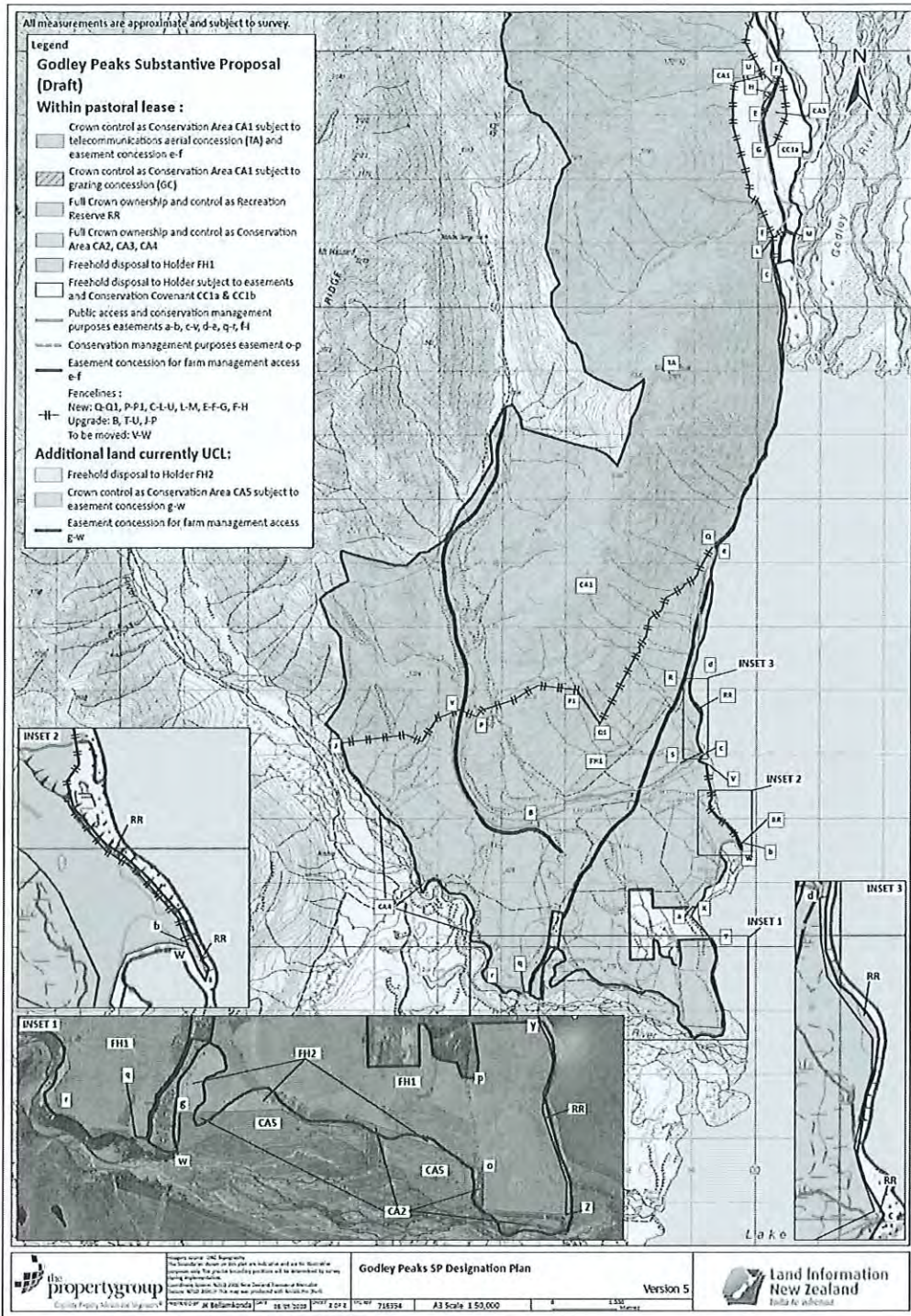
11. The Grantee (not being a member of the public) shall manage the use of motor vehicles on the Easement Area by members of the public under clause 2.2 in consultation with the Grantor. This management may include limits on motor vehicle types and other limits as conditions require.
12. Under clause 2.2, members of the public may only pass and repass with motor vehicles on that part of the Easement Area marked "d-e", during the period between 1 December to 31 May inclusive.
13. Members of the public may not take or be accompanied by a dog on the Easement Area.
14. If the Grantee (being a member of the public) has a hunting permit, issued by the Director-General of Conservation for public conservation land to which the Easement Area provides access, they may carry an unloaded gun on the Easement Area for the purpose of gaining access to hunt on that land.
15. For the avoidance of doubt, no camping is permitted on the Easement Area.
16. When the Easement Area is to be used in accordance with clause 2.3, the Grantee will make reasonable efforts to give the Grantor notice prior to her use.
17. The Grantor may request the Grantee (not being a member of the public) to temporarily close access to members of the public to all or any part of the Easement Area in accordance with clause 6.1, where this is necessary for public safety or emergency.
18. In the event that there is a permanent shift in the course of the Godley River or in the lake shore of Lake Tekapo which causes degradation to those parts of the Easement Area marked "d-e, and "f-i" which are immediately adjacent to the bank or shore at the date of this easement instrument (collectively called the "Affected Easement Areas") or to land adjoining the Affected Easement Areas such that clause 2 cannot be satisfied, the parties are agreed that:
 - (a) in respect of any part of the Affected Easement Areas, if the part of the Easement Area ceases to adequately provide access under clause 2, then this Easement will be partially surrendered in relation to the part of the Affected Easement Areas, and
 - (b) the Grantor will grant a right of way to the Grantee on the same terms as are herein contained over the adjoining land of the Grantor ("New Easement").
 - (c) All costs of surveying, documenting and registering any New Easement shall be met jointly by the Grantor and the Grantee.
19. In the event the Grantee (not being a member of the public) wishes to use the Easement Area and part of it is temporarily obstructed (e.g. by irrigation machinery or because of stock yard use), the Grantee has the right to bypass the temporary obstruction by using an alternative route on the Burdened Land which is as close as reasonably practicable to the Easement Area.
20. Temporary Closure by Grantor of parts of the Easement Area for stock management:
 - (a) The Grantor may close any of those parts of the Easement Area marked "d-e" and "f-i" for stock management purposes, being the driving of stock along the easement.
 - (b) Any stock management closures of any part of the Easement Area must be for no more than four hours barring any unforeseen circumstances.

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.

- (c) Prior to any closure for stock management purposes, the Grantor is to give the Grantee at least 48 hours' notice of the closure and provide public information signage to a standard agreed with the Grantee (not being a member of the public) relating to the closure at both ends of that part of the Easement Area.
- (d) Should emergency stock movements be required, e.g. for imminent severe weather or fire, on those parts of the Easement Area marked "d-e" and "f-i", or any stock movement closures last longer than 4 hours due to unforeseen circumstances, the Grantor shall give the Grantee (not being a member of the public) as much notice as is reasonably practicable and provide public information signage about the closure at both ends.



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DOC-1580421 – Godley Peaks – Public Access and DOC Management Purposes Easement

October 2020

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

For Public Access and 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 over proposed freehold - (CC1a & CC1b)

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

- “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, freshwater life, 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 Record 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, Fire and Emergency New Zealand (FENZ) and the Minister if fire threatens the Land;

8.6.2 the Minister will render assistance to FENZ in suppressing the fire if:

8.6.2.1 requested to do so; or

8.6.2.2 there is an agreement in place between the Minister and FENZ to render such assistance under section 147 of the Fire and Emergency New Zealand Act 2017.

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

- 13.1 Where clauses in this Covenant require further agreement between the parties such agreement 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 [name] _____)
 _____)
 exercising his/her _____)
 powers under section 117 of the Reserves Act 1977)
 as designated Commissioner and acting for and on)
 behalf of the Minister of Conservation)
 in the presence of : _____)

Witness: _____

Address : _____

Occupation: _____

SCHEDULE 1

1. Description of Land

The land totalling approximately 376 hectares and labelled respectively CC1a (260 hectares) and CC1b (116 hectares) and shown shaded yellow on the designations plans attached to the Proposal.

2. Address for Service

Department of Conservation
Level 1
John Wickliffe House
265 Princes Street
PO Box 5244
DUNEDIN 9054

Phone: (03) 477 0677

Email: permissionsdunedin@doc.govt.nz

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

Verity Farms NZ Limited
C/O Milnes Beatson Ltd
29 Wallace Street
MOTUEKA 7120

Phone: (03) 528 8760

Email: david@mba.net.nz

Director:
Ann Poindexter
210 Patons Rock Road
RD 2
TAKAKA 7182

Phone: 021 531 227

Email: ann@verityfarms.co.nz

3. Values of the Land to be Protected

CC1a and CC1b Godley River Flats and Lower Faces – Landscape Amenity, Natural Environment, Wildlife Habitat and Freshwater-life Habitat.

- The Land supports the threatened or uncommon plant species *Olearia bullata* and *Coprosma intertexta*.
- The Land supports the threatened bird species black stilt, black-fronted tern, black billed gull, banded dotterel and provides breeding and/or feeding sites for these species.
- The Land supports the threatened fish species upland longjaw galaxias and contains important aquatic habitats that support native fish species.
- The Land supports tall matagouri shrubland, along with scattered shrublands on the hill slopes and gullies, which are representative of the original vegetation and contribute to the altitudinal sequence of plant species from the valley floor to the top of the Hall Range.
- The land contains intact hydrology that links to the Godley river floodplain.

- Parts of the Land is listed as a Site of Significant Wildlife Interest of “outstanding” value for wildlife.
- The Land contains significant landscape values due to the high degree of naturalness, intactness, coherence and legibility alongside the Godley River.
- The Land forms an integral part of the high natural quality and integrity of the broad Godley River floodplain with the lower Range slopes contributing to the dramatic natural character of the mountain range.

SCHEDULE 2

Special Conditions

- 1 Notwithstanding the provisions of clause 3.1 the following conditions shall apply to that part of the Land labelled CC1a on the designations plan;
 - 1.1 The Land may be grazed on an extensive basis by sheep and cattle only for no more than 9 months of any one calendar year. For clarity, grazing on an extensive basis precludes intensive grazing practices, including but not limited to, strip grazing and mob-stocking.
 - 1.2 No more than 250 cattle stock units (SU) may be grazed on the Land on an annual basis (where a cow is equivalent to 6SU and young cattle 4SU).
 - 1.3 The Owner may clear areas of matagouri with an average canopy height of less than 1 metre tall and clear vegetation to keep existing tracks open through the Land.
 - 1.4 The Owner may plant shelterbelts within the Land using local native species sourced from within the Mackenzie ecological region only.
 - 1.5 The Owner may do routine maintenance of existing fences and structures and maintenance within the alignment of all existing tracks within the Land. For clarity, this maintenance may include minor clearance of indigenous vegetation and soil disturbances within the existing alignment of the fence, structure or track. Any maintenance undertaken outside the existing alignment or further upgrading of tracks to a higher standard than exists at the start of this Covenant requires the prior written consent of the Minister.
 - 1.6 The Owner may top dress the Land with fertilizer and sow grass and clover seed on the Land except for a 20-metre margin along the edge of any river or stream. When topdressing the Owner may only use organically certified non nitrogenous fertilizers.
- 2 The Minister may design and undertake a monitoring programme on that part of the Land labelled CC1a on the designations plan:
 - to ensure the ecological integrity of the Land is maintained; and
 - to enable the monitoring of any effects on the vegetation cover and conditions, faunal values and any other Values of the Land.
 - 2.1 A monitoring programme for the Land is included in Schedule 3. This sets out the parties' respective responsibilities for undertaking monitoring, meeting costs, methods to be used and information requirements.
 - 2.2 Should the results of monitoring show in the Minister's opinion a deterioration in the condition and extent of the ecological integrity of the Land, and/or the vegetative cover and conditions, faunal values or any other Values of the Land, the Minister reserves the right to take any necessary steps to protect species and/ or ecosystems, or require the Owner to take such steps, including those further described under "monitoring results" in Schedule 3.
 - 2.3 The Minister will liaise with the Owner in implementing any necessary steps, and the Owner will co-operate in giving effect to such steps as are considered necessary by the Minister.
- 3 Notwithstanding the provisions of clause 3.1 the following conditions shall apply to that part of the Land labelled CC1b on the designations plan;

- 3.1 The Owner may do routine maintenance of existing fences and structures and maintenance within the alignment of all existing tracks within the Land. For clarity, this maintenance may include minor clearance of indigenous vegetation and soil disturbances within the existing alignment of the fence, structure or track. Any maintenance undertaken outside the existing alignment or further upgrading of tracks to a higher standard than exists at the start of this Covenant, or replacement of fences or structures requires the prior written consent of the Minister.
- 3.2 The Owner may actively drive sheep (ewes) through the Land to the adjoining area labelled GC on the Designations plan (shown shaded pink and crosshatched) during the period between 1 October and 10 May inclusive, provided the Owner has a current concession to graze sheep on the land labelled GC.

SCHEDULE 3

DESCRIPTION OF THE MONITORING PROGRAMME TO BE ESTABLISHED

1. Responsibilities:

An indigenous vegetation monitoring programme may be established on the Land labelled CC1a on the designations plans attached to the Proposal by the Minister following the commencement of the covenant term. Re-monitoring is to be organised by the Owner with the assistance of the Minister.

The monitoring is intended to be a management tool allowing the Minister and Owner to make informed decisions about the continued management of the land. This tool will develop and implement a system for assessing the impact of sheep and cattle grazing on the indigenous plant populations, species, communities, and ecosystems on the Godley Peaks Station Covenant.

The objectives are:

1. Establish a series of photo monitoring points focussing on areas where stock grazing is likely to be most pronounced.
2. Use these points to establish baseline information about the indigenous plant populations, species, communities, and ecosystems in the CC1a covenant area.
3. Monitoring will occur at 5 yearly intervals, and at each re-monitoring the photos will be used to compare with photos from previous monitoring occasions.

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 as to the selection of a suitably qualified monitoring provider (which does not preclude the Owner undertaking this work to an acceptable standard). The Minister will be given a copy of the monitoring report in a format nominated by the Minister.

2. Costs:

The Minister will be responsible for the cost of establishing the monitoring. The Owner will be responsible for the cost of repeat monitoring and the report write up. The Minister will cover his/her own staff cost in assisting re-monitoring.

3. Monitoring Methods:

Photopoint Monitoring

A series of general repeatable photo-point sites will be established. The purpose of these photo points is to detect deterioration of the tussock, waterways and shrublands being recorded as a consequence of stock impacts and other management practices.

This will be done using permanent landscape photo-points. (The number and location is to be decided by the Minister when setting up the monitoring). The location of each photo-point is to be recorded using GPS.

The photo points will consist of a series of general landscape photos to ensure that conditions of the covenant are complied with along with specific monitoring that may identify detrimental impacts as follows.

Within shrublands will include:

- Observations of damage to the vegetation, fragmentation, tracking, gaps and canopy breakdown and impacts on regeneration, along with any loss of biodiversity that may occur as a direct result of grazing or other management practices.

Within tussock grassland areas will include:

- observations of damage to the vegetation, impacts of trampling and browsing and impacts on regeneration, along with any loss of biodiversity that may occur as a direct result of grazing or other management practices.

4. Monitoring Results:

Following monitoring, results will be discussed between the Owner and the Minister.

Should it be noted as a result of monitoring that grazing or other management practices are having a detrimental impact on the values then the Owner will take significant steps to prevent this continuing, which may include such measures as changing management practices, fencing, or changing stock types or numbers. These measures will be undertaken at the owner's cost and with no compensation payable.

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

Execution Section

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

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

R. M. Summerlee


Jerome Sheppard

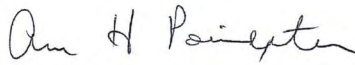
RICHARD SUMMERLEE

Witness

Richard Summerlee
Occupation Portfolio Manager Crown Property
Land Information New Zealand
113 TUAM ST, CHRISTCHURCH
Address

SIGNED for and on behalf of
Verity Farms NZ Limited
by it's sole director
in the presence of:





Ann Harriet Poindexter

Witness

Christopher Dean Mouat
Occupation Solicitor
Christchurch

Address

As per attached authority

Kit Mouat

From: Ann Poindexter <poindexternz@gmail.com>
Sent: Wednesday, 20 January 2021 3:00 PM
To: Kit Mouat
Subject: electronic signature
Attachments: scan0004.pdf; Signature.jpg

Kit, this is my authorisation to use my electronic signature, attached, on the revised tenure review proposal. - Ann

Ann Poindexter

Verity Farms NZ Ltd.

210 Patons Rock Road
RD2, Takaka
New Zealand 7182

Ph +64 21 531 227

poindexternz@gmail.com

ENCUMBRANCEE CONSENT

GENESIS ENERGY LIMITED, being the party entitled to the benefit of Encumbrance 9662979.1 registered against Lease CB30B/914, hereby consents to the acceptance of the Proposal dated 6 November 2020 by **VERITY FARMS NZ LIMITED** pursuant to the Crown Pastoral Land Act 1998.

Dated:

29/01/21

SIGNED for and on behalf of
GENESIS ENERGY LIMITED
in the presence of:

)
)
)



Nigel Clark, Chief Operations Officer

Witness Signature:



Witness Name:
Occupation:
Address:

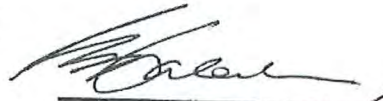
Annie Hamilton
Business Support Manager
94 Bryce Street, Hamilton

ENCUMBRANCEE CONSENT

MACKENZIE IRRIGATION COMPANY LIMITED, being the party entitled to the benefit of Encumbrance 9662979.1 registered against Lease CB30B/914, hereby consents to the acceptance of the Proposal dated 6 November 2020 by **VERITY FARMS NZ LIMITED** pursuant to the Crown Pastoral Land Act 1998.

Dated: 15 - 1 - 21

SIGNED for and on behalf of
MACKENZIE IRRIGATION COMPANY LIMITED
in the presence of:

)
)
) 

Witness Signature:

Witness Name: Alison Gray Harg
Occupation: *Accountant*
Address: *Dunedin.*

A. Gray

ENCUMBRANCEE CONSENT

MERIDIAN ENERGY LIMITED, being the party entitled to the benefit of Encumbrance 9662979.1 registered against Lease CB30B/914, hereby consents to the acceptance of the Proposal dated 6 November 2020 by VERITY FARMS NZ LIMITED pursuant to the Crown Pastoral Land Act 1998.

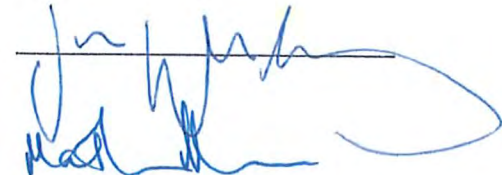
Dated: 21 January 2021

SIGNED by MERIDIAN ENERGY LIMITED by its

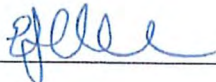
Attorneys

and

in the presence of:

) 
) _____
) _____
) _____

Witness Signature:

 _____

Witness Name:

ELIZABETH JANE CLELAND

Occupation:

GOVERNANCE SPECIALIST

Address:

WELLINGTON

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, **Mathew Bayliss, General Manager Generation (Acting)**, of Twizel, certify that:

1. By power of attorney dated 19 December 2017 ("**Power of Attorney**"), Meridian Energy Limited of 55 Lady Elizabeth Lane, Wellington, New Zealand appointed each of the persons from time to time holding the office of Chief Executive, Chief Financial Officer, General Manager Generation and Natural Resources and General Counsel, or such other office with the Company howsoever designated as may from time to time replace or succeed any such office (each being an Attorney) to be its attorneys to act jointly with at least one other attorney of Meridian Energy Limited (whether or not appointed under the Power of Attorney) on the terms and subject to the conditions set out in the Power of Attorney.
2. The Power of Attorney has been deposited with Land Information New Zealand under Supporting Document number 1779877.
3. I am the General Manager Generation (Acting) of Meridian Energy Limited.
4. At the date of this certificate I have not received any notice or information of the revocation of the appointment by the dissolution (however occurring) of Meridian Energy Limited or otherwise.
5. The annexed document will, on execution, comply with all conditions and restrictions set out in the Power of Attorney and I am authorised by the Power of Attorney to execute the annexed document.



Mathew Bayliss
General Manager Generation (Acting)

Signed at Twizel this 21 day of January 2021.

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, **Jason Andrew Duncan Woolley, General Counsel, of Wellington**, certify that:

1. By power of attorney dated 19 December 2017 ("**Power of Attorney**"), Meridian Energy Limited of 55 Lady Elizabeth Lane, Wellington, New Zealand appointed each of the persons from time to time holding the office of Chief Executive, Chief Financial Officer, General Manager Generation and Natural Resources and General Counsel, or such other office with the Company howsoever designated as may from time to time replace or succeed any such office (each being an Attorney) to be its attorneys to act jointly with at least one other attorney of Meridian Energy Limited (whether or not appointed under the Power of Attorney) on the terms and subject to the conditions set out in the Power of Attorney.
2. The Power of Attorney has been deposited with Land Information New Zealand under Supporting Document number 1779877.
3. I am the General Counsel of Meridian Energy Limited.
4. At the date of this certificate I have not received any notice or information of the revocation of the appointment by the dissolution (however occurring) of Meridian Energy Limited or otherwise.
5. The annexed document will, on execution, comply with all conditions and restrictions set out in the Power of Attorney and I am authorised by the Power of Attorney to execute the annexed document.



Jason Andrew Duncan Woolley
General Counsel

Signed at Wellington this 21 day of January 2021