

Crown Pastoral Land Tenure Review

Lease name: THE POPLARS

Lease number: PC 015

Substantive Proposal

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

Execution copy

PROPOSAL FOR REVIEW OF CROWN LAND

Under Part 2 of the Crown Pastoral Land Act 1998

Date:

30 September

2013

Parties

Holder:

Run 351 Limited

C/- Mr K G Sutton 164 Boom Rock Road Ohariu Valley

Ohariu Valley Wellington

Commissioner of Crown Lands:

C/- The Portfolio Manager Crown Property & Investment Land Information New Zealand 112 Tuam St Private Bag 4721 Christchurch

The Land

Lease:

The Poplars

Legal Description:

Sections 23-35,37,39,40 and 46 SO 346928

Area:

2,299.8004 hectares (approximately)

Certificate of Title/Unique Identifier:

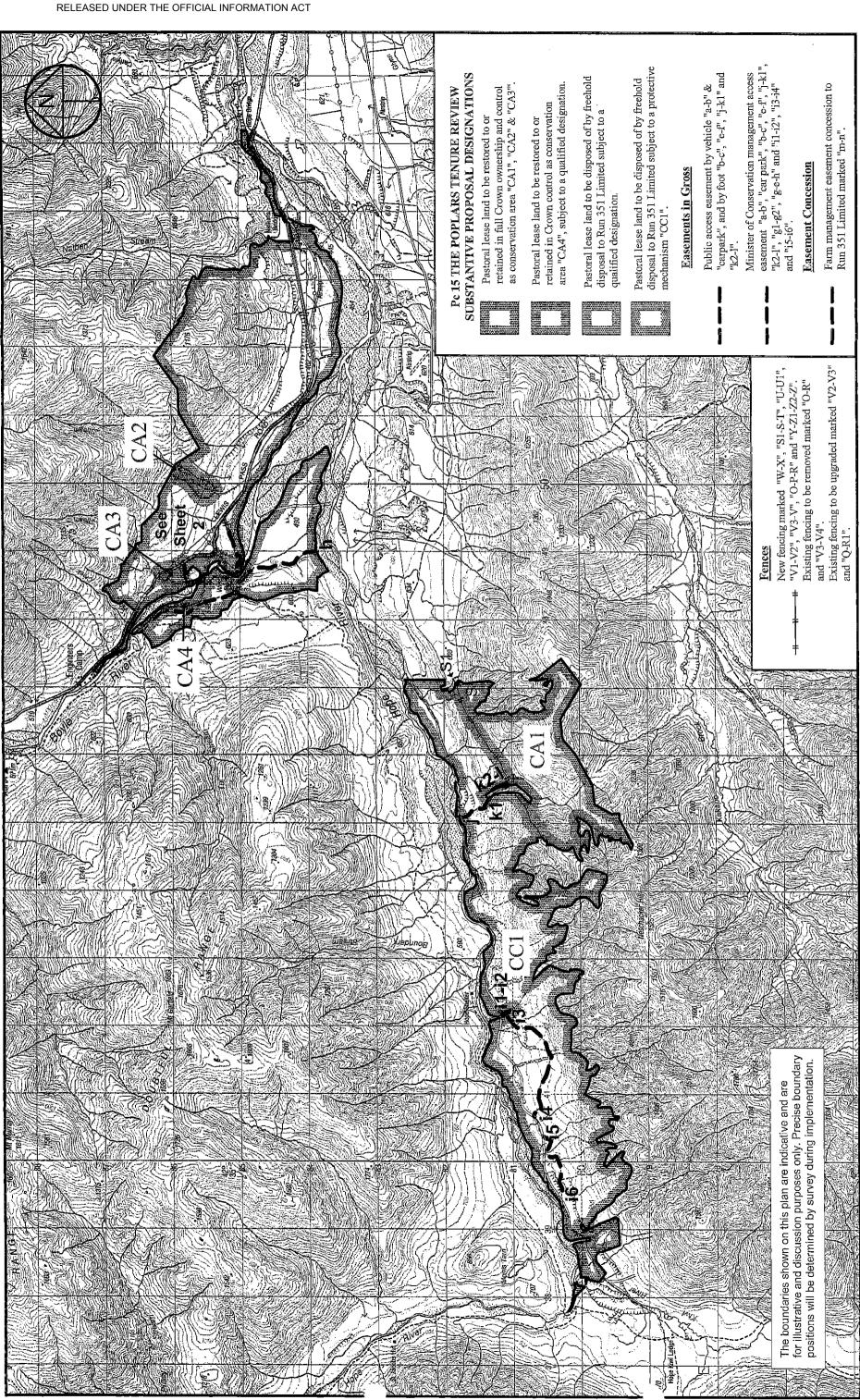
CB28F/1034 (Canterbury Registry)

Summary of Designations

Under this Proposal, the Land is designated as follows:

- (a) The Crown Land (shown edged in pink on the Plan and labelled CA1, CA2, CA3 and CA4) is to be restored to, or retained by, the Crown as set out in Schedules One and Two; and
- (b) The Freehold Land (shown edged in green on the Plan) is to be disposed by freehold disposal to the Holder as set out in Schedule Three.

1 The Plan



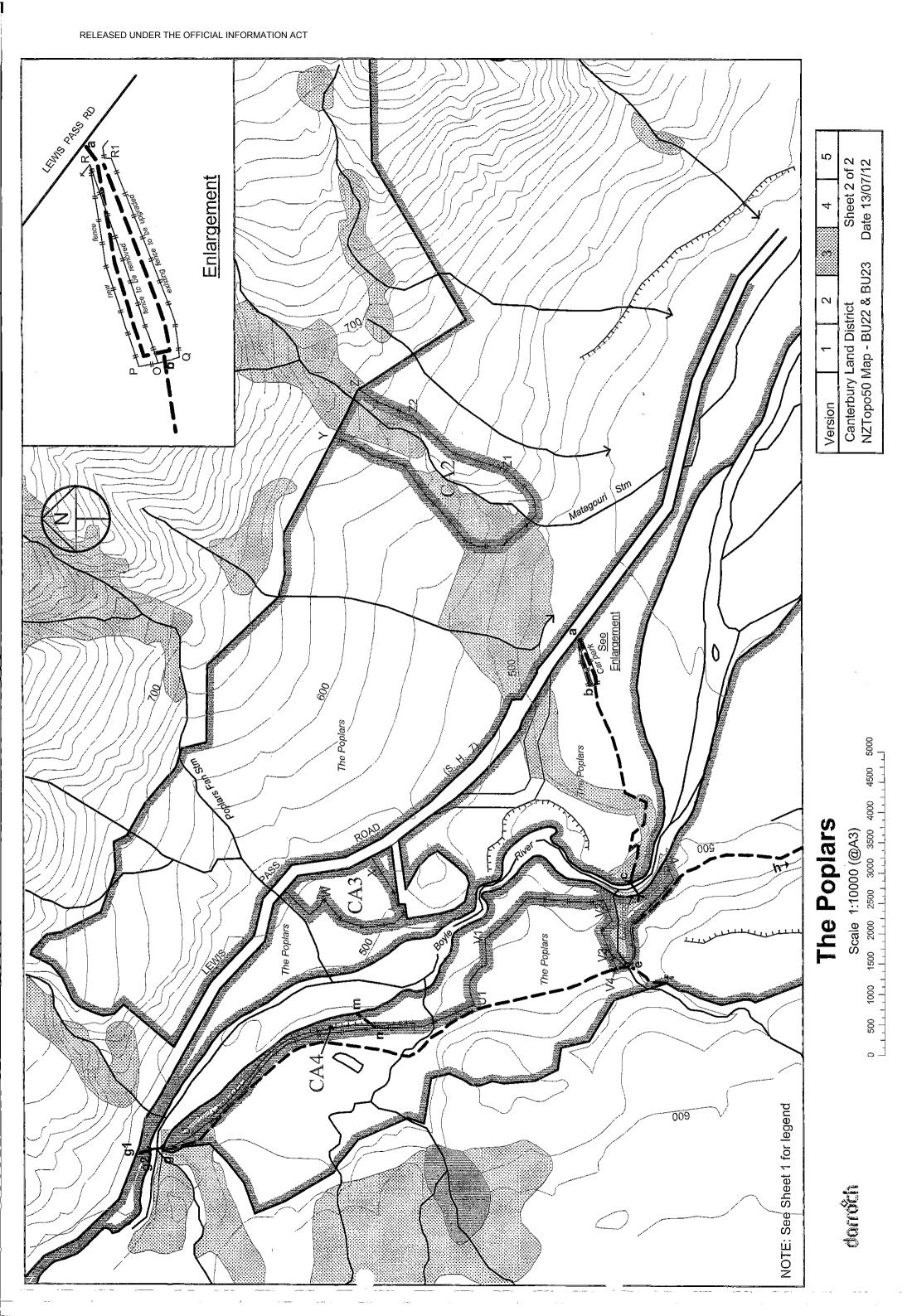
The Poplars

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4000 4500 5000 metres Scale 1:50000 (@ A3)

Sheet 1 of 2 Date: 13/07/12 NZTopo50 map - BU22 & BU23 Canterbury Land District Version



2 Conditions

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

3 Settlement

- 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;

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- (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.

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 and the Overseas Investment Regulations 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.
- 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 and repairs/upgrading of existing fences:
 - (a) approximately along the lines marked under "Fences" 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.
- 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.
- 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

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

14 Survey

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

15 Holder's Acknowledgements

- 15.1 If the Holder accepts this Proposal and that acceptance takes effect under the Act, the Holder acknowledges that:
 - (a) it is obtaining the freehold interest in the Freehold Land:
 - (i) "as is", solely in reliance on its own investigations and judgement, and
 - (ii) not in reliance on any representation or warranty made by the Commissioner, its employees, agents or any other person or persons directly or indirectly associated with the Commissioner;
 - (b) the Holder has carried out all inspections of the Freehold Land which the Holder considers necessary to satisfy itself as to all matters relating to the Freehold Land;
 - (c) the Holder, at its cost, is entirely responsible for all work to ensure that the Freehold Land complies with all applicable laws including (without limitation):
 - (i) the Resource Management Act 1991 and the Resource Management Amendment Act 2005; and
 - (ii) any rule in any plan, resource consent or other requirement issued under the Resource Management Act 1991, and
 - (iii) the Building Act 2004 and the Building Amendment Act 2009; 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

- 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.
- 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:
 - 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 doe_...t 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.
- The Holder is responsible for all costs the Holder incurs in respect of and incidental to the Tenure Review. In particular, but without limitation, the Holder shall bear all its costs in relation to the review of all documentation forming part of the Tenure Review (including this Proposal), and all professional advice provided to or sought by the Holder.

23 No nomination or assignment

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

24 Recreation Permit

24.1 Immediately on the registration of the Final Plan and a copy of the proposal to which it relates over the Land and pursuant to s64 of the Act, any recreation permit granted over the Land shall be determined.

25 Consents for Activities

25.1 If the Holder has been granted a consent by the Commissioner to do an activity on the land under sections 15 or 16 of the Act, and the area over which the consent is exercised is designated in the proposal as Crown Land then the Holder agrees to act in good faith whilst exercising the terms of consent and not damage or destroy the Crown Land or anything thereon.

26 General

- 26.1 This Proposal and the Notice:
 - (a) constitute the entire understanding and agreement between the Commissioner, the Crown and the Holder in relation to the Tenure Review; and
 - (b) supersede and extinguish all prior agreements and understandings between the Crown, the Commissioner and the Holder relating to the Tenure Review.
- 26.2 Each provision of this Proposal will continue in full force and effect to the extent that it is not fully performed at the Settlement Date.
- 26.3 The Holder must comply with the Commissioner's requirements for the implementation and settlement of the Tenure Review contemplated by this Proposal.
- 26.4 The Commissioner and the Holder will sign and execute all deeds, agreements, schedules and other documents and do all acts and things as may be reasonably required by the other to effectively carry out and give effect to the terms and intentions of this Proposal.
- 26.5 This Proposal is governed by, and must be construed under, the laws of New Zealand and the Commissioner and the Holder irrevocably submit to the jurisdiction of the New Zealand courts or other New Zealand system of dispute resolution.
- 26.6 The illegality, invalidity or unenforceability of any provision in this Proposal will not affect the legality, validity or enforceability of any other provision.
- 26.7 In relation to notices and other communications under this Proposal:
 - (a) each notice or other communication is to be in writing, and sent by facsimile, personal delivery or by post to the addressee at the facsimile number or address, and marked for the attention of the person or office holder (if any), from time to time designated for that purpose by the addressee to the other party. Other than the address to which the Holder is to send its acceptance of this Proposal (which the Commissioner will specifically notify the Holder of) the address, person or office holder (if any) for each party is shown on the front page of this Proposal;
 - (b) no communication is to be effective until received. A communication will be deemed to be received by the addressee:
 - in the case of a facsimile, on the working day on which it is despatched or, if despatched after 5.00 p.m. on a working day or, if despatched on a nonworking day, on the next working day after the date of dispatch;
 - (ii) in the case of personal delivery (including, but not limited to, courier by a duly authorised agent of the person sending the communication), on the working day on which it is delivered, or if delivery is not made on a working day, on the next working day after the date of delivery; and
 - (iii) in the case of a letter, on the fifth working day after mailing (postage paid).

27 Interpretation

27.1 **Definitions**

In this Proposal unless the context otherwise requires:

Act means the Crown Pastoral Land Act 1998;

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

Commissioner's Consideration means the amount payable by the Commissioner to the Holder by equality of exchange for the surrender of the leasehold interest in the Lease in relation to the Crown Land, as specified in the Notice;

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

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

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

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

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

Fencing means any stock proof farm fence.

Fencing Consent means any and all consents required for fencing under the Resource Management Act 1991.

Final Plan means the final plan for the Land prepared and submitted by the Commissioner to the Surveyor-General under sections 62(4)(c) and (d) of the Act;

Freehold Land means the land set out in Schedule Three;

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

GST Act means the Goods and Services Tax Act 1985;

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

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

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

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

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

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

Mortgagee means the holder of any Mortgage;

Notice means the notice to the Holder setting out:

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

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

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

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

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

Settlement Date means the settlement date defined in clause 3.1;

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

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

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

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

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

Works Consent means any and all consents required under the Resource Management Act 1991 and/or the Building Act 2004 and their respective amendments.

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;

(I) if the Holder comprises more than one person, each of those persons' obligations, as Holder, will be both joint and several.

Schedule One: Provisions relating to the Schedule One Land

1 Details of Designation

1.1 Under this Proposal part of the land shown marked in pink on the Plan and labelled "CA1", "CA2" and "CA3" being **295.2 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

Nii

Schedule Two: Provisions relating to the Schedule Two Land

1 Details of designation

- 1.1 Under this Proposal part of the land shown marked in pink on the Plan and labelled "CA4" being **16 hectares** (approximately) is designated as land to be restored to or retained in Crown control as conservation area subject to:
 - the granting of the concession shown on the Plan in dashed green and labelled "m-n" substantially as set out in Appendix 4

2 Information Concerning Proposed Concession

2.1 <u>Description of the proposed activity:</u>

Easement Concession for the adjoining landholder along an existing access track for farm management purposes.

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

One easement area is required as marked on the plan attached to the proposal. The easement area is located on proposed Conservation Area on the true right of Boyle River. The easement area is over an existing farm access track down to the Boyle River and to proposed freehold on the true left of Boyle River. The proposed Conservation Area along Boyle River encompasses part of the existing farm track which is needed to give practical farm management access across Boyle River to the proposed freehold land across the river. The easement route follows the existing formed farm track across the narrow Conservation Area for approximately 150m before reaching Boyle River. The easement route is for farm management purposes along a traditionally used access track which provides the only safe practical access route across the river at this location.

3 <u>Description of potential effects of the proposed activity and any actions to avoid, mitigate, or remedy any adverse affect.</u>

The easement concession area for farm management purposes is over an existing access track which has traditionally been used in the management of the property. It is the only practical access route to enable safe crossing of Boyle River at this location. Access will be confined to the line of the existing access track where these activities have always taken place so effects will generally be limited and confined to the width of the easement area. Any effects will be mitigated by the terms of the concession including restrictions on earth disturbance, depositing of materials, lighting of fires and disturbance of waterways.

4 Details of proposed concession

An easement concession under section 17Q(1) Conservation Act 1987.

5 Proposed duration of concession and reason for proposed duration.

Proposed duration: in perpetuity.

The easement concession area is essential to the safe running of the farming operation to enable the continuation of practical access across Boyle River between areas of land to be freeholded. The access route has become encompassed within the proposed Conservation Area boundaries. The period of the concession will allow surety for the practical and safe ongoing operation of the farm.

6 Relevant information

The lessees of The Poplars Pastoral Lease have entered into this review voluntarily. The proposed easement concession route is essential for ongoing management of the farm and the effects on the area which the easement route is to cross will be limited.

Schedule Three: Provisions relating to the Schedule Three Land

1 Details of designation

- 1.1 Under this Proposal the land shown marked in green on the Plan, being **1988.6004 hectares** (approximately) is designated as land to be disposed of by freehold disposal to the Holder subject to:
 - (a) Part IVA of the Conservation Act 1987;
 - (b) Section 11 of the Crown Minerals Act 1991;
 - (c) the easement marked as "a-b", "car park", "b-c", "e-f", "j-k1", "k2-l", "g1-g2", "g-e-h", "i1-i2", "i3-i4" and "i5-i6" on the Plan and substantially as set out in Appendix 5; and
 - (d) the covenant (shown on the Plan in yellow) and labelled "CC1" substantially as set out in Appendix 6

Schedule Four: Conditions

- The Commissioner is under no obligation, and may decide, in its sole discretion, not to proceed further with the Tenure Review unless and until:
 - the Commissioner considers that sufficient funds will be obtained in order to complete the Tenure Review;
 - (b) the Director General of Conservation has completed all actions required under Part IVA of the Conservation Act 1987;
 - (c) the Commissioner has reviewed, and is satisfied, in its sole discretion that the easement referred to in Appendix 5 is in an acceptable form, has been executed, consented by the necessary parties and has been registered against the Lease.
 - (d) the Commissioner has reviewed and is satisfied, in its sole discretion that the covenant referred to in Appendix 6 is in an acceptable form, has been executed, consented by the necessary parties and has been registered against the lease.

Appendix 1: Consents – Example of Mortgagee Consent

[] as Mortgage	e und	ler Mortgage [] ("the Mortgage"), hereby:				
(a)	consents to acceptance of the Proposal dated [] ("the Proposal dated [] ("the Holder") pursuant to the Crown Pastoral Land Act 1998 and agree to the registration of the documents affecting the Freehold Land referenced in to the registration of any new mortgage to be granted in its favour over the Freehold Land referenced in the registration of any new mortgage to be granted in its favour over the Freehold Land referenced in the registration of any new mortgage to be granted in its favour over the Freehold Land referenced in the registration of the Proposal dated [] ("the Proposal dated				nd agrees and need in the Pr	n the Proposal prior		
(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.							
Date	d:		e, ÷					
	ED by [presence of:	1)	<u></u>	<u>. </u>		-	
Witne	ess Signature:						•	
	ess Name: pation:					·		

Appendix 1: Consent	ts (continued) - Example	of "Other" Cor	sent		
[against Lease [[the Holder] pursuant t], h	ereby conser	I to the benefit on ts to the accept I Act 1998.	of [tance of the Pro		stered] by
Dated:	· · · · · · · · · · · · · · · · · · ·					
SIGNED for and on be	half of)		, · 	<u> </u>	
in the presence of:		,				·
Witness Signature:	•			<u>-</u>		
Witness Name: Occupation: Address:	· .			:		

Appendix 2: Example of Solicitors Certificate

Certifications

I [] hereby certify as follows:

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.]

- 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

1. New fences and some upgrading/repairs:

For the purposes of this fencing and construction specification and attachments, the term "Waypoint" and "WPT" refer to NZMG or NZTM northing and easting global positioning system (GPS) coordinates.

1.1 Background:

The agreement between the Commissioner of Crown Lands (Commissioner) and Run 351 Limited (the Holder) requires the erection of conventional fences on the boundary of the conservation area marked on the attached plans, and the upgrading and/or repairing of a fenceline on the boundary of the conservation area to the indicative requirements set out hereunder.

The Commissioner will, at its cost, erect conventional fences along the lines shown marked "V-X", "S1-S-T", "U-U1", "V1-V2", "V3-V" "O-P-R" and "Y-Z1-Z2-Z" on the Plan and to repair / upgrade the existing conventional fence marked "V2-V3" and "Q-R1", and remove existing fences along the lines shown marked "S-T", "O-R", "V3-V4" and "Z1-Z2-Z".

The fencing specification calls for the erection of a wooden post and seven wire fence with steel Y stakes between posts, to the indicative requirements set out in section 3. It also requires the upgrading of an existing fence to the indicative requirements set out in section 4 of these specifications. An option to deer fence "U-U1" "V1-V2" and "V3-V" is included in section 5.

1.2 Option for cost sharing arrangement for erection of deer fence for new fence line:

The Commissioner will pay the cost of erecting a conventional wooden post and seven wire fence only and the Holder will pay an agreed value (the <u>additional costs</u>) associated with the erection of deer fence for the new fence line marked "U-U1", "V1-V2" and "V3-V" on the Plan.

To establish the additional costs the Commissioner will call for tenders for erection of:

- (a) a conventional fence the specifications of which are set out in section 3(d) of these specifications; and
- (b) a deer fence the specifications of which are set out in section 5 of these specifications.

On receipt of the dual tender prices the Commissioner will consult the Holder regarding the <u>additional costs</u> and on reaching an agreement satisfactory to both parties the Commissioner and the Holder will confirm the agreement to erect a deer fence on a cost sharing basis.

The parties to the Substantive Proposal reserve the right, failing agreement between the parties on the quantum of the <u>additional costs</u>, or <u>after concluding consultation agree to erect a conventional post and wire fence</u>, for the Commissioner to proceed to erect a conventional post and wire fence the indicative requirements of which are set out under in section 3(d) of these specifications.

Confirmation of the agreement in respect of the <u>additional costs</u> and erection of a deer fence is to be by way of an exchange of letters between the Holder and the Commissioner time being of the essence, and in the event of failure to reach an agreement as to "additional costs" or after concluding consultation agree to erect a conventional post and wire fence, this is also to be confirmed by an exchange of letters.

2. Length and location:

- 2.1 New fences are to be erected along the lines marked as follows on the plan:
 - (a) Conservation area "CA1" / Freehold boundary fence along Hope Valley shown marked "S1-S-T" (approximately 1765 metres).
 - (b) Conservation Area "CA2" / Freehold boundary fence encircling Matagouri Stream Gully shown marked "Y-Z1-Z2-Z" (approximately 1595 metres).

- (c) Conservation Area "CA3" / Freehold boundary fence encircling the Boyle River wetland shown marked "W-X" (approximately 517 metres).
- (d) Conservation Area "CA4" / Freehold boundary fence along the Boyle River terrace shown marked "U-U1", "V1-V2" and "V3-V" (approximately 2031 metres).
- (e) Freehold / Public Car Park Easement fence enlarging the existing car park shown marked "O-P-R" (approximately 167 metres).

Total new fencing 6075 metres

- 2.2 Upgrading of existing fence along the lines marked as follows on the plan:
 - (a) Conservation area "CA4" / Freehold existing boundary fence along the Boyle River terrace shown marked "V2-V3" (approximately 205 metres).
 - (b) Freehold / Public Car Park Easement fence enlarging the existing car park shown marked "Q-R1" (approximately 190 metres).

Total upgraded fencing 395 metres

- 2.3 Removal of existing fences along the lines marked as follows on the plan:
 - (a) Conservation area "CA1" / Freehold boundary fence along Hope Valley shown marked "S-T" (approximately 1735 metres).
 - (b) Freehold / Public Car Park Easement fence enlarging the existing car park shown marked "O-R" (approximately 154 metres).
 - (c) Freehold internal fence to realign with Conservation area "CA4" in gully by Boyle River shown marked "V3-V4" (approximately 47 metres).
 - (d) Conservation area "CA2" along the south side of Matagouri Stream gully shown marked "Z1-Z2-Z" (approximately 525 metres)

Total existing fencing to be removed 2461 metres.

3. New Fence Lines

Note: see section 6 for Earthworks and Vegetation Clearance.

(a) A new fence will be required on part of the boundary of Conservation Area "CA1" (fence line "S1-S-T"), shown on the plans attached to these specifications.

- 3.1 Six x 2.5 mm galvanized high tensile wires, plus bottom wire being 4 mm galvanized mild steel. Total of 7 wires.
- 3.2 2.1 metre x 175 mm treated timber strainer posts with 2.7 metre x 125 mm stays to be used for gateways, angles and end of strains; or T irons with tie backs.
- 3.3 1.8 metre x 125 mm treated intermediate posts to be used at 20 metre gaps or at lesser intervals as appropriate on high points with tie downs at low points as required. 117 cm (46") to remain out of the ground; or T irons to be used.
- 3.4 Steel Y stakes evenly spread not more than 2.8 metres apart to be used between intermediate posts. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.65 metre (5'6") to be used on soft ground.
- 3.5 Between WPT 37 (point "S") and WPT 38 (point "S1") a collapsible fence is required for approximately 30 metres where the new fence runs through an area of beech forest. A minimum of two 1.8 metre x 125 mm intermediate posts, or T irons, are required between the end strainers at S and S1, and steel Y stakes evenly spread not more than 2.8 metres apart. Seven fence wires to run through "Hunter chain" type 32mm galvanized chain, and

- attached to the posts or T irons and Y stakes with "Hunter chain" type galvanized post clips.
- 3.6 On high ground where a post has not been placed and a Y stake is required, it must be suitably blocked to stop the fence sinking, except where the stake is into rock and cannot penetrate the ground further.
- 3.7 The existing fence between "S-T" is to be removed and disposed of responsibly, and some materials re-used. Refer to section 6.1.
- Existing railway iron strainers and tie backs can be left in place, but if so a new secondary tie back is also required. If the iron is below 117cm in height, double steel Y stakes may be wired to the iron to increase its height.
- 3.9 Existing flat standards if in good condition may be re-used for tie downs.
- 3.10 Floodgates 1 to 5 are required at WPTs 20, 21, 24, 27 and 31 to the design shown attached in diagram 1 and 1A. All floodgates are to be separately strained. The floodgate at waypoint 31 is a major floodgate requiring an upgraded anchor system. The balance of floodgates are smaller but require anchors extending out as required to clear erodible stream sides. Refer to floodgate schedule under section 3(f).
- 3.11 Floodgate 6 is required at WPT 32 over a relatively flat small water course with separately strained sheep netting and weighted down with timber posts.
- 3.12 The existing Taranaki gate at WPT 17 (point "T") is to be replaced with a new Taranaki gate as shown marked "TG" on the Plan.
- 3.13 One 2.4m swung gate to be erected at WPT 37 (point S), able to swing into proposed freehold and back against the new fence.
- 3.14 At WPT 38 (point S1) the new fence bluffs out with a timber or T iron strainer required at an appropriate distance from the edge of the gully, and sheep netting is to be hung with additional steel Y posts if required, to ensure it is stock proof.
- 3.15 At WPT 17 (point T) the existing fence bluffs out above Un-named stream and is to remain in situ. Minor repairs to be made if required to stock proof. From WPT 28 to 35 where the new fence deviates away from the existing fence, the existing fence is to remain in situ.

(b) A new fence will be required on the boundary of "CA2" (fence line "Z1-Z2-Z"), shown on the plans attached to these specifications.

- 3.16 Six x 2.5 mm galvanized high tensile wires, plus bottom wire being 4 mm galvanized mild steel. Total of 7 wires.
- 3.17 2.1 metre x 175 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gate, vs., angles and end of strains; or T irons with tie backs.
- 3.18 1.8m x 125mm treated timber posts, or T irons to be used as intermediate posts at 20 metre gaps or at lesser intervals on high points and with tie downs at low points as required. 117 cm (46") to remain out of the ground.
- 3.19 Steel Y stakes evenly spread not more than 2.8 metres apart to be used between intermediate posts. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.65 metre (5'6") to be used on soft ground.
- 3.20 From WPT 140 to 142 (points "Z2" to "Z") a new collapsible fence is required to the specification above, where the fenceline runs along the edge of a beech forest. Seven fence wires are to run through "Hunter chain" type 3.2mm galvanized chain and attach to posts or T irons and Y stakes with "Hunter chain" type post clips.
- 3.21 Two x 2.4 metre swung gates to be erected at WPT 138 (point Z1) and 142 (point Z) as shown marked GT2.4 on the Plan. Refer also to point 3.26.

- 3.22 Floodgate 10 is required at WPT 134 over a large stream channel, constructed to the design show attached as diagram 1 and 1A with the upgraded anchor system.
- 3.23 From the south bank of the floodgate to WPT 135 over an old flood channel for approximately 75 metres, 3 T irons are required with sheep netting attached to a top barb wire, separately strained from the main floodgate and from the fence at WPT 35.
- 3.24 From WPT 138 (point Z1) approximately 110 metres of existing rabbit netted fence is to be removed and replaced with a new fence to the above specification, any sound materials (including the strainer at WPT 138 and flat standards as tie downs), may be reused in the new fence. Note that the new fence DOES NOT require rabbit netting. Refer also to section 6.9 and 6.10.
- 3.25 The balance of the fence between WPT 138 and 140 (points Z1-Z2) is to be replaced with a new fence to the above specification; OR upgraded with seven new wires (to be threaded through existing flat standards which can be left in situ) and the existing intermediate posts replaced (may use T irons). Existing T or railway iron strainers may remain if sound, and if required the height extended with 2 x 1.65 metre steel Y stakes wired together, with tie backs.
- 3.26 The 2.4m gate at WPT 142 (point Z) is to be installed and latch against the existing post on the boundary fence so that only one strainer assembly is required on which the gate is hung to swing both ways.
- 3.27 On high ground where a post has not been placed and a Y stake is required, it must be suitably blocked to stop the fence sinking, except where the stake is into rock and cannot penetrate the ground further.

(c) A new fence will be required on the boundary of CA3 (fenceline "W-X") shown on the plans attached to these specifications.

- 3.28 Six x 2.5 mm galvanized high tensile wires, and bottom wire being 4 mm galvanized mild steel. Total of 7 wires.
- 3.29 2.1 metre x 175 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gateways and end of strains.
- 3.30 1.8 metre x 125 mm treated intermediate posts to be used at 20 metre gaps or at lesser intervals as appropriate on high points and with tie downs at low points as required. 117 cm (46") to remain out of the ground.
- 3.31 Steel Y stakes evenly spread between intermediate posts to be used at not more than 2.8 metres apart. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.65 metre (5'6") to be used on soft ground.
- 3.32 One x 2.4 metre swung gate to be erected at WPT 149 (point "X") as shown marked GT2.4 on the Plan.
- 3.33 Two x 4.2 metre swung gates to be erected between WPT 55 and 56 as shown marked GT4.2 (x 2)on the Plan.
- 3.34 One 3.6 metre swung gate to be erected at WPT 58 as shown marked GT3.6 on the Plan.
- 3.35 Floodgate 7, of approximately 15 metres, is required at WPT 57 over a side stream running into the Boyle River. It must be located clear of the nearby river debris. The floodgate is to be constructed to the design shown attached as diagram 1 and 1A with an upgraded anchor system.
- 3.36 On high ground where a post has not been placed and a Y stake is required, it must be suitably blocked to stop the fence sinking, except where the stake is into rock and cannot penetrate the ground further.

(d) A new fence will be required on the boundary of CA4 (fenceline "U-U1", "V1-V2" and "V3-V") shown on the plans attached to these specifications.

NOTE: Specifications for an option to deer fence this new fenceline are set out under section 5.

The Commissioner will, at its cost, erect a post and seven wire conventional fence to the following indicative requirements:

- 3.37 Six x 2.5 mm galvanized high tensile wires, plus bottom wire being 4 mm galvanized mild steel. Total of 7 wires.
- 3.38 2.1 metre x 175 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gateways and end of strains.
- 3.39 1.8 metre x 125 mm treated intermediate posts to be used at 20 metre gaps or at lesser intervals as appropriate on high points and tie downs on low points as required. 117 cm (46") to remain out of the ground.
- 3.40 Steel Y stakes evenly spread between intermediate posts to be used at not more than 2.8 metres apart. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.65 metre (5'6") to be used on soft ground.
- 3.41 Where the fenceline abuts a track there must be no tie-backs out into the track, if an angle stay is not able to be erected due to the terrace edge a horizontal box stay should be used.
- 3.42 A fence at WPT 102 (point "V3") is to be removed and materials re-used on the new fenceline. Refer to section 6.28.
- 3.43 Between WPT 113 and 116 across steep, rocky, bouldery and wet ground, T irons should be used for intermediary posts, and T irons or 2.1 metre x 175 mm timber strainers for angles and end of strains, with appropriate tie backs or stays. 1.5 metre Y stakes at maximum 2.8 metre spacing to be used, with 1.35 metre Y stakes on rocky ground and 1.65 metre Y stakes to be used on soft ground. At WPT 114 the fence terminates at a large boulder and re-starts at the foot of the boulder. At WPT 116 a T iron or 2.1 metre x 175 mm timber post end strainer is required with appropriate tie backs or stays, and the fence is to be bluffed out with sheep netting hung over the terrace edge using additional Y stakes if required to ensure it is stock proof.
- 3.44 One x 3.6 metre swung gate to be erected at WPT 73 (point "U1") as shown marked GT3.6 on the Plan.
- 3.45 Three x 4.2 metre swung gates to be erected at WPT 76 (point "n"), 97 and 99 (point "V2") as shown marked GT4.2 on the Plan.
- 3.46 Two separately strained floodgates are required over side streams running into the Boyle River. Floodgate 8 at WPT 74 is over a relatively small stream, and floodgate 9 between WPT 103 and 104 is over a larger stream with approximately 15 metres anchor to anchor. The floodgates are to be constructed to the design shown attached as diagram 1 and 1A with an upgraded anchor system.
- 3.47 On high ground where a post has not been placed and a Y stake is required, it must be suitably blocked to stop the fence sinking, except where the stake is into rock and cannot penetrate the ground further.
- (e) A new fence will be required on the boundary of "Car Park" (fenceline "O-P-R") shown on the plans attached to these specifications.

- 3.48 Five x 2.5 mm galvanized high tensile wires, top wire to be 1.6 mm high tensile reverse twist galvanized barbed wire and the bottom wire being 4 mm galvanized mild steel. Total of 7 wires.
- 3.49 2.1 metre x 175 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gateways and end of strains.

- 3.50 1.8 metre x 125 mm treated intermediate posts to be used at 20 metre gaps or at lesser intervals as appropriate on high points and with tie downs on low points as required. 117 cm (46") to remain out of the ground.
- 3.51 Steel Y stakes evenly spread between intermediate posts to be used at not more than 2.8 metres apart. Y stakes will be mostly 1.5 metre (5') with 1.35 metres (4'6") on rocky ground and 1.65 metre (5'6") to be used on soft ground.
- 3.52 Materials from the existing fences "O-R" that is to be removed (refer to section 6.33) and "Q-R1" that is to be upgraded (refer to section 4(b)) are in serviceable condition and should be re-used where possible on new fence "O-P-R". Note: wire droppers are NOT to be re-used.

(f) Stream and Creek Crossings.

Any unspecified crossings to have sheep netting hung below the fence so that water may pass without detritus affecting the principle fence.

Floodgates to be constructed to remain free to swing clear of the mean water level, and posts/anchors on either side to be positioned so as not to be affected by eroding river banks. Floodgates to be constructed according to diagram 1 and 1A attached to this specification, with the exception of floodgate 6 which is to be a separately strained sheep netting floodgate weighted down with timber posts.

Floodgate Schedule

The floodgates specified are listed below with their fenceline, corresponding waypoint, and an approximate guide to the size of the stream to be floodgated, with 1 being a small flat water course, to 5 being a large flowing stream.

Floodgate 1	S1-S-T	WPT 20	Rated 2
Floodgate 2	S1-S-T	WPT 21	Rated 3
Floodgate 3	S1-S-T	WPT 24	Rated 3
Floodgate 4	S1-S-T	WPT 27	Rated 2
Floodgate 5	S1-S-T	WPT 31	Rated 4
Floodgate 6	S1-S-T	WPT 32	Rated 1 (netting)
Floodgate 7	W-X	WPT 57	Rated 3
Floodgate 8	U1-U	WPT 74	Rated 3
Floodgate 9	V3-V	WPT 103-104	Rated 4
Floodgate 10	Y-Z1	WPT 134	Rated 5

4. Upgrading of Existing Fence:

(a) Repairs will be required on the boundary of "CA4" (fenceline "V2-V3"), shown on the plans attached to these specifications.

The Commissioner will, at its cost, repair the existing conventional fence to the following indicative requirements:

- 4.1 At WPT 100 and 101 two new 2.1 metre x 175mm treated timber corner strainers with 2.7 metre x 125 mm stay posts both sides are required to replace the existing strainers which are too light and are on a lean. A stay should be placed on the inside of the corner at WPT 101 (CA4 side). WPT 100 to be stayed along the line of the fence in each direction to avoid impeding any public access along the CA4 side of the fence.
- (b) Upgrading will be required on the boundary of "Car Park" (fenceline "Q-R1"), shown on the plans attached to these specifications.

The Commissioner will, at its cost, upgrade the existing conventional fence to the following indicative requirements:

4.2 Between WPT 49, 50 and 51 the existing top wire is to be replaced with 1.6 mm high tensile reverse twist galvanized barbed wire, and re-used on the new fence "O-P-R" under section 3(e).

4.3 Between WPT 49, 50 and 51 the existing wire droppers are to be removed and re-used for ties or disposed of responsibly. They are to be replaced with 1.5 metre steel Y stakes clipped or wired on to the existing wires.

5. Option to Deer Fence

Refer to section 1.2 above for dual tendering procedure to determine the additional costs to be paid by the Holder if the option to deer fence new fence "U-U1", "V1-V2" and "V3-V" is accepted.

In a cost sharing arrangement with the Holder as set out in section 1.2, the Commissioner will erect a deer fence to the following indicative requirements:

- 5.1 3.0 metre x 175 mm treated timber strainer posts with 2.7 metre x 125 mm stay posts to be used for gateways and end of strains.
- 5.2 2.7 metre x 125 mm treated intermediate posts to be used at no greater than 5 metre gaps, 2.1 metres to remain out of the ground. 2.7 metre x 175 mm treated intermediate posts are to be used for corners, angles and the back post for box stays. 3.0 metre x 175 mm strainer posts to be used on angles.
- 5.3 Galvanised deer netting 1.9 metres high x 13 wires at 300 mm spacing.
- 5.4 One x 4 mm (No. 8) galvanized mild steel bottom wire to be 75 mm above the ground.
- 5.5 Where the fenceline abuts a track there must be no tie-backs out into the track, if an angle stay is not able to be erected due to the terrace edge a box edge stay should be used.
- 5.6 Between WPT 113 and 116 across steep, rocky, bouldery and wet ground, timber posts may require hand digging. At WPT 114 the fence terminates and a large boulder and restarts at the foot of the boulder. At WPT 116 a timber strainer is required with appropriate tie backs, and the fence is to be bluffed out with deer netting hung over the terrace edge using additional Y stakes if required to ensure it is stock proof.
- 5.7 One x 3.6 metre x 1.9 metres high swung gate to be erected at WPT 73 (point "U1") as shown marked GT3.6 on the Plan.
- 5.8 Three x 4.2 metre x 1.9 metres high swung gates to be erected at WPT 76 (point "n"), 97 and 99 (point "V2") as shown marked GT4.2 on the Plan.
- Two separately strained floodgates are required over side streams running into the Boyle River, one at WPT 74 over a relatively small stream, and another between WPT 103 and 104 over a larger stream with approximately 15 metres anchor to anchor. The floodgates are to be constructed to the design shown attached as diagram 1 and 1A with an upgraded anchor system.

6. Earthworks and Vegetation Clearance

Note: Generally earthworks are to be avoided unless essential, and vegetation clearance kept to a minimum. Manuka/Kanuka not differentiated in this specification.

(a) New fence "S1-S-T"

- 6.1 Removal of existing fence "S-T": The existing fence comprises six wires (5 plain 3.5mm and top barb), railway iron strainers and flat standards. From WPT 17 (point T) to 28, and WPT 35 to 37 (point S) the existing fence including Taranaki gate and floodgates are to be removed and disposed of responsibly. Existing railway iron strainers may be left in place and re-used if suitable (with new tie backs) and of sufficient height, and flat standards re-used for tie downs. The existing fence in a straight line between WPT 28 and 35 is to be left in situ.
- Generally, vegetation to be cleared includes matagouri and manuka of various heights, bracken and low scrub, and should be chainsawed, cut with a scrub bar, mulched, or removed with a blade provided no soil is disturbed, to within 1 metre either side of the new

fenceline. Vegetation tends to be scattered along and through most of the existing fenceline.

Specifically:

- 6.3 From WPT 18 for approximately 70 metres is medium height matagouri and bracken to clear.
- 6.4 From WPT 24-28 low/medium bracken, matagouri and manuka to clear.
- 6.5 From WPT 28-32 tall matagouri/manuka and thicker scrub to clear.
- 6.6 From WPT 34-37 (point S) low matagouri/manuka/bracken to clear.
- 6.7 From WPT 37 to 38 (point S to S1) thick tall manuka is to be cleared and large fallen beech trees moved away from the fenceline.
- 6.8 Any rocks and debris to be removed by hand or machinery provided no soil is disturbed.

(b) New fence "Z1-Z2-Z"

- 6.9 Removal of existing fence: the existing rabbit fence from WPT 138 (point Z1) north for 100 metres (or to where the rabbit netting finishes) is to be removed, and existing seven wire fence (bottom no.8, top barb plus 5 plain, railway sleeper posts and flat standards) between WPT 140 and 142 (point Z2-Z) is to be removed and disposed of responsibly.
- 6.10 Removal of existing fence: the balance of existing fence between WPT 138 and 140 "Z1-Z2" requires complete removal and replacement, <u>or</u> removal of sleeper posts and wire and replacement with timber posts and wire, re-using existing flatbars. Materials removed are to be disposed of responsibly.
- 6.11 Generally, the new fenceline from WPT 119 (point Y) to 136 is very rocky, bouldery and uneven. From WPT 136 to 142 the ground is more even. The fenceline is to be leveled by hand or machinery provided there is minimal or no soil disturbance, to within one metre each side of the fenceline. Some blasting may be required in rockier areas.
- 6.12 Generally, the vegetation between WPT 119 and 138 (points Y-Z1) comprises low/medium and tall matagouri, manuka, low bracken and scrub, along much of the fenceline and tending to be thicker in the lower reaches of the gully from WPT 127 to 138. The vegetation should be chainsawed, cut with a scrub bar, mulched, or removed with a blade provided no soil is disturbed, to within 1 metre either side of the new fenceline.
 Specifically:
- 6.13 From WPT 138 (point Z1) to 140 there are patches of scattered matagouri, manuka and vine to be removed from the fenceline as per section 6.12.
- 6.14 At WPT 139 a Very Old Man Manuka is right on the fenceline and should remain undisturbed.
- 6.15 From WPT 140 to 142 patches of scrub and beech saplings growing through the fence need to be cleared to within 1 metre either side of the new fenceline as per section 6.12.
- 6.16 From WPT 140 to 142 beech branches and trees fallen on the existing fence need to be cleared away from the fenceline.

(c) New fence "W-X"

6.17 Generally, vegetation along the new fenceline comprises medium and tall matagouri, some low scrub and rushes. Vegetation is to be chainsawed, cut with a scrub bar, mulched, or removed with a blade <u>provided no soil is disturbed</u>, to within 1 metre either side of the new fenceline.

Specifically:

- 6.18 From WPT 147 to 148 there is tall matagouri to be removed from the fenceline as per section 6.17.
- 6.19 From WPT 55 to 57 low scrub down a short terrace face is to be cleared within 1 metre of the fenceline.
- 6.20 From WPT 57 to 58 rushes should be mulched or hand cleared within 1 metre of the fenceline.
- 6.21 From WPT 58 to 60 there is approximately 25 metres of thick tall matagouri to clear within 1 metre of the fencetine.
- 6.22 From WPT 59-60 there is a short bouldery patch which requires hand or mechanical leveling of loose rock, provided no soil is disturbed.

(d) New fence "U-U1", "V1-V2" & "V3-V"

Note: There is an option to deer fence this new fence as set out under section 5 of this specification.

6.23 Generally, vegetation along the new fenceline is largely open along a terrace edge, with scattered low,medium and tall matagouri, manuka and scrub, tending to be more concentrated around point "U" and point "V" the start and finish points of the new fence. Vegetation is to be chainsawed, cut with a scrub bar, mulched, or removed with a blade provided no soil is disturbed, to within 1 metre either side of the new fenceline.

Specifically:

- 6.24 From WPT 73 to 90 "U-U1" runs along a previously benched line that was intended to be fenced. It has become overgrown in places, particularly from WPT 73 to 74 (low/medium matagouri and scrub) and WPT 88 to 90 (tall manuka) and where previously benched requires light mechanical leveling with a minimum of soil disturbance. This will also serve to clear much of the vegetation along these parts of the fenceline.
- 6.25 At WPT 86 a rocky bank adjacent to an existing track, approximately 700mm high and 20 metres long, requires mechanical leveling for the new fenceline.
- 6.26 From WPT 87 to 88 rocks on the old bench line require mechanical leveling.
- 6.27 From WPT 95 (point V1) to 99 (point V2) the ground is mostly open with a small area of tall matagouri to clear near WPT 96, and patches of low scrub to WPT 99.
- 6.28 Removal of existing fence at point "V3": From WPT 102 (point V3) to the next corner strainer heading west (at the gate across the track), an existing seven wire post and Y stake fence is to be removed and tied off with an appropriate stay, and materials which are in sound condition to be re-used elsewhere in the new fence. Track to remain fenced from paddock. To be verified on site.
- 6.29 From WPT 103 to 104, tall matagouri on the banks of the stream are to be cleared for the construction of Floodgate 8.
- 6.30 From WPT 109 to 110 for approximately 50 metres, tall matagouri, manuka and scrub is to be cleared down a very steep terrace face and along a flat from WPT 110 to 111. If the deer fence option is elected, mechanical benching may be required for approximately 20 metres down the face itself to provide a suitable surface.
- 6.31 From WPT 113 clearance of low matagouri, manuka, bracken and scrub is required as far as the top of a large boulder at WPT 114 where the fence stops and restarts at the foot of the boulder.
- 6.32 From the foot of the boulder at WPT 114 to WPT 115 and 116 (point V) there is no access for machinery and tall manuka will require hand clearance along the fenceline.

- 6.33 Removal of existing fence between WPT 52 (point "O") and WPT 47 (point "R"): A seven wire (5 x HT plus top and third to top barb) and timber post fence with wire droppers is to be removed and materials which are in sound condition to be re-used elsewhere in the new fence. Matagouri along this fenceline is also to be removed.
- 6.34 Minor clearance of medium/tall matagouri is required within one metre of each side of the new fenceline.

7. Preliminary and General Matters

7.1 New Materials

All materials forming a permanent part of the fence shall be new, with the exception of reused materials applying to sections 3 and 6, and shall conform to any relevant New Zealand or international standard.

7.2 Standards

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

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

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

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

Documentation is required of:

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

7.3 Blasting

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

7.4 <u>Drilling</u>

Any rock drilling will be undertaken with a rock drill no larger than 41mm diameter.

7.5 Spiking

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

7.6 Lacing

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

8. Materials General

To be used except where these have been specifically modified by the provisions of Clause 9 which shall take precedence.

(a) Conventional Fences

8.1 Wire

Fence wire will be 2.5mm galvanized high tensile steel wires, 4 mm galvanized mild steel wire and 1.6 mm galvanized high tensile reverse twist barbed wire all of which are to be of good quality. Tie-downs and tie-backs will be 4mm galvanized mild steel or 3.5mm stainless steel, kept clear of any ground contact.

8.2 Steel Posts

Infill posts will be steel Y stakes, or T irons for use on high spots. Y stakes to be minimum 1.95kg per lineal metre. T irons to be 1.65 metres in length with a width of 50mm on each T section and manufactured from 6mm steel.

8.3 Strainer, Intermediate and Angle Posts

All timber posts used will be round and ground treated, unless otherwise agreed, with a guaranteed life of 50 years.

8.4 Stay Block

12 x 2 x 24cm ground treated.

8.5 Staples

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

8.6 Permanent Wire Strainers

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

8.7 Netting

Netting where specified on small floodgates, bluff-outs and across gaps under fences will be 7 wire galvanized sheep netting, and suitably weighted down with treated timber posts. Rabbit netting is to be 1.066 metres wide with a 40m square mexh made from 17 or 18 gauge galvanized mild steel wire. Netting fasteners are to be RP22 stainless steel ring fastener clips. Approximately one third of the rabbit netting to be buried or weighed down securely.

8.8 Gates

The swung gates shall be manufactured of 32 mm 2.6wt galvanized steel pipe frame, suitable braced to withstand normal pressure by beef cattle and fully covered with 50mm chain mesh manufactured from 3.15 mm gauge wire and attached with 2.24 mm galvanized lacing wire. Either side of gateways the first post should not be more than 10 metres distant and steel Y stakes at not more than 2 metres apart.

8.9 Gate Chains

Gate chains will be galvanized steel chain and staple type.

8.10 Gate gudgeons

Gudgeons are to be of galvanized steel. Top gudgeon is to be lock through type and the bottom gudgeon a long pin type. Generally both pins to be pointing upwards unless the gate fronts onto a road.

8.11 Floodgates

Floodgates are to be separately strained from the fence and to the design set out in diagram 1 and 1A attached to these fence specifications.

(b) Deer Fences

8.12 Deer Netting

Netting shall be 13 x 1.9 x 300 knotted netting

8:13 Strainer posts

All posts are to be round and ground treated

8.14 Intermediate posts for deer fencing

All posts are to be round and ground treated.

8.15 Staples

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

8.16 Permanent Wire Strainers

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

8.17 Crossing Netting

Netting on creek crossings will be 7 wire galvanized sheep netting.

8.18 Bottom Wire

4 mm (No 8) galvanized mild steel wire all of which are to be of good quality.

8.19 Gates

Deer gates shall be manufactured of 32 mm galvanized steel pipe frame, suitably braced to withstand normal pressure by deer and fully covered with chain link attached with galvanized lacing wire, or using galvanized grid.

8.20 Gate Chains

Gate chains will be galvanized steel chain and staple type.

8.21 Gate Gudgeons

Gudgeons are to be of galvanized steel. Top gudgeon is to be lock through type and the bottom gudgeon a long pin type. Generally both pins to be pointing upwards unless gate fronts onto a road.

9. Best Practice

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

9.2 Strains

Length of strains to be determined by the territory but to not exceed 300 metres unless specifically varied, for example, where floodgates are required to be on a separate strain. To conform to best practice and (if applicable) the wire manufacturer's recommendations. Wire tension to account for weather conditions at time of strain and have regard to effect of winter conditions. Wire tension to average 110 kg force.

9.3 Placement of timber strainers, posts and stays

Strainers, stays or posts are NOT to be shortened either prior to or subsequent to their placement in the ground. If best practice determines that a post is securely driven to its maximum and to get it into the specified height will be detrimental to the quality and

longevity of the fence, then it is permissible to cut the top off a post provided the cut surface is coated with a suitable timber preserving product and/or capped with galvanized iron.

All strainers are to be dug in or driven and rammed and footed. No.8 (4 mm) galvanized wire is to be used on foots. Strainer, angle and intermediate posts are to have a minimum of 117 cm (46") out of the ground. Stays are to be 1/2 way up posts.

9.4 Placement of foot at strainers and angles

Strainers and angles will be footed using a wooden H4 treated cut off post with a minimum length of 350 mm rammed in beside the strainer or angle so that the foot is lying 200 mm up from the bottom of the hole at a 90 degree angle to the strainer or angle, and will be attached with 4 mm galvanised steel wire and stapled to both the foot and the strainer or angle using 3 or more staples on both ends

9.5 Placement of wires

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

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

All wires are to be securely and neatly tied off and strained evenly. Figure 8 knots are to be used in all joins.

9.6 Gates

Gates must close against a post and be able to fully open back into proposed freehold against the fence. Both gudgeons should be pointing upwards so that the gate can be lifted off if required, unless the gate fronts onto a road. Generally, gates at the end of a new fence where it intersects an existing fence, should hang on a strainer on the new fence and close onto the existing fence post or strainer.

9.7 <u>Creek & River Crossings</u>

Flood gates or netting as specified to be hung and left to swing. Post and anchors to be located clear of eroding stream banks.

9.8 Tie Downs

Tie downs are to consist of half or full steel Y stakes according to conditions and the tie down is to be with 4mm galvanized soft wire (which is to remain above ground) or preferably 3.15mm stainless steel. If a post is a tie down, it is to be fixed to the Y stake by a 150mm x 6mm galvanized nail.

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

9.9 Tie backs

Tie backs can be used on angle posts or T irons and are permitted on both sides of the fence, except in areas of high stock pressure or on an access route. If an existing T iron is used in situ, even if there is an existing tie back, it must be duplicated with a new tie back.

9.10 <u>Tirons</u>

T irons are to be used on all corners and on the end of strains with tie-backs on them except on the gateways where conventional block and stays are to be used. Where an existing T iron provides a suitably solid anchor but is not quite the specified height, it is acceptable to securely strap with permanent materials, a double Y stake to the T iron to increase its height.

9.11 Collapsible Fence Chains

These are to be of the "Hunter chain" type or equivalent, 3.2mm galvanized collapsible fence chains. Fence wires to be run through chains, and chains attached to posts, T irons and Y stakes with specifically designed galvanized post clips, according to manufacturer's instructions. To be used where specified in areas where there is a high risk of damage to the fence from falling trees and branches.

9.12 Disposal of Fencing Waste

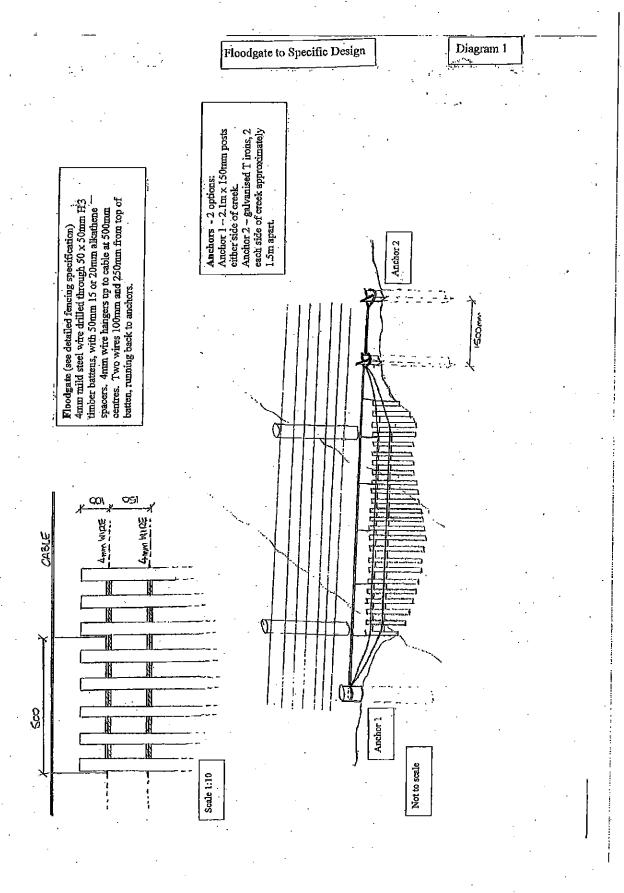
Fencing waste (including removal of old existing fences) is to be disposed of responsibly. If appropriate, fencing waste may be buried on site subject to consultation with the holder and implementation contractor, and obtaining of any consent required for such earthworks (if any). Alternatively the waste is to be removed from site and recycled or disposed of at a suitable facility.

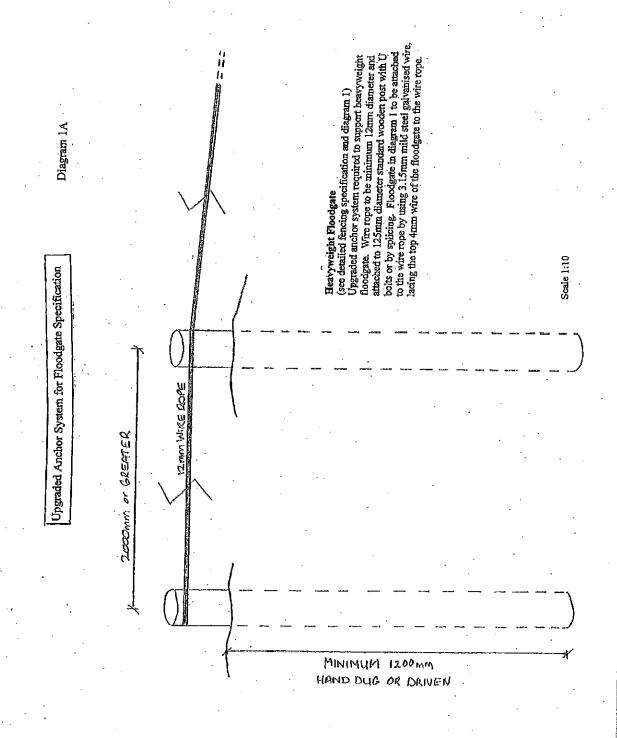
10. Resource Management Consents

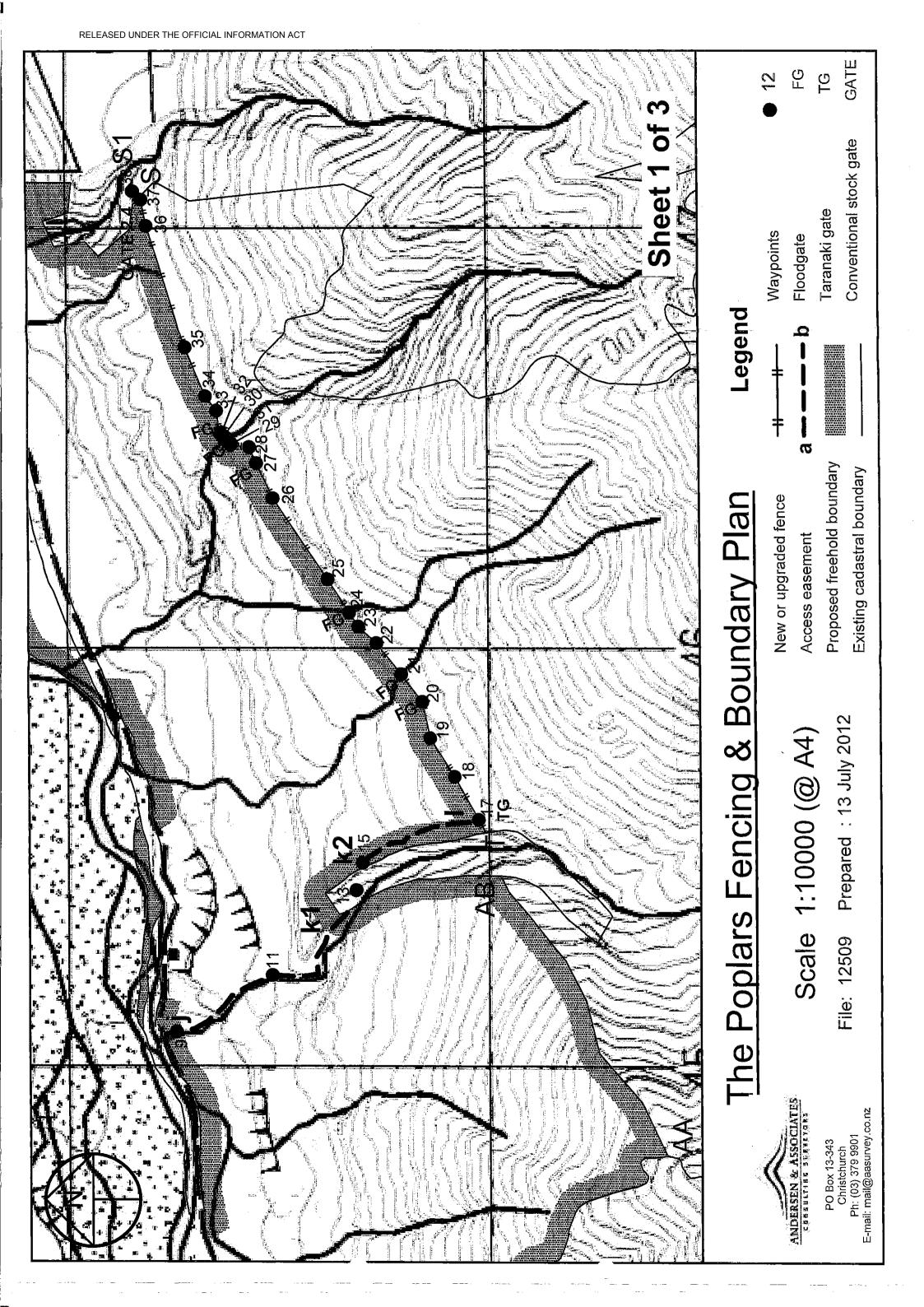
10.1 The construction of fencing is subject to the Commissioner obtaining any and all consents required pursuant to the Resource Management Act 1991.

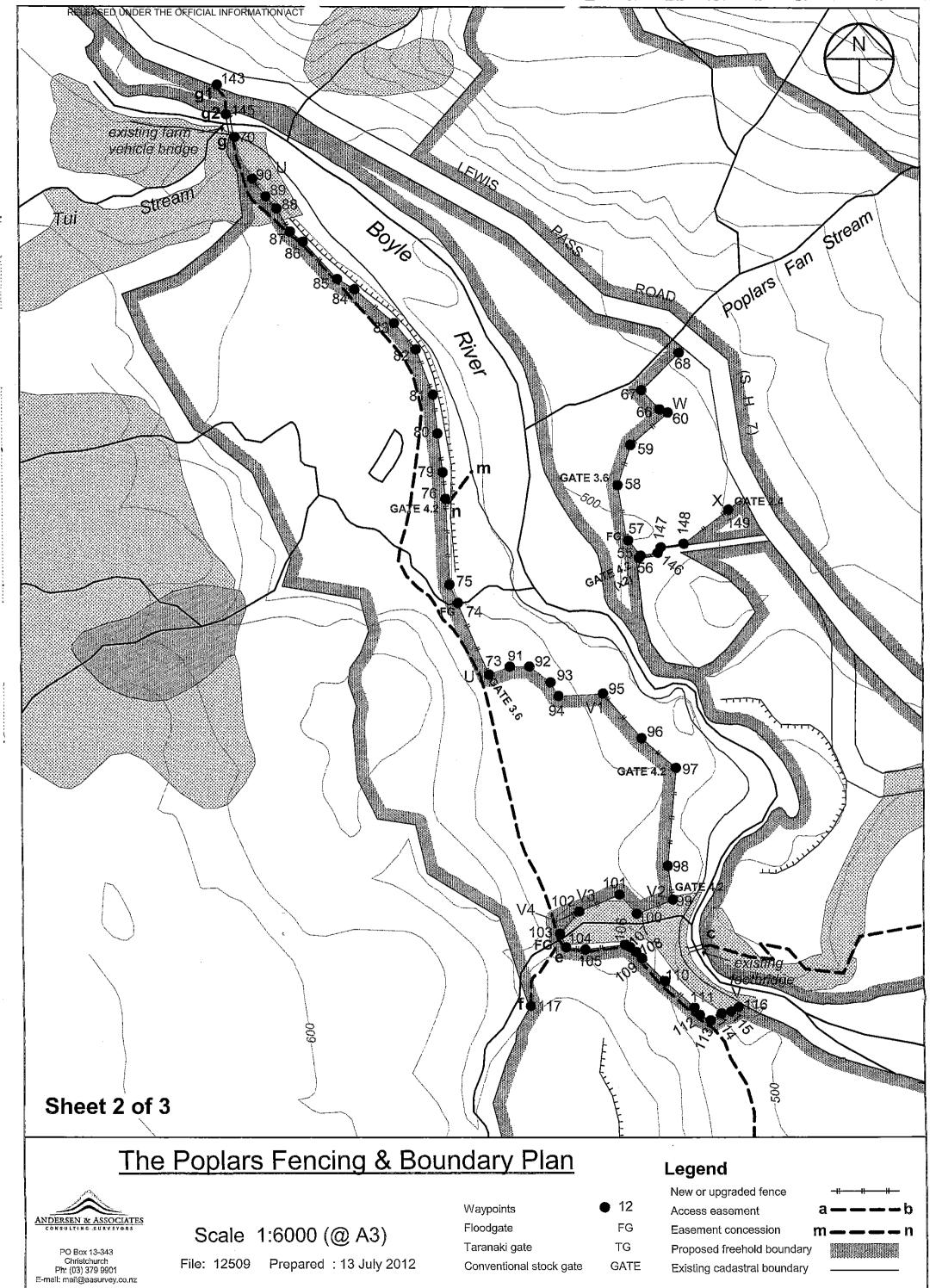
Attachments to fencing specification:

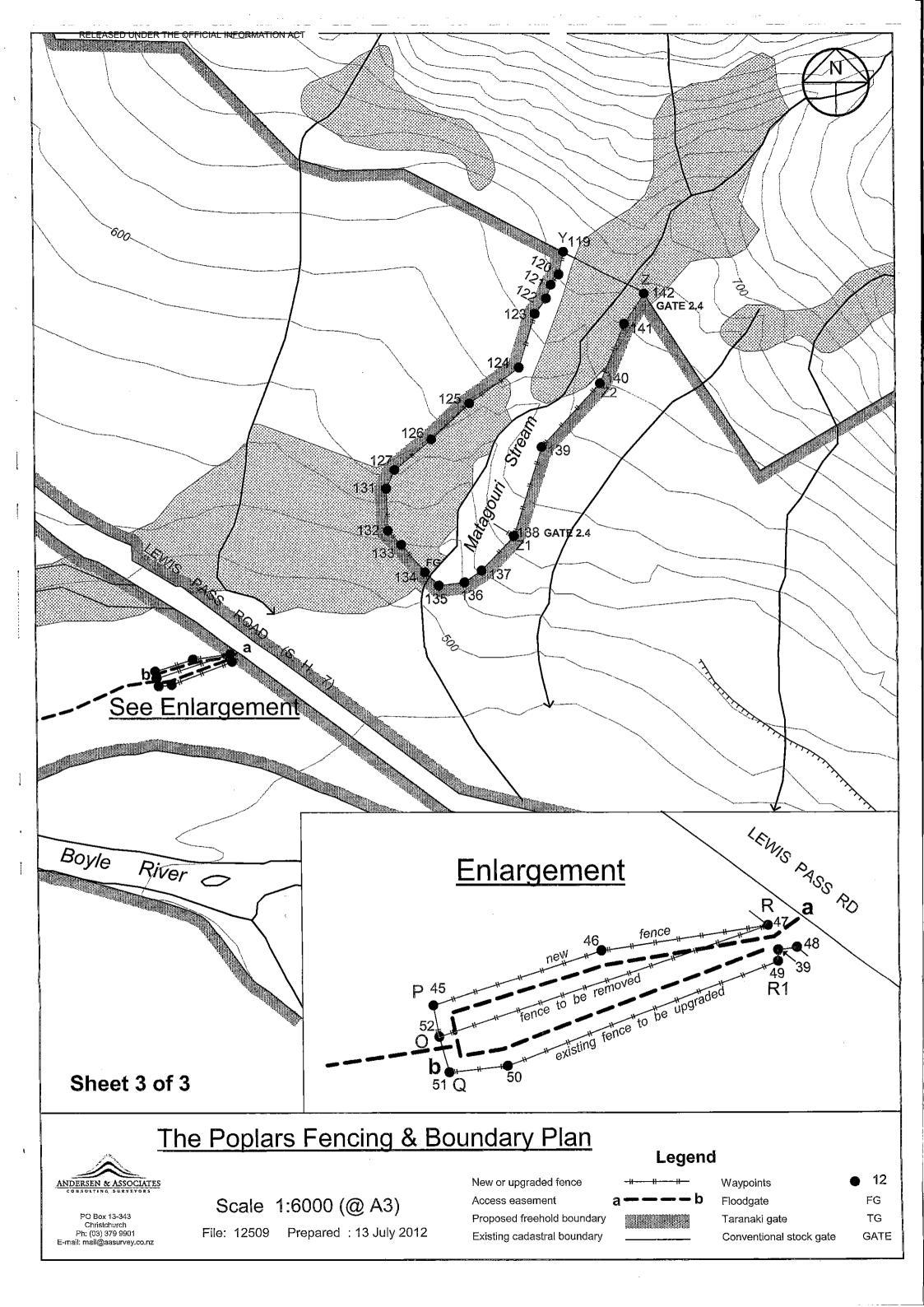
Diagram 1 & 1A











Appendix 4: Form of Easement Concession to be Created over Conservation Area marked "m-n" on the Plan.

	Concession number:				
				•	
•			•		
•					
DATED	<u> </u>		_		

Between

MINISTER OF CONSERVATION ("the Grantor")

and

RUN 351 LIMITED

("the Concessionaire")

EASEMENT CONCESSION UNDER CROWN PASTORAL LAND ACT 1998



- 1 -

THIS DOCUMENT is made this

day of

20

PARTIES:

- 1. MINISTER OF CONSERVATION, ("the Grantor")
- 2. RUN 351 LIMITED, ("the Concessionaire")

BACKGROUND

- A. The land described in Item 1 of Schedule 1 as the Servient Land is a Conservation Area or a Reserve under the management of the Grantor.
- B. The land described in Item 2 of Schedule 1 as the Dominant Land is freehold land of the Concessionaire.
- C. Sections 66 and 68 of the Crown Pastoral Land Act 1998 authorise the Grantor to grant a Concession for a Concession Activity in a Conservation Area and a Reserve under section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances).
- **D.** The Concessionaire wishes to carry out the Concession Activity on the Easement Area subject to the terms and conditions of this Document.
- E. The Grantor has agreed to grant the Concessionaire an Easement appurtenant to the Dominant Land over that part of the Servient Land specified as the Easement Area.

OPERATIVE PARTS

TERMS AND CONDITIONS

1.0 DEFINITIONS AND INTERPRETATION

1.1 In this Document, unless the context otherwise requires:

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

"Compensation" means the amount specified in Item 6 of Schedule 1 and required by the Grantor under section 53 of the Crown Pastoral Land Act 1988 and section 17X of the Conservation Act 1987 for the adverse effects of the Concession Activity on the Crown's or public's interest in the Easement Area.

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

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

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

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

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

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

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

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

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

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

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

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

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

"Working Day" means the period between any one midnight and the next excluding Saturdays, Sundays and Statutory holidays in the place where the Concession Activity is being carried out.

1.2 In this Document unless the context otherwise requires:

- (a) a reference to a party is a reference to a party to this Document;
- (b) schedules and annexures form part of this Document and have effect accordingly;
- (c) words appearing in this Document which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
- (d) a provision of this Document to be performed by two or more persons binds those persons jointly and severally;
- (e) words in a singular number include the plural and vice versa;
- (f) words importing a gender include other genders;
- (g) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date of this Document;
- (h) where the Grantor's consent or approval is expressly required under a provision of this Document, the Concessionaire must seek the consent or approval of the Grantor for each separate occasion it is required notwithstanding that the Grantor has granted consent or approval for a like purpose on a prior occasion.
- 1.3 Words used in the Background to this Document have the same meaning given to them in clause 1.1.

2.0 GRANT OF APPURTENANT EASEMENT

In exercise of the Grantor's powers under either section 66 or section 68 of the Crown Pastoral Land Act 1998 (whichever is relevant in the circumstances) the Grantor GRANTS to the Concessionaire an EASEMENT APPURTENANT to the Dominant Land under either section 17Q(1) of the Conservation Act 1987 or section 59A of the Reserves Act 1977 (whichever is relevant in the circumstances) to carry out the Concession Activity on the Easement Area subject to the terms and conditions contained in this Document.

3.0 TERM

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

4.0 COMPENSATION

4.1 The Concessionaire must pay to the Grantor in the manner specified by the Grantor the Compensation specified in Item 6 of Schedule 1.

5.0 OTHER CHARGES

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

6.0 CONCESSION ACTIVITY

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

7.0 COMPLIANCE

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

8.0 CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS

- 8.1 The Concessionaire must not erect or bring on to the Easement Area any Structure, install any facility, or alter the Land in any way without the prior written consent of the Grantor.
- 8.2 The Concessionaire must keep and maintain any Structures, and facilities on and alterations to the Easement Area in good repair.
- On expiry or early termination of this Document either as to the whole or any part of the Easement Area, the Concessionaire will not be entitled to compensation for any improvements and any Structure or facilities remaining on the Easement Area are to become the property of the Grantor.
- 8.4 If requested by the Grantor, the Concessionaire must, within such time as the Grantor determines, remove all Structures, facilities or other improvements erected or installed by the Concessionaire and make good at the Concessionaire's own expense all damage done by the removal and must leave the Easement Area in a clean and tidy condition to the satisfaction of the Grantor.

9.0 PROTECTION OF THE ENVIRONMENT

- 9.1 Except as approved in writing by the Grantor the Concessionaire will not, whether by act or omission:
 - (a) interfere with, remove, damage, or endanger the natural features, indigenous animals and plants, or historic resources on the Easement Area; or

- (b) bring any plants, or animals (except those stipulated in Item 4 of Schedule 1) on to the Easement Area; or
- (c) deposit on the Easement Area debris, rubbish or other dangerous or unsightly matter, or contaminate any water body on the Easement Area; or
- (d) pile or store materials in any place on the Easement Area where they may obstruct the public or create a nuisance; or
- (e) conduct any noxious, noisome, dangerous or offensive activity on the Easement Area; or
- (f) top-dress, burn, sow seed, or carry out earthworks (including tracking, drainage or ditching) on the Easement Area; or
- (g) disturb or allow stock to disturb any stream or watercourse on the Easement Area; or
- (h) light any fire on the Easement Area.
- 9.2 The Concessionaire, must at the Concessionaire's expense:
 - (a) if required by the Grantor take all steps necessary to control any pest, insect, or rodent infestation occurring on or emanating from the Easement Area or any Structure or facility on the Easement Area;
 - (b) comply strictly with the provisions of the Biosecurity Act 1993.
- 9.3 The Concessionaire must ensure that the Concessionaire's employees, agents, contractors, licensees and invitees comply with the obligations imposed on the Concessionaire under clause 9
- 9.4 The Concessionaire may bring firearms on to the Easement Area for use in connection with the Concession Activity and pest control operations.
- 9.5 The Concessionaire may for purposes of the Concession Activity take onto or use vehicles on the Easement Area on existing formed access tracks only.

10. TEMPORARY SUSPENSION

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

11.0 TERMINATION

- 11.1 The Grantor may terminate this Document by notice in writing to the Concessionaire if:
 - (a) the Concessionaire breaches any terms of this Document; and
 - (b) the Grantor has notified the Concessionaire in writing of the breach; and
 - (c) the Concessionaire does not rectify the breach within 28 days of receiving notification.
- 11.2 Immediately on termination the Concessionaire must execute a surrender of this Document if the Grantor so requires it.

12.0 INDEMNITIES AND INSURANCE

12.1 The Concessionaire will indemnify and keep indemnified the Grantor against all claims made by any person in respect of any injury, loss, or damage, including fire, caused or suffered as a result of or arising out of any acts or omissions of the Concessionaire, its employees, agents, contractors, licensees or invitees

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

- 12.2 This indemnity is to continue after the expiry or other determination of this Document in respect of those acts or omissions occurring or arising before its expiry or determination.
- 12.3 Without prejudice to or in any way limiting its liability under clause 12.1 the Concessionaire must take out and keep in force during the Term if required by the Grantor:
 - (a) a policy of public liability insurance against liability for loss, damage or injury from any one single accident or event arising out of its conduct of the Concession Activity on the Easement Area and covering:
 - general indemnity for a sum not less than the amount specified in Item 7 of Schedule 1;
 and
 - (ii) Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 8 of Schedule 1; and
 - (b) statutory liability insurance for the amount specified in Item 9 of Schedule 1; and
 - such other policy or policies of insurance against any other liability and for such other sums which the Grantor specifies in Item 10 of Schedule 1.
- 12.4 With respect to clause 12.3 the Concessionaire must before commencing the Concession Activity and on each renewal of insurance, provide the Grantor with certificates of insurance issued by the Concessionaire's insurer confirming the nature, amount and duration of cover.

13.0 ASSIGNMENT

- 13.1 The Concessionaire is not to transfer, sublicence, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Document or any part of it without the prior written consent of the Grantor. The Grantor may, in the Grantor's discretion, decline to grant consent under this clause.
- 13.2 If the Grantor gives consent under this clause the Concessionaire is to remain liable to observe and perform the terms and conditions of this Document throughout the Term and is to procure from the transferee, sublicensee, or assignee a covenant to be bound by the terms and conditions of this Document unless the Grantor otherwise provides in writing.
- 13.3 The Concessionaire must pay the costs reasonably incurred by the Grantor incidental to any application for consent, whether or not such consent is granted.
- Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire will be deemed to be an assignment and will require the consent of the Grantor.

14.0 DISPUTE RESOLUTION AND ARBITRATION

- 14.1 If any dispute arises between the parties in connection with this Document, the parties must, without prejudice to any other rights they have under this Document, attempt to resolve the dispute by negotiation or other informal dispute resolution techniques agreed by the parties.
- 14.2 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to the Disputes Tribunal, where relevant, or to mediation with a mediator agreed between the parties.
- 14.3 If the parties do not agree on a mediator, the President of the New Zealand Law Society is to appoint the mediator.

- 14.4 In the event that the dispute is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions of the Arbitration Act 1996 will apply.
- 14.5 Notwithstanding any provision to the contrary in the Arbitration Act 1996, if the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the New Zealand Law Society is to appoint the arbitrator. The arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.
- 14.6 All arbitration proceedings are to take place in New Zealand and to be governed by New Zealand law.
- 14.7 The parties agree that the results of any arbitration are to be binding on the parties.

15.0 NOTICES

- Any notice to be given under this Document by one party to the other is to be in writing and made by personal delivery, by pre-paid post or by facsimile addressed to the receiving party at the address or facsimile number set out in Item 11 of Schedule 1.
- 15.2 A notice given in accordance with clause 15.1 will be deemed to have been received:
 - (a) in the case of personal delivery, on the date of delivery;
 - (b) in the case of pre-paid post, on the third working day after posting;
 - in the case of facsimile, on the Working Day on which it is dispatched or, if dispatched after 5.00pm on a Working Day, or if dispatched on a non-working day, on the next Working Day after the date of dispatch.

16.0 RELATIONSHIP OF PARTIES

- 16.1 Nothing expressed or implied in this Document shall be construed as:
 - (a) conferring on the Concessionaire any right of exclusive occupation or use of the Easement Area;
 - (b) preventing the Grantor from granting similar concessions to other persons;
 - (c) derogating from the rights of the Grantor and the public to have access across the Easement Area.

17.0 SPECIAL CONDITIONS

- 17.1 Special conditions relating to this Document are set out in Schedule 2.
- 17.2 The standard conditions contained in this Document must be read subject to any special conditions.

Signed by:

for and on behalf of the Minister of Conservation pursuant to a written delegation (or designation as the case may be) in the presence of:

Witness Name: Occupation: Address:

Signed by:

Run 351 Limited as Concessionaire in the presence of:

Witness Name : Occupation : Address : -8-

SCHEDULE 1

1.	Servient Land: The l	and described as being part of _	being Conservation Land
	situated in the Canterb	ary Land District and designated a	s Conservation Area on the true right of Boyle
	River, and being outline	ed in pink in the plan attached to the	
	,	(see definition of Servient Lan	nd in clause 1.1)
	•		
2.	Dominant Land: The l	and described as boins	altered die Die di Ym 16 die
۷.			situated in Block XII Marion and cts and described in Certificate of Title CB
	(Canterl	ury Registry).	cis and described in Ceithfeate of The CB
	,	· · ·	(see definition of Dominant Land in clause 1.1)
			(See asymment of Dominant Bana in ciause 1.1)
		·	
3.	Easement Area: That p the Proposal and having	art of the land labelled "m-n" show a width of 20 metres.	n as a green dashed line on the plan attached to
	* .		nition of Easement Area in clause 1.1)
•			
	-		
4.	Concession Activity:	The Concessionaire has the right	to from time to time and at all times for the
		Concessionaires, their servants,	employees, agents workmen, contractors,
		licensees and invitees (in common	with the Grantor and any other person lawfully
	• •	entitled so to do) to have the full, i	free uninterrupted and unrestricted right liberty
	·	and privilege from time to time and	at all times by day and by night to go pass and
		repass for farm management purpo	ses only on foot and with motor vehicles and
		dogs and guns over and along;	, machinery and implements of any kind, farm
	•	 easement area "m-n", 	•
	• •		sed in this deed, to the intent that the easement
		nereby created shall forever be appu	rtenant to the Dominant Land.
			definition of Concession Activity in clause 1.1.)
	•		
5.	Term: The concession is	granted in perpetuity commencing	on the day of registration of an approved plan
	affecting Certificate of T	itle CB28F/1034 (Canterbury Regis	try)
	•	·	(see clause 3.1)
6.	Composation C Nil		
0.	Compensation: \$ Nil (payable on date of execution)	tion of this Doggment)	
	(payable on date of exect	mon of this Document)	(see clause 4.1)
			. •
7.	Public Liability General	Indemnity Cover	(see clause 12.3)
	for \$1,000,000		(see ciause 12.5)
8 ,	Public Liability Forest &	Rural Fire Act Extension:	(see clause 12.3)
	for \$1,000,000		(
	•	• •	
€.	Statutory Liability Insur	ance	(see clause 12.3)
	Nil		
10	Odi m ex	·	
10	Other Types of Insurance	ee;	(see clauses 12.3)
	Nil		

11. Address for Notices (including facsimile number):

(see clause 15)

(a)Grantor

Conservator
Department of Conservation
195 Hereford Street
Private Bag 4715
CHRISTCHURCH
PH: (03) 371 3700
Fax: (03) 365 1388

(b)Concessionaire

Run 352 Limited 164 Boom Rock Road Ohariu Valley WELLINGTON

Director: Keith G Sutton 164 Boom Rock Road Ohariu Valley WELLINGTON PH: 027 442 0049

Fax: email: keith@suttonmccarthy.co.nz

SCHEDULE 2

Special Conditions

- 1. THE rights granted under this deed are non-exclusive and are exercisable in common with the Grantor and any other person granted similar rights by the Grantor, whether now or in the future, and without limitation the Grantor may grant the following persons access rights over the Easement Area:
 - i. members of the public;
 - ii any lessee or licensee of the Grantors land
- 2. <u>THAT</u> in exercising the right liberty and privilege take all reasonable care to avoid damage to the soil and vegetation of the land in the easement and in particular will avoid using the easement when conditions render the land over which the easement is granted particularly vulnerable to damage.
- 3. THE cost and responsibility of any maintenance of the easement Area shall be borne by the Concessionaire and any other person or person(s) to whom the Grantor has granted similar rights in respect of the Easement Area, according to each persons use of the Easement Area PROVIDED THAT if any repair or maintenance is rendered necessary by the act, neglect, or default of any user or its servants, agents, contractors, workmen, licensees or invitees, then that user shall promptly carry such repair and maintenance and bear the cost of the work PROVIDED THAT the Grantor shall not be required to contribute to the cost of any maintenance in respect to the Easement Area PROVIDED further that any routine maintenance undertaken by the Concessionaire within the existing alignment does not require the prior consent in writing of the Grantor HOWEVER maintenance outside of the existing alignment undertaken by the Concessionaire requires the prior consent in writing of the Grantor.
- 4. THAT the Concessionaire shall ensure that no action by them or on their behalf has the effect of preventing the Easement Area over which the easement is granted being kept clear at all times of obstructions whether caused by parked vehicles, deposit of materials, or any other unreasonable impediment to the use and enjoyment of the said land.

Appendix 5: Form of Easement to be Created over proposed freehold and marked "a-b', "car park" "b-c", "e-f", "j-k1", "k2-l", "g1-g2", "g-e-h", "i1-i2", "i3-i4" and "i5-i6" on the Plan.

In Gross Easement: Public Access and Management Access - Version 6

DOCDM-1097624 - The Poplars - October 2012

TRANSFER GRANT OF EASEMENT IN GROSS

- 1. Public Access
- 2 Management Access

Land Transfer Act 1952

This page does not form part of the Transfer.

TRANSFER

Land Transfer Act 1952

If there is not enough space in any of the panels below, cross-reference to and use the approved Annexure Schedule: no other format will be received.

Land Registration District	 -	_	
Canterbury		·	
Certificate of Title No. All or	Part? Area and legal description	I to and a place when went in Other to	
Certificate of Fille 140.	Area and legal description	n – Insert only when part or Stratu	m, Cr
Grantor Surnames must be underli	ned		·
		uant to section 80 of the Cı	own Pastoral Land
ACC 1990			
Grantee Surnames must be underli	ned ·		
· · · · · · · · · · · · · · · · · · ·		h the Minister of Conservat	
(, acting by and tilloug	if the Millister of Collservat	IOH .
	•		
Estate or Interest or Essement to	ho prosted. I see to a Fee size I	ata dina a sa	<u> </u>
Estate or Interest or Easement to	be created: Insert e.g., Fee simple	; Leasenoid in Lease No; Right	of way etc.
Public Access and Management Purpo Annexure Schedule).	oses Easement in Gross under section	12 of the Reserves Act 1977 (continue	d on pages 2, 3 and 4 of
Consideration			
The various considerations set of the day of	out in a substantive proposal ac	ccepted under the Crown Pastora	al Land Act 1998 on
•		· .	·
Operative Clause	•		
For the above consideration (reg grantor's estate and interest in t granted or created.	ceipt of which is acknowledged he land in the above Certificate	the GRANTOR TRANSFERS to (s) of Title and if an easement is	the GRANTEE all the described above such
Dated this day of			
Dated this day of		•	
Attestation	· · · · · · · · · · · · · · · · · · ·		<u> </u>
Signed by acting under written delegation from the Commissioner of Crown Lands	Signed in my presence by the G Signature of Witness Witness to complete in BLOCK	(continued on page	4 of Annexure Schedule)
	(unless typewritten or legibly stai	mped)	
	Witness name	• .	•
	Occupation		
Cignolius	Address	•	
Signature, or common seal of Grantor	<u> </u>		
Certified correct for the purposes of the	e Land Transfer Act 1952		· · · · · · · · · · · · · · · · · · ·
Certified that Part IIA of the Land Settlement Promotion a Certified that no conveyance duly is payable by virtue of (DELETE INAPPLICABLE CERTIFICATE)	and Land Acquisition Act 1952 does not apply Section 24(1) of the Stamp and cheque Duties Act	1971.	

Solicitor for the Grantee

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

		Dated Page of Pages
Defir	nitions	
1.		transfer unless the context otherwise requires:
١.		
	1.1	"Easement Area" means that part of the Servient Land being 10 metres wide which is marked "[]" on Deposited Plan/S.O. Plan No [] and includes the Parking Area.
	1.2	"Parking Area" means that part of the Easement Area being a 175 metres by 40 metres irregular shaped area marked Parking Area on Deposited Plan/S.O. Plan No [].
	1.3	"Management Purposes" means:
•	•	the protection of a significant inherent value of the land managed by the Grantee; and/or
•	•	the ecological sustainable management of the land managed by the Grantee.
	1,4	"Servient Land" means the land owned by the Grantor and described on page 1.
	1.5	"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 clause 2.1 and 2.2 only, includes any member of the public.
	1.6	"Grantor" means the owner of the Servient Land described on page 1 and includes the Grantor's tenants and invitees.
Stand	dard Eas	ement Terms
Acces	ss_	
2.	The G	antee has the right in common with the Grantor:
-	2.1	To pass and re-pass on foot, or accompanied by horses, or by non-motorised vehicle powered by a person or persons, or by motor vehicle on "a-b"; and to use, stop and park any motor vehicle on the Parking Area only.
	2.2	To pass and re-pass at any time over and along the Easement Area "b-c", "e-f", "j-k1" and "k2-l" on foot only.
	2.3	To pass and re-pass at any time over and along the Easement Area "a-b", "b-c", "e-f", "g1-g2", "g-e-h", "i1-i2", "i3-i4", "i5-i6", "j-k1" and "k2-l" on foot, or on or accompanied by horses, or by non-motorised vehicle, or by motor vehicle, with or without machinery and implements of any kind, for Management Purposes only.

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

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

	Dated Page of Pages
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.
Exclu	sion of Schedules
4.	The rights and powers contained in Schedule 4 of the Land Transfer Regulations 2002 and the Fifth Schedule of the Property Law Act 2007 are expressly negatived.
<u>Term</u>	
5.	The easement created by this transfer is to be in perpetuity.
<u>Temp</u>	orary Suspension
6.	The Grantee may, at any time in exercise of her/his powers, temporarily close all or part of the Easement Area for such period as she/he considers necessary.
<u>Disput</u>	e 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.
<u>Notice</u>	
8.1	A notice to be given under this transfer by one party to the other is to be in writing and must:
	 (a) be hand delivered to the receiving party; or (b) be sent by ordinary post to the receiving party; (c) be sent by facsimile 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.
•	

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

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

	below gage",	"Transfer",	"Lease",	etc								1	
_		<u> </u>	Dated	-		<u>-</u>]	Page		of		Pages
8.3	If clau	ıse 8.1(c) ar ispatched or	plies the r if dispatc	notice will hed after	be dee 5.00pm	med to , on the	have l	been lay af	receiv ter the	ed or date	the of di	day spat	on which ch.
-													
Specia	al Ease	ment Terms	,				,				-	•	1.
9.	The seasen	standard ea nent terms s	sement to et out belo	erms con W.	tained	above	must	be r	ead s	ubjed	t to	any	special
10.	The G	rantee (not	being a me	ember of t	he publ	ic) has	the rig	ht:					
	10.1	To mark t	ne Easeme	ent Area a	as appro	priate.							٠
	10.2	To erect a (a) of the l and recrea (b) of the a (c) of their respective	ocation of ation and the adjoining p rights and	the land r ne terms t rivate pro	manage thereof; perty; a	d by the	e Crow	n and	l avail				
	10.3	From time remains fit	to time to for the pu	modify the	e surfac lauses :	e of the 2.1, 2.2	Easei and 2	ment / .3.	Area s	o tha	t it be	ecom	es and
	10.4	To use wh Area to car						ne thir	ıks fit	over t	he E	asen	nent
11.	or Ma manag of whice sharing requires the trace activity between activities	lly, or as recurch, a ma ement route th is between g of costs are d, the partie the granton en the partie es will be bo ement will al	nagement , including n point "h' d standard es will mee pasis that is undert s, or the g	plan for easement and the distribution of maint at as soon at it is fit for aking is frantor's coly between	r the ont areas Kiwi Rivienance n as pra a four was commercen the Commercen	continu and po ver) for require acticable wheel di anagem cial use Grantor	ed ma ortions the en ed. In the e to re- rive vel ent pu of the and th	ainten of leg suing he eve solve hicle a rpose track e Gra	ance gal roa finan ent of the m and the chan antee	requid (the cial year urger latter. at the less a ges, land s	ireme ear, i ear, i tren The only agree the c	ents st sig nedia star comed ot osts cost	of the gnificant ding the al action idard of imercial herwise of such sharing
	11.1	If the gramaintenand	e costs w	ill be in pi	roportio	n and tl	ne port	chanç tion bo	ges, i orne b	the d y the	livisio gran	on o itee v	f track vill only
		-					`:						

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.

- Any work required due to acts of nature will be borne equally between the grantor and the grantee. Either party is able to undertake minor remedial work as required; however, if such work is of a more serious nature, such as requiring track realignment, the grantor will consult the grantee as soon as possible so a workable solution can be agreed on by both parties;
- 11.3 If the grantor wishes to move the track for commercial purposes, such cost will be borne solely by them, but future maintenance work will be considered part of Clause 11(a);
- 11.4 The maintenance of the iron bridge will be in accordance with the Department of Conservations Standard Operating Procedure for High Risk Structures; and
- 11.5 In the event of a total loss of the bridge through some event, or at the end of the life of the Iron Bridge, the grantor and grantee will meet and discuss future requirements for connecting point "g" and point "g2", with either party having the option to elect not to contribute to the cost of a new bridge.
- 12. For the purposes of clarity, Clauses 2.1 and 2.2 are specific to the public access routes only; whereas clause 2.3 is a specific clause for Minister of Conservation management purposes access.
- 13. Not withstanding clause 6 above, any temporary suspension by the Grantee of any part of the Easement Area does not affect the Grantor's rights to use the Easement Area at all times.
- 14. The Grantee (not being a member of the public) shall:
 - 14.1 Erect and maintain stiles:
 - (a) at point "b" the entry from the Parking Area onto the easement route;
 - (b) at point "k2" the boundary between the existing public conservation land aligned along the unnamed streams riparian forest and freeholded land, south of the Hope River; and
 - (c) at point "I" the boundary between the freeholded lands of The Poplars Pastoral Lease and CA1.
 - 14.2 Erect and maintain gates:
 - (a) at point "e" the deer-fenced laneway exit from CA4 to the freeholded lands of The Poplars; and
 - (b) on the opposite side of the deer-fenced land way from point e.
 - 14.3 Erect and maintain signs (pursuant to the intentions of Clause 10 above):
 - (a) at or near point "b" the entry onto the public access foot only easement from the Parking Area;
 - (b) at or near point "f" the entry into Lake Sumner Forest Park from The Poplars freehold land; and
 - (c) at such places as the Grantor may reasonably request.
- 15. In the event a legal road is stopped within or adjoining the Easement Area within the Servient Land or the track is realigned away from the existing track alignment outside the Easement Area the Grantor and Grantee shall amend this Transfer Grant of Easement to ensure the Easement Area reflects the Grantee will retain access to such tracks for Management Purposes only on the same terms as are set out herein.

Continuation of "Attestation"								
Signed for and on behalf of Her Majesty the Queen by under a written delegation in the presence of:								
Name	_		_					
Address								
Occupation		<u> </u>	<u>.</u>					

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.

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

TRANSFER GRANT OF EASEMENT IN GROSS

- 1. Public Access to Conservation Areas
- 2. Management Access

Land Transfer Act 1952

Law Firm Acting

Conservancy Solicitor
Department of Conservation
133 Victoria Street
Christchurch

Auckland District Law Society REF:4135

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

Appendix 6: Form of Conservation Covenant to be created and marked as "CC1" on the Plan.

DATED	•	

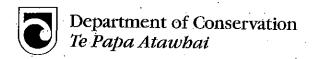
Between

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



THIS DEED of COVENANT is made the

day of

BETWEEN

COMMISSIONER OF CROWN LANDS acting pursuant to section 80

of the Crown Pastoral Land Act 1998

AND

MINISTER OF CONSERVATION

BACKGROUND

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

OPERATIVE PARTS

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

1. INTERPRETATION

1.1 In this Covenant unless the context otherwise requires:

"Act" means the Reserves Act 1977.

"Covenant" means this Deed of Covenant made under section 77 of the Act.

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

"Fence" includes a gate.

"Fire Authority" means a Fire Authority as defined in the Forest and Rural Fires Act 1977.

"Land" means the land described in Schedule 1.

"Minerals" means any mineral that is a Crown owned mineral under section 2 of the

Crown Minerals Act 1991.

"Minister" means the Minister of Conservation.

"Natural Water" includes water contained in streams the banks of which have, from time to

time, been realigned.

"Owner" means the person or persons who from time to time is or are registered as the

proprietor(s) of the Land.

3

"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 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;
- 1.2.3 words importing the singular number include the plural and vice versa;
- 1.2.4 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;
- 1.2.5 any obligation not to do anything must be treated to include an obligation not to suffer, permit or cause the thing to be done;
- 1.2.6 words importing one gender include the other gender;
- 1.2.7 the agreements contained in this Covenant bind and benefit the parties and their administrators and executors, successors and assigns in perpetuity;
- 1.2.8 where clauses in this Covenant require further agreement between the parties such agreement must not be unreasonably withheld.

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 <u>Unless agreed in writing by the parties</u>, either in Schedule 2 hereof, or at some later time, 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 exotic 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, blanket 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;

4

- 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.
- 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;
- keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
- 3.2.5 subject to consultation between the Owner and the Minister and observance of any reasonable conditions imposed by the Owner, grant to the Minister or authorised agent of the Minister or any employee of the Director-General, a right of access on and to the Land, with or without motor vehicles, machinery, and implements of any kind, to examine and record the condition of the Land, or to carry out protection or maintenance work on the Land, or to ascertain whether the provisions of this Covenant are being observed;
- 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

- 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 objective 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 DISPOSAL 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.

8.4 Titles

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

8.5 Acceptance of Covenant

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

8.6 Fire

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

9. NOTICES

- 9.1 A notice to be given under this Covenant by one party to the other is to be in writing and made by personal delivery, by pre-paid post, or by facsimile addressed to the receiving party at the address or facsimile number 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;
 - in the case of facsimile, on the day on which it is dispatched or, if dispatched after 5.00pm, on the next 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:
 - 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
 - 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.
 - state the action reasonably required of the defaulting party to perform or observe in accordance with this Covenant; and
 - 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

- 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

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;

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- 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 in the region in which the Land is situated;
- 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. SPECIAL CONDITIONS

- 13.1 Special conditions relating to this Covenant are set out in Schedule 2.
- 13.2 The standard conditions contained in this Document must be read subject to any special conditions.

Executed as a Deed

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delegation fro	om the Commissioner of Crown Lands	į
deemed pursu	ant to section 80(5) of the Crown Pastoral	ľ
	8 to be the Owner of the Land for the	í
	ection 77 of the Reserves Act 1977	;
in the presenc	æ oi:	,
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Signed by	exercising his/her	
	section 117 of the Reserves Act 1977	,
	Commissioner and acting for and on	,
	Minister of Conservation)
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8 SCHEDULÉ 1

1. Description of Land

CC1	- Hone	Val	lev.

All that piece of land containing 739 hectares approximately shown shaded yellow on the plan attached to the Proposal and labelled CC1 being part of ______ situated in Block XII Marion and Blocks VI, VII, IX, X and XI Skiddaw Survey Districts described in Certificate of Title _____ (Canterbury Survey District).

2. Values of Land to be Preserved - Landscape Amenity and Natural Environment.

CC1 - Hope Valley.

- The covenant area covers the lower mountain slopes and associated river terraces along the Hope River. The covenant area contains significant landscape values associated with the particularly memorable landscape of the striking contrast between the angular mountains and strong horizontal lines of the river terraces. The covenant area has significant landscape values due to the areas proximity to the popular Hope-Kiwi tramping track.
- The upper parts of the covenant area contain areas of indigenous scrub, regenerating indigenous forest, along with short tussock grassland and patches of tall tussock grassland. The lower covenant area contains a mixture of short tussock grassland and patches of matagouri shrublands, as well as exotic pasture grasses. These areas have significant inherent values due to components that are representative of the original vegetation. The naturalness of the area along with the buffering that will be provided to the more intact plant communities at higher altitudes contributes to the significant landscape value of the area.
- The area of mature broadleaf and associated shrubland beside Broadleaf Hut contains significant inherent values associated with providing habitat for the threatened bird species New Zealand pigeon (gradual decline) as well as habitat for indigenous bird species silvereye, grey warbler and brown-creeper. It also supports several at risk (data deficient) invertebrate species.

3. Address for Service¹

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

Minister of Conservation C/- Conservator Department of Conservation 38 Orchard Road Private Bag 4715 CHRISTCHURCH

Ph: 03 371-3700 Fax: 03 365-1388

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

Run 351 Limited c/o Keith G Sutton (Director) 164 Boom Rock Road Ohariu Valley

WELLINGTON Ph: 027 442 0049

Fax: email: keith@suttonmccarthy.co.nz

State Street address not Post Office Box number.

SCHEDULE 2

Special Conditions

CC1 - Hope Valley.

Notwithstanding the provisions of clause 3.1, and acknowledging the intent of Clause 13.2, the following shall apply;

- 1. The Land may be grazed with cattle. The Land below the 700 metre contour line may be grazed with sheep and/or deer providing the Land above the 700 metre contour line is protected by a stock proof fence that the Owner must erect at its sole cost.
- Existing tracks may be maintained by the Owner.
- 3. The following activities are permitted and do not require the Minister of Conservation's written consent below the 700 metre contour line on the Land, except within a 20 metre margin along the edge of any stream or river:
 - (i) clearance of weeds and other vegetation using mechanical and chemical means
 - (ii) levelling of land and removal of rocks
 - (iii) topdressing, drilling or oversowing of seed
 - (iv) building of tracks, including laying of culverts or building bridges at all times minimising soil disturbance wherever possible.
- 4. The Owner may erect and maintain fences on the Land for farm management purposes provided that nothing in this Covenant shall require the Owner to fence the Land from the Hope River.
- 5. The Owner may remove or replace or alter or improve the huts on the Land from time to time provided that the number of persons who may be accommodated thereby shall not increase above the current total capacity of 21 people.
- 6. The Owner may construct one building occupying not more than 1000 square metres and one complementary building occupying no more than 500 square metres on the Land, provided both buildings are situated below the 700 metre contour line on the Land. In each case the buildings must not be more than 6.5 metres high when measured from the original ground level before construction to the roof (excluding aerials, chimneys and pipes) of the building being constructed. The Owner may remove or replace or alter or improve any such building from time to time subject to the restrictions in this clause. The Owner must advise the Minister of Conservation prior to the designing of any such buildings.
- 8. The Owner may take natural water for accommodation and land management purposes only.
- 9. The Owner will permit Department of Conservation staff and their contractors entry upon the Land at all times.

GRANT of

Correct for the purposes of the Land Transfer Act 1952

Solicitor for the Minister

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

COMMISSIONER OF CROWN LANDS

to

MINISTER OF CONSERVATION

Solicitor
Department of Conservation
DUNEDIN/CHRISTCHURCH

Execution Section

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

SIGNED by the **Commissioner of Crown Lands** pursuant to the Crown Pastoral Land Act 1998:

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Witness

Occupation,

Address

SIGNED for and on behalf of Run 351 Limited (the Holder) by its director:

Keith Graham Sutton

in the presence of:

Witness

SOULITOR

Occupation

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Address