

To: Davinnia Tan, Manager, Applications

ASSESSMENT REPORT: First Sunrise Bidco Limited

Date	6 March 2023	Classification	IN CONFIDENCE: Commercially sensitive
LINZ reference	202200575	Suggested deadline	17 March 2023

Purpose

We seek your decision on an application for consent to acquire significant business assets and an interest in residential (but not otherwise) sensitive land under the Overseas Investment Act 2005 (Act).

This decision has been delegated to Toitū Te Whenua Land Information New Zealand (LINZ).¹

Action sought

1. Review this report.
2. Determine whether to grant consent and, if so, on what conditions.
3. Indicate your decision from page 4.

Key information

Applicant	First Sunrise Bidco Limited (Australia 55.52%, Japan 11.92%, United States of America 4.60%, Various 2.00%)
Vendor	Eastland Group Limited (New Zealand 100%)
Assets	100% of the shares in Eastland Network Limited
Land	A freehold interest in approximately 0.2746 hectares of land ² located in Gisborne.
Consideration	\$260,000,000
Application type	Significant Business Asset Sensitive land – Non-residential use test
Relevant tests	Investor test: s 16(1)(a) and s 18A Non-residential use test: s 16(1)(b)(i)(C) National interest test: s 16(1)(g)

¹ All decisions where the land is residential but not otherwise sensitive are delegated to LINZ under Table A, row C, item 1 of the Ministerial Delegation letter dated 24 November 2021.

² Record of Title GS4A/1454.

Timing

4. The Overseas Investment Regulations 2005 specify the total assessment timeframe for this application is 55 working days. This application is currently on day 46, therefore a decision is due to the applicant by **17 March 2023**.

A. Decision

Investor test

5. I determine that:

5.1 The 'relevant overseas person' is (collectively):

Relevant overseas person	Role
First Sunrise BidCo Limited	The Applicant
First Sentier Funds	Part owner of the holding entities of the Applicant
First Sentier Investors (Australia) Infrastructure Managers Pty Ltd (FSI AIM)	[s 9(2)(b)(ii)]
First Sentier Investors (Australia) RE Ltd (FSI ARE)	[s 9(2)(b)(ii)]
First Sentier Investors (Australia) Infrastructure Holdings Ltd (FSI AIH)	[s 9(2)(b)(ii)]
First Sentier Infrastructure Managers (International) Limited (FSI MIL)	[s 9(2)(b)(ii)]

5.2 the 'individuals with control of the relevant overseas person' are:

Individuals with control	Role
Jay Chong	Director of the Applicant
Gavin William Kerr	
[s 9(2)(a)]	Director of FSI AIH
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	Director of FSI AIM and FSI MIL

[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	Director of FSI ARE
[s 9(2)(a)]	
[s 9(2)(a)]	

5.3 None of the relevant overseas persons and individuals with control of the relevant overseas person have established any of the factors contained in section 18A(4) of the Act.

6. I am satisfied that the investor test in section 18A has been met.

Non-residential use test

7. I determine that the relevant business for the purpose of the residential land outcome is the business of Eastland Network Limited, being the distribution of electricity in the Tairāwhiti and Wairoa regions (**Relevant Business**).

8. I am satisfied that:

- 8.1 the Relevant Business is likely to continue for a reasonable period of time;
- 8.2 the Land is likely to continue to be used for non-residential purposes in the ordinary course of business for the relevant business;
- 8.3 the Land is not likely to be used, nor held for future use, for any residential purposes.

Transaction of national interest

9. The investment includes a transaction of national interest under section 20A because the transaction involves the acquisition of an investment in a strategically important business. The Minister of Finance has advised by a decision on **6 March 2023** that the investment is not contrary to New Zealand's national interests.

Decision

10. I am satisfied that the criteria for consent have been met (set out above). I grant consent to the investment in the form of the Proposed Decision in **Attachment 4**.



Davinnia Tan
 Manager, Applications (Overseas Investment)
 Date: 7 March 2023

B. Background and proposed transaction

11. First Sunrise Bidco Limited (the **Applicant**) is seeking consent to acquire 100% of the shares in Eastland Network Limited (**Eastland Network**) from Eastland Group Limited (the **Vendor**) (**Proposed Transaction**).
12. The Proposed Transaction will result in the Applicant acquiring a freehold interest in approximately 0.2746 hectares of residential land (but not otherwise sensitive) (the **Land**).

The Applicant

13. The Applicant is a New Zealand company incorporated for the purposes of the Proposed Transaction. The Applicant is ultimately owned by First Sentier Funds (**FSF**), and Caledon FGL Aggregator L.P. (**Caledon**).
14. FSF is a composition of two groups of stapled funds managed by a group of companies⁴ who sit within the First Sentier Investors group (**FSI**), a global asset management business which operates various investment teams, including its direct infrastructure business 'Igneo Infrastructure Partners' (**Igneo**).
15. Caledon is a limited partnership where the limited partners manage investments from registered pension plans.

Eastland Network Limited and the Vendor

16. Eastland Network is an electricity distribution company for the Tairāwhiti and Wairoa regions. Eastland Network is part of Eastland Group Limited which runs the Eastland Port, Gisborne Airport, Eastland Generation (being a hydro scheme near Wairoa), and three geothermal power plants in the Bay of Plenty.
17. Eastland Network owns and maintains the poles, wires and underground cabling used by electricity retailers to supply customers with electricity in the Tairāwhiti and Wairoa regions. It also owns the region's high voltage electricity transmission network⁵ (being the steel poles and towers that connect the local supply network to the national grid). Eastland Network currently delivers power to nearly 26,000 customers across 12,000 square kilometres.
18. The Vendor is owned by a public trust, Trust Tairāwhiti (the **Trust**). The Trust is selling Eastland Network to increase its liquidity to invest in further economic development in the Tairāwhiti region.

The Land

19. The Land is a small vacant lot in central Gisborne, outlined at Image 1 in red below⁶:

⁴ Discussed from paragraph 44.

⁵ 'Transmission' in this context means equipment operated at a high voltage, as opposed to the transmission network operated by Transpower.

⁶ Record of Title GS4A/1454.



Image 1 – Aerial photo showing the location of the Land

20. Further images of the Land and wider location can be found in **Attachment 3**.

C. Application of the Act

21. The Asset is sensitive because the value of the business is more than \$100 million,⁷ and an interest in residential (but not otherwise sensitive) land⁸ is being acquired, so consent is required.⁹
22. The following criteria for an investment in significant business assets apply to this application:¹⁰
- 22.1 The investor test must be met.¹¹
- 22.2 You must also note whether the investment is a transaction of national interest and, if so, whether the Minister of Finance has decided that the investment is contrary to New Zealand's national interest.¹²
23. Because the application is being made under the Non-residential use test, the following criterion also applies to this application:¹³
- 23.1 The Non-residential use test must be met.¹⁴
24. In order to satisfy the Non-residential use test, the decision-maker must be satisfied that the following outcomes are met:¹⁵

⁷ Section 13(1)(a)(ii) of the Act.

⁸ Table 1, Part 1, Schedule 1 of the Act.

⁹ Under sections 10(1)(a) and 12(a)(i) of the Act.

¹⁰ Set out in section 18 of the Act.

¹¹ Section 18A(4) of the Act.

¹² Section 18(1)(e) of the Act.

¹³ Set out in sections 16(1) of the Act.

¹⁴ Section 16(1)(b)(i)(C) of the Act.

¹⁵ Schedule 2, Part 3 of the Act.

- 24.1 the Relevant Business is likely to continue for a reasonable period of time;
- 24.2 the Land will be used for non-residential purposes in the ordinary course of business for the relevant business;
- 24.3 will not be used, nor held for future use, for any residential purposes.
25. We assess the investor test in **Part D**, the Non-residential use test in **Part E**, and discuss national interest matters in **Part F**.

D. Applicant and investor test

Business Activities

26. The Applicant was incorporated in New Zealand on 16 November 2022. It was established to enter into the Proposed Transaction and therefore has no prior business operations or financial statements.

First Sentier Funds

27. FSF is an investment portfolio comprised of four funds:
- the Global Diversified Infrastructure Fund (Active) and the Global Diversified Infrastructure Fund (International) (together **GDIF Funds**);
 - the First Sentier Investors Active Infrastructure Income Fund and the First Sentier Investors Infrastructure Income Fund (together **WIIF Funds**).
28. The GDIF and WIIF Funds were established with an objective of building diversified portfolios of investments in infrastructure or infrastructure-related projects.

Caledon

29. Caledon acts as a pooled vehicle through which its limited partners will make certain investments in assets in accordance with terms of the partnership agreement. The limited partners are partnerships which are established to manage investments from registered pension plans or are funds or entities established by such plans for the transactional purposes.

First Sentier Investors

30. FSI is a global fund manager with clients across Asia, Australia, Europe and North America. FSI had A\$209.1 billion of funds under management as at 30 September 2022. FSI has a track record of over 25 years investing in infrastructure assets, with experience in almost 50 infrastructure investments since 1994.
31. FSI is owned by the Mitsubishi UFJ Financial Group (**MUFG**), one of the world's largest financial groups. MUFG is headquartered in Tokyo. The MUFG group of companies offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management and leasing. MUFG's shares trade on the Tokyo, Nagoya and New York stock exchanges.
32. FSI's direct infrastructure business is Igneo. Igneo's funds have a focussed strategy of investing in infrastructure assets such as electricity, gas and water networks, oil, gas and chemical storage facilities, airports, ports, rail, toll roads, transport services, renewables and telecommunications network infrastructure assets.

Previous consents

33. Igneo's portfolio of investments in New Zealand (being assets beneficially owned by (among others) the GDIF Funds, the WIIF Funds includes:

- Waste Management New Zealand¹⁶: a materials recovery, recycling and waste management provider;
- First Gas Holdings Limited's¹⁷: operator of a large gas distribution network and the entire transmission network in New Zealand;
- Rock Gas¹⁸ (as part of the First Gas group): LPG retailer in New Zealand, which purchases LPG from New Zealand or offshore suppliers, and distributes LPG through its distribution network;
- Flex Gas¹⁹ (as part of the First Gas group): the operator of the Ahuroa gas storage facility, the underground natural gas storage facility situated in Taranaki;
- Tuatahi First Fibre Limited²⁰ (previously known as Ultrafast Fibre Limited): maintains and operates a fibre network in the Waikato, Taranaki, Bay of Plenty and Manawatu-Whanganui regions; and
- Quantem (formerly ANZ Terminals): an independent bulk liquid storage business with 426,000 cbm of tank storage located in Australia and New Zealand.

Ownership

34. On completion of the Proposed Investment, three subsidiaries will sit between the Applicant and the FSF.
- The Applicant will be wholly owned by First Sunrise Holdco Limited (**Holdco**)²¹;
 - Holdco will be wholly owned by First Sunrise Midco (**Midco**)²²; and
 - Midco will be wholly owned by First Sunrise Topco (**Topco**)²³.
35. Topco will be:
- [s 9(2)(b)(ii)] owned by the **GDIF Funds**;
 - [s 9(2)(b)(ii)] owned by the **WIIF Funds**; and
 - [s 9(2)(b)(ii)] owned by **Caledon**;
36. The GDIF Funds are part of a stapled group of funds, referred to as the 'GDIF Group'. While not all of the funds in the GDIF Group are involved in the Proposed Transaction, the units in each of the four funds in the GDIF Group are stapled so that the investors in each of the funds is the same.
37. The WIIF Funds are part of a group of two stapled funds (each with the same investors).
[s 9(2)(b)(ii)]
38. [s 9(2)(b)(ii)]
39. The Applicant is an overseas person for the purposes of the Act because it is ultimately owned by First Sentier Funds and Caledon, which are funds incorporated outside New Zealand. The Applicant's beneficial owners are as follows.²⁵:

¹⁶ Case number 202200162

¹⁷ Case numbers 201520094 and 201610011

¹⁸ Case number 201810158

¹⁹ Case number 201810033

²⁰ Case number 202000242

²¹ New Zealand company number 8525126.

²² New Zealand company number 8561801.

²³ New Zealand company number 8561792.

²⁴ [s 9(2)(b)(ii)]

²⁵ Australia (55.52%), Canada (25.96%), Japan (11.92%), Various (6.6%).

(a) [s 9(2)(b)(ii)]²⁶

(b) [s 9(2)(b)(ii)]

(c) [s 9(2)(b)(ii)]

(d) [s 9(2)(b)(ii)]

(e) [s 9(2)(b)(ii)]

40. For the purposes of the Relevant Overseas Person (ROP) assessment, the Applicant submits that:

- [s 9(2)(b)(ii)]
- Holdco, Midco and Topco are holding companies only, and will not have any role in management or oversight of the Applicant or Eastland Network.
- FSI companies (discussed below) are included as ROP's under the investor test.

41. Diagrams of the intended ownership structure are at **Attachment 2**.

42. For these reasons, we recommend that the 'relevant overseas persons' is (collectively):

Relevant overseas person	Role
First Sunrise BidCo Limited	The Applicant
First Sentier Funds	Part owner of the holding entities of the Applicant
First Sentier Investors (Australia) Infrastructure Managers Pty Ltd (FSI AIM)	[s 9(2)(b)(ii)]
First Sentier Investors (Australia) RE Ltd (FSI ARE)	[s 9(2)(b)(ii)]
First Sentier Investors (Australia) Infrastructure Holdings Ltd (FSI AIH)	[s 9(2)(b)(ii)]
First Sentier Infrastructure Managers (International) Limited (FSI MIL)	[s 9(2)(b)(ii)]

Control

43. The Applicant submits that the investors in First Sentier Funds and Caledon are passive investors with no control or management rights over the funds. The investors

²⁶ In turn beneficially owned by entities described in footnote 24.

will not have management or control rights over the Applicant, the Vendor or Eastland Network.

44. [s 9(2)(b)(ii)]
- 44.1 [s 9(2)(b)(ii)]
- 44.2 [s 9(2)(b)(ii)]
- 44.3 [s 9(2)(b)(ii)]
- 44.4 [s 9(2)(b)(ii)]
45. The purchase of Eastland Network was approved by [s 9(2)(b)(ii)] Any divestment decision would need to be approved [s 9(2)(b)(ii)], which include [s 9(2)(b)(ii)]²⁷
46. FSI AIH is the parent company of FSI AIM and FSI MIL. FSI AIH is 100% owned by MUFG, however the Applicant submits that MUFG does not have any relevant control rights in respect of the decision to invest in, or in relation to the management of the Proposed Transaction.
47. Eastland Network’s management team will continue to have responsibility for the day-to-day operation of the business, with oversight from the board of the Applicant (two overseas persons). Any significant capital and operating expenditure in relation to Eastland Network must be approved by the Applicant’s board.
48. Based on the above, the individuals with control are the directors of the Applicant and the directors of FSI AIH, FSI AIM, FSI MIL and FSI ARE.
49. Thus, we recommend that the ‘**individuals with control of the relevant overseas person**’ (IWC)²⁸ are:

Individuals with control	Role
Jay Chong	Director of the Applicant
Gavin William Kerr	
[s 9(2)(a)]	Director of FSI AIH
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	Director of FSI AIM and FSI MIL
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	
[s 9(2)(a)]	

²⁷ Comprised of citizens from Australia, the United States of America, Canada, and the United Kingdom.

²⁸ Section 15.

²⁹ [s 9(2)(a)] is a New Zealand citizen and so does not have to meet the investor test.

[s 9(2)(a)]	Director of FSI ARE
[s 9(2)(a)]	
[s 9(2)(a)]	

Summary of investor test

50. The relevant overseas persons and individuals with control established none of the factors contained in section 18A(4) of the Act.
51. For the reasons set out above, our conclusion is that **the investor test has been met.**

E. Investment plan and Non-residential use test

52. As a result of the Proposed Transaction, the Applicant will be acquiring interest in residential (but not otherwise sensitive) land.
53. This section describes the proposed investment and our assessment of whether it is likely to meet the Non-residential use test criteria in the Act.

Investment

Land

54. The Land is residential (but not otherwise sensitive) land under the Act. The Land is categorised as “residential/vacant” land under the Gisborne District Council District Valuation Roll (**GD CDVR**) and is zoned ‘General Residential’ under the District Plan.
55. The Land is a vacant grass area with no buildings or dwellings. The area is not currently used, and adjoins land used for the Vendor’s head office and Carnarvon substation.³⁰

Investment Plan

56. As mentioned, the Applicant intends to keep the Land vacant, pending further reassessment in due course. The Land will continue to be used for non-residential purposes by the Applicant.

Non-residential use test

57. This section considers what business will be undertaken on the Land and, as a result, whether the Land is likely—
 - 57.1 to be used for non-residential purposes in the ordinary course of business;
 - 57.2 not be used or held for residential purposes;
 together referred to as the **non-residential use outcome.**
58. The Applicant intends to keep the Land vacant.
59. The Land currently does not contain, and the Applicant does not intend to construct any residential dwellings.
60. All of the Land is currently, and will continue to be, used for a non-residential purpose relating to the carrying out of the Relevant Business.
61. We are therefore satisfied that the non-residential use outcome is met.
62. The Act requires that condition(s) be imposed on any consent granted that require the non-residential use outcome to occur (clause 18, Schedule 2). **Proposed Special**

³⁰ This adjoining land is not sensitive under the Act.

Condition 1 meets this requirement by requiring that the Applicant use the Land for non-residential purposes in the ordinary course of business.

Submissions

63. Three third-party submissions were received in relation to this application.
64. The first submission was received on 20 December 2022. This submission was received by a private individual named Winston Moreton Hindmarsh. Hindmarsh's submission concerns the following:
 - The ability for customers to object to electricity price changes once the acquisition is made.
 - The future use of customers personal information; and
 - The process followed by the Trust when making its decision to sell the Assets.
65. In response, the Applicant has stated that the Submission does not raise any points relevant to the LINZ's assessment of the Application.
66. The second submission was received on 23 February 2023. The submission objects to the Proposed Investment generally and expresses concern that the proceeds of the sale will be distributed solely to Tairāwhiti and not Wairoa.
67. A third submission was received on 28 February 2023 in support of the second submission.
68. Our assessment is that the submissions have not raised any issues that are relevant to the investor test or the non-residential use test.
69. The national interest assessment report submitted to the Minister of Finance has considered whether these third-party submissions have raised any relevant national interest factors.

F. Transaction of national interest

70. The Proposed Transaction is a transaction of national interest under the mandatory criteria in the Act.³¹ This is because this is an investment in a strategically important business.³² The Applicant is considered a strategically important business under regulation 3C as it is a business that is involved in electricity distribution.
71. The first step is for you to decide whether all of the other criteria for granting consent are met. If you are satisfied that they are, you must then refer the investment to the Minister of Finance for a decision about whether the transaction is contrary to New Zealand's national interests. We will prepare a separate report to the Minister of Finance for the national interest assessment.
72. Once the Minister of Finance has made this decision, you will be able to make the final decision about whether to grant or decline consent.
73. If the Minister of Finance determines that the investment:
 - is contrary to New Zealand's national interest, then consent has been declined;
 - is not contrary to New Zealand's national interests, then you must grant consent if the other tests are satisfied;

³¹ Section 20A of the Act.

³² As defined in section 6 of the Act.

- is not contrary to New Zealand's national interests but that actions are desirable to manage the risks posed by the investment, then you may consider what conditions are necessary to mitigate the risks posed by the investment.

G. Conclusion and recommendation

74. We recommend you grant consent to the investment as we consider all of the relevant criteria have been met.
75. The conditions we recommend are set out in the Proposed Decision (**Attachment 4**). These conditions include all required mandatory conditions and additional discretionary conditions.



Bryda Chamberlain
Solicitor
Overseas Investment

Date: 06 / 03 / 2023

H. List of Attachments

1. Sensitive Land Details
2. Intended ownership structure
3. Images and Maps
4. Proposed Decision and Conditions
5. Letter to the Minister of Finance

Attachment 1: Sensitive Land Details

1. Lot 21 DP 6072

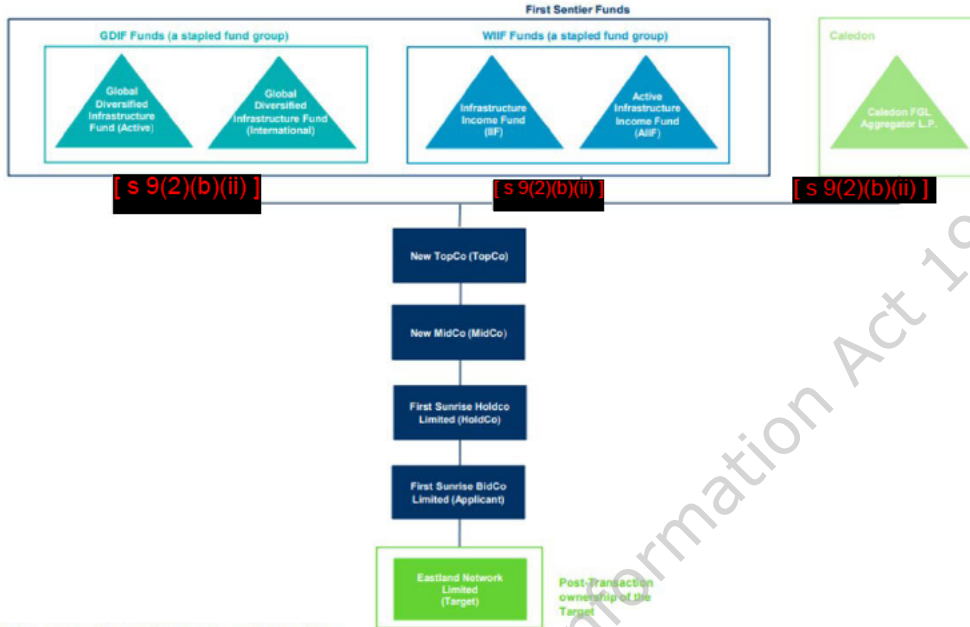
Land interest	Freehold Interest (approximately 0.2746 hectares)
Record(s) of Title	GS4A/1454 (Gisborne)
Sensitivity	Residential land

Released under the Official Information Act 1982

Attachment 2: Intended Ownership Structure

Appendix 01 – Ownership and control structure charts

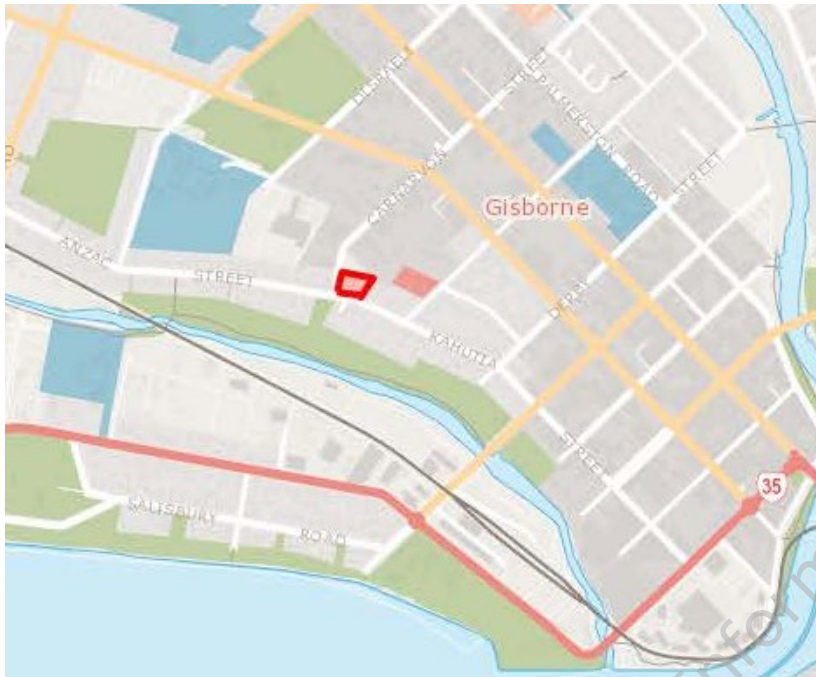
Ownership structure chart

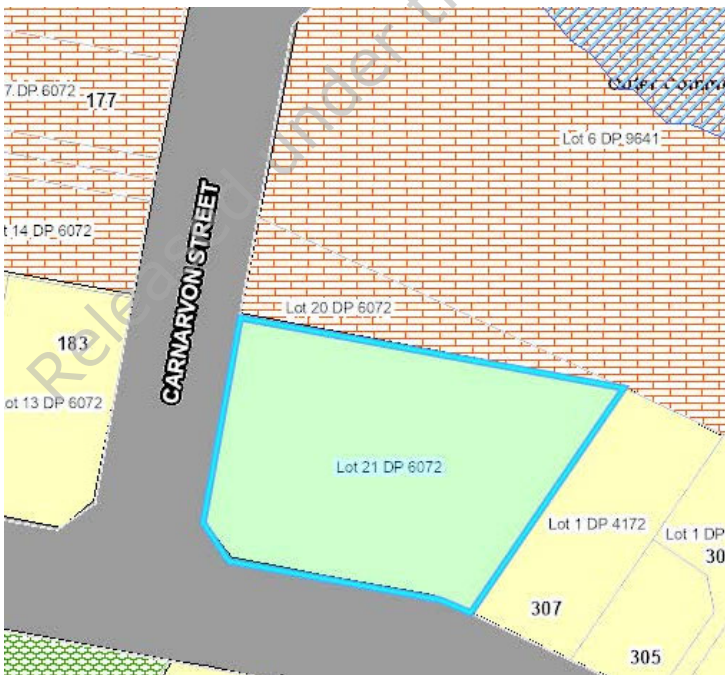


[s 9(2)(b)(ii)]

Released under the Official Information Act 1982

Attachment 3: Images and Maps





Attachment 4: Proposed decision

Consent for Overseas Person to Acquire Sensitive New Zealand Land

Read this consent carefully - you must comply with all the conditions. If you do not, you may be required to dispose of the land and/or be subject to fines or other penalties.

Consent

Decision date: 7 March 2023

The following people have been given the following consent:

Case	202200575
Consent	First Sunrise Bidco Limited may acquire the Asset and the Land subject to the Conditions set out below.
Consent holder	First Sunrise Bidco Limited We will also refer to the Consent holder as you .
Asset	100% of the shares in Eastland Network Limited (8525267)
Land	A freehold interest in approximately 0.2746 hectares of land contained in Record of Title GS4A/1454.
Relevant Business	The distribution of electricity in the Tairāwhiti and Wairoa regions.
Timeframe	You have until 30 September 2023 to acquire the Asset and the Land

Conditions

Your Consent is subject to the Special conditions, Standard conditions and Reporting conditions (Conditions) set out below. You must comply with them all. Be aware that if you do not comply with the Conditions you may be subject to fines or other penalties, and you may also be required to dispose of the Land.

In the Consent and the conditions, we refer to the Toitū Te Whenua Land Information New Zealand as LINZ, us or we.

Definitions

Act means Overseas Investment Act 2005

Regulations means Overseas Investment Regulations 2005

Any term or expression that is defined in the Act or Regulations and used, but not defined, in this consent has the same meaning as in the Act or Regulations.

Special conditions

You must comply with the following **special conditions**. These apply specifically to this Consent and include conditions that we must impose under the Act:

Details	Required date
Automatic condition: National interest	
You must not, in relation to the Asset, act or omit to act with a purpose or an intention of adversely affecting national security or public order	At all times
Special condition 1: use the Land for non-residential purposes	
You must use the Land for non-residential purposes in the ordinary course of business for the Relevant Business. You must not use or hold the Land for any residential purposes. If you do not comply with this condition, Standard Condition 4 will apply and we may require you to dispose of the Land.	At all times

Standard conditions

You must also comply with the **standard conditions** set out below. These apply to all overseas people who are given consent to acquire sensitive New Zealand land, including you:

Details	Required date
Standard condition 1: Acquire the Land and Assets	
<p>You must acquire the Land and Assets:</p> <ol style="list-style-type: none"> by the date stated in the Consent. If you do not, your Consent will lapse or become invalid and you must not acquire the Land and Assets, and using the acquisition, ownership, and control structure you described in your application. Note, only you - the named Consent Holder - may acquire the Land and Assets, not your subsidiary, trust, or other entity. 	As stated in the Consent
Standard condition 2: Tell us when you acquire the Land and Assets	
<p>You must tell us in writing when you have acquired the Land and Assets. Include details of:</p> <ol style="list-style-type: none"> the date you acquired the Land and Assets (Settlement), consideration paid (plus GST if any), the structure by which the acquisition was made and who acquired the Land and Assets, and copies of any transfer documents and Settlement statements. 	As soon as you can, and no later than two months after Settlement
Standard condition 3: Allow us to inspect the Land	
<p>Sometimes it will be helpful for us to visit the Land so we can monitor your compliance with the Conditions. We will give you at least two weeks' written notice if we want to do this. You must then:</p> <ol style="list-style-type: none"> Allow a person we appoint (Inspector) to: <ol style="list-style-type: none"> enter onto the Land, including any building on it, other than a dwelling, for the purpose of monitoring your compliance with the Conditions (Inspection), remain there as long as is reasonably required to conduct the inspection, gather information, 	At all times

Details	Required date
<p>d. conduct surveys, inquiries, tests, and measurements,</p> <p>e. take photographs and video records, and</p> <p>f. do all other things reasonably necessary to carry out the Inspection.</p> <p>2. Take all reasonable steps to facilitate an Inspection including:</p> <p>a. directing your employees, agents, tenants, or other occupiers to permit an Inspector to conduct an Inspection,</p> <p>b. being available, or requiring your employees, agents, tenants, or other occupiers to be available, at all reasonable times during an Inspection to facilitate access onto and across the Land. This includes providing transport across the Land if reasonably required.</p> <p>During an Inspection:</p> <p>a. we will not compel you and your employees, agents, tenants, or other occupiers to answer our questions or to let us look at, copy or take away documents,</p> <p>b. our Inspector will comply with any reasonable instruction and co-operate with any reasonable health and safety policy or procedure you notify to us before the Inspection.</p>	
Standard condition 4: Remain not unsuitable to Invest in New Zealand	
<p>You, and to the extent that you are not an individual, the Individuals Who Control You must remain not unsuitable to own or control the Assets in accordance with section 18A(1) of the Act.</p> <p>The Individuals Who Control You are individuals who:</p> <p>a. are members of your governing body</p> <p>b. directly or indirectly, own or control more than 25% of you or of a person who itself owns or controls more than 25% of you, and</p> <p>c. are members of the governing body of the people referred to in paragraph (b) above.</p>	At all times
Standard condition 5: Tell us about changes that affect you, the people who control you, or people you control	
You must tell us in writing if any of the following events happens to any of the Consent holders:	Within 20 working days after the change

Details	Required date
<ol style="list-style-type: none"> 1. You become aware that you and/or any Individual Who Controls you establishes any of the investor test factors listed in section 18A(4) of the Act. 2. You cease to be an overseas person or dispose of all or any part of the Asset. 3. Your New Zealand Service Address changes. This is the address you provided us in your application as the address which we will send any legal document we need to serve on you. 	
Standard condition 6: Dispose of the Land if you do not comply with key special conditions	
<p>If all or part of this Standard Condition 6 applies to a special condition, we have said so in that special condition. If we consider you have failed to comply with one of those special conditions in a material way we may require you to dispose of the Land.</p> <p>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p>	
<p>Value the Land: obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.</p>	<p>Within six weeks of the date of our notice</p>
<p>Market the Land: instruct a licensed real estate agent to actively market the Land for sale on the open market.</p>	<p>Within six weeks of the date of our notice</p>
<p>Dispose of the Land: dispose of the Land to a third party who is not your associate.</p>	<p>Within six months of our notice</p>
<p>Offer without reserve: if you have not disposed of the Land within six months of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.</p>	<p>Within nine months of our notice</p>
<p>Report to us about marketing: tell us in writing about marketing activities undertaken and offers received for the Land.</p>	<p>By the last day of every March, June, September, and December after our notice or at any other time we require</p>
<p>Report disposal to us: send us, in writing, evidence of the following:</p> <ol style="list-style-type: none"> a. that you have disposed of the Land (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor), and b. that the purchaser is not your associate. 	<p>Within one month after the Land has been disposed of</p>

Reporting conditions

We need information from you about how your investment plan is tracking so we can monitor your progress against the Conditions.

In addition to Settlement reporting (as set out in Standard Condition 2), you must provide the OIO with reports detailing the progress of the investment. The reports must:

1. be submitted via our [Webform](#) by these dates:
 - a. **30 November 2023.**
2. contain information about:
 - a. your progress in implementing the special conditions (which can include photographs, maps or aerial imagery as evidence of compliance with relevant conditions)
3. follow the format of the template annual report published on our website

If requested in writing by the OIO, the Consent Holder(s) must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- a. the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the Consent was granted, or
- b. the conditions of this Consent.

Released under the Official Information Act 1982

Attachment 5: Letter to the Minister of Finance



Case ref: 202200575

20 February 2023

Hon Grant Robertson
Minister of Finance
PARLIAMENT BUILDINGS

cc Rebecca McAtamney, Head of Regulatory Practice and Delivery (Overseas Investment),
rmcatamney@linz.govt.nz

Tēnā koe Minister

National interest assessment under the Overseas Investment Act 2005

I seek your decision on whether the following investment is contrary to New Zealand's national interests.

First Sunrise Bidco Limited seeks consent under the Overseas Investment Act 2005 (the Act) to acquire 100% of the shares in Eastland Network Limited and approximately 0.2746 hectares of residential land.

This investment requires consent because the value of the business is more than \$100 million (section 13(1)(a)(ii) of the Act) and the applicant is acquiring sensitive (residential) land (Table 1, Part 1, Schedule 1 of the Act). The investment requires a national interest assessment because the transaction involves the acquisition of a strategically important business (section 20A of the Act).

I have made an assessment that no factors have been established under section 18A of the Act and the investor is met. For the residential land, I have determined that the non-residential use test applies and has been met (section 16(1)(b)(i)(C)).

All decisions regarding investments in significant business assets have been delegated to Toitū Te Whenua Land Information New Zealand pursuant to the Ministerial Delegation Letter dated 24 November 2021 (see Table A, Row A). Before I can determine whether to grant or decline the application, you need to decide whether the investment is contrary to New Zealand's national interest (section 20C of the Act). To assist with your consideration of the national interest assessment, I attach the Proposed Consent Decision that outlines the standard conditions that would apply if consent is granted. This includes the automatic condition that each consent holder must not, in relation to sensitive assets in which the relevant investment is made, act or omit to act with a purpose or an intention of adversely affecting national security or public order (section 25C of the Act).

LINZ will separately provide you with a report addressing the national interest assessment.

Ngā mihi

A handwritten signature in blue ink, appearing to read 'Davinnia Tan'.

Davinnia Tan
Manager, Applications
Overseas Investment