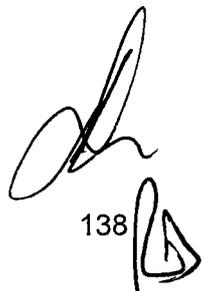


SCHEDULE 7

CONSERVATION COVENANTS

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PART 1: PLOT ROAD COVENANT

(Clause 7.31.1)



SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

PLOT ROAD COVENANT

(Section 77 Reserves Act 1977)

THIS DEED OF COVENANT is made this day of

BETWEEN CNI IWI HOLDINGS LIMITED (the Owner)

AND MINISTER OF CONSERVATION (the Minister)

BACKGROUND

- A. Section 77 of the Reserves Act 1977 provides that the Minister may enter into a covenant with the owner of any land to provide for management of that land's Reserve Values as described in Schedule 1.
- B. The Owner is the registered proprietor of the Land as a result of a Treaty settlement with the Crown in accordance with a Deed of Settlement dated ("Deed of Settlement") and implemented by the Act
- C. The Land contains Reserve Values which the parties to the Deed of Settlement agreed should be subject to a covenant under the Reserves Act 1977 which would provide that the Land should be managed to protect those values.
- D. The Owner has therefore agreed to grant the Minister a Covenant over the Land to preserve the Reserve Values.

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 Owner and Minister agree as follows.

1 INTERPRETATION

1.1 In this Covenant unless the context otherwise requires:

- "Covenant" means this Deed of Covenant made under section 77 of the Reserves Act 1977;
- "Director-General" means the Director-General of Conservation;
- "Fence" includes a gate;


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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

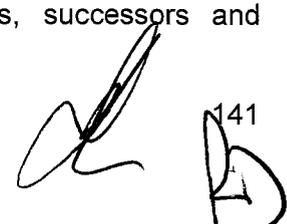
SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

"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 not 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 re-aligned;
"Owner"	means the person or persons who, from time to time, is or are registered as the proprietor(s) of the Land;
"Reserve 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; and
"Working Days"	means the period between any one midnight and the next excluding Saturdays, Sundays and statutory holidays in the place where the Land is situated.

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 references to clauses are references to clauses in this Covenant;
- 1.2.3 references to parties are references to the Owner and the Minister;
- 1.2.4 words importing the singular number include the plural and vice versa;
- 1.2.5 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 seek to determine the issue, the parties must have regard to the matters contained in the Background;
- 1.2.6 any obligation not to do anything must be treated to include an obligation not to suffer, permit or cause the thing to be done;
- 1.2.7 words importing one gender include the other gender;
- 1.2.8 the agreements contained in this Covenant bind and benefit the parties and their administrators and executors, successors and assigns in perpetuity; and



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SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

- 1.2.9 where clauses in this Covenant require further agreement between the parties such agreement must not be unreasonably withheld.

2 OBJECTIVES OF THE COVENANT

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

3 IMPLEMENTATION OF OBJECTIVE

- 3.1 Unless agreed in writing by the parties the Owner must not carry out or permit on or in relation to the Land:

- 3.1.1 grazing of the Land by livestock;
- 3.1.2 subject to clauses 3.2.1 and 3.2.3, felling, removal or damage of any tree, shrub or other plant;
- 3.1.3 the planting of any species of exotic 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, top dressing, sowing of seed or use of chemicals (whether for spraying or otherwise) except where the use of chemicals is reasonably necessary to control weeds or pests;
- 3.1.6 any cultivation, earth works or other soil disturbances;
- 3.1.7 any archaeological or other scientific research involving disturbance of the soil;
- 3.1.8 the damming, diverting or taking of Natural Water;
- 3.1.9 any action which will cause deterioration in the natural flow, supply, quantity, or quality of water of any stream, river, lake, pond, marsh, or any other water resource affecting the Land;
- 3.1.10 any other activity which might have an adverse effect on the Reserve Values;
- 3.1.11 any prospecting or mining for Minerals, coal or other deposit or moving or removal of rock of any kind on or under the Land; and
- 3.1.12 the erection of utility transmission lines across the Land.

- 3.2 The Owner must take all reasonable steps to maintain the Land in a condition no worse than at the date of this Covenant, including:

- 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;

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SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

- 3.2.2 co-operate with the Fire Authority when it is responding to a fire that threatens to burn, or is burning, on the Land and follow the directives of any controlling rural fire officer in attendance at the fire regarding fire suppression;
 - 3.2.3 keep the Land free from exotic tree species;
 - 3.2.4 keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
 - 3.2.5 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 onto 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, must rebuild and replace all such Fences when reasonably required except as provided in clause 4.1.2; and
 - 3.2.7 comply with all requisite statues, regulations and bylaws in relation to the Land.
- 3.3 The Owner acknowledges that:
- 3.3.1 this Covenant does not affect the Minister's exercise of the Minister's powers under the Wild Animal Control Act 1977; and
 - 3.3.2 the Minister has statutory powers, obligations and duties with which the Minister must comply.
- 4 THE MINISTER'S OBLIGATIONS AND OTHER MATTERS**
- 4.1 The Minister must:
- 4.1.1 have regard to the objectives specified in clause 2.1 when considering any requests for approval under this Covenant; and
 - 4.1.2 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, the Director-General's employees or contractors, or any member of the public exercising any of the rights conferred by this Covenant.
- 4.2 The Minister may:
- 4.2.1 provide to the Owner technical advice or assistance as may be necessary or desirable to assist in the objectives specified in clause 2



SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

subject to any financial, statutory or other constraints which may apply to the Minister from time to time; and

- 4.2.2 prepare, in consultation with the Owner, a joint plan for the management of the Land to implement the objectives specified in clause 2.

5 JOINT OBLIGATIONS

The Owner or the Minister may, by mutual agreement, carry out any work, or activity or improvement or take any action either jointly or individually better to achieve the objectives set out in clause 2.

6 DURATION OF COVENANT

This Covenant binds the parties in perpetuity to the rights and obligations contained in it.

7 OBLIGATIONS ON SALE OF LAND

- 7.1 If the Owner sells, leases, or parts with possession of the Land, the Owner must ensure that the Owner obtains the agreement of the purchaser, lessee, or assignee to comply with the terms of this Covenant.
- 7.2 Such agreement must include an agreement by the purchaser, lessee, or assignee to ensure that on a subsequent sale, lease, or assignment, a subsequent purchaser, lessee, or assignee will comply with the terms of this Covenant including this clause.
- 7.3 If, for any reason, this Covenant remains unregistered and the Owner fails to obtain the agreement of a purchaser, lessee, or assignee to comply with the terms of this Covenant, the Owner will continue to be liable in damages to the Minister for any breach of the Covenant committed after the Owner has parted with all interest in the Land in respect of which a breach occurs.

8 CONSENTS

The Owner must obtain the consent of any mortgagees of the Land to this Covenant.

9 MISCELLANEOUS MATTERS

9.1 Rights

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

Handwritten signature and initials, possibly 'L' and 'AS', with the number '14' written below the initials.

SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

9.2 Trespass Act

9.2.1 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; and

9.2.2 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.

9.3 Reserves Act

In accordance with section 77(3) of the Reserves Act 1977 but 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.

9.4 Title

This Covenant must be signed by both parties and registered against the certificate of title to the Land.

9.5 Acceptance of Covenant

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

9.6 Fire

9.6.1 The Owner must notify, as soon as practicable, the appropriate Fire Authority and the Minister in the event of wildfire upon or threatening the Land;

9.6.2 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:

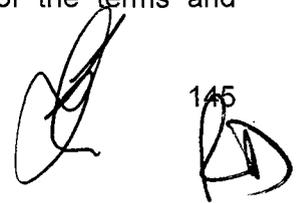
9.6.2.1 requested to do so; or

9.6.2.2 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; and

9.6.3 This assistance will be at no cost to the Owner unless the Owner is responsible for the wildfire through wilful action or negligence (which includes the case where the wildfire is caused by the escape of a permitted fire due to non adherence to the conditions of the permit).

10 DEFAULT

10.1 Where either the Owner or the Minister breaches any of the terms and conditions contained in this Covenant the other party:



SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

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

11 DISPUTE RESOLUTION PROCESSES

- 11.1 If any dispute arises between the Owner and the Minister in connection with this Covenant, the parties must, without prejudice to any other rights they may have under this Covenant, attempt to resolve the dispute by negotiation or other informal dispute resolution technique agreed between the parties.

11.2 Mediation

- 11.2.1 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to mediation with a mediator agreed between the parties.
- 11.2.2 If the parties do not agree on a mediator, the President of the District Law Society in the region in which the Land is located is to appoint the mediator.

11.3 Failure of Mediation

- 11.3.1 In the event that the matter is not resolved by mediation within 2 months of the date of referral to mediation the parties agree that the provisions in the Arbitration Act 1996 will apply.
- 11.3.2 Notwithstanding anything to the contrary in the Arbitration Act 1996, if the parties do not agree on the person to be appointed as arbitrator, the appointment is to be made by the President for the time being of the District 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.



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SCHEDULE 7: CONSERVATION COVENANTS

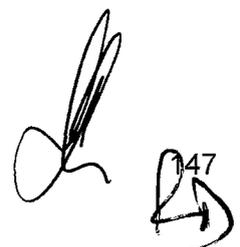
PART 1: PLOT ROAD COVENANT

12 NOTICES

- 12.1 Any notice to be given under this Covenant by one party to the other is to be in writing and sent 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 2.
- 12.2 A notice given in accordance with clause 12.1 will be deemed to have been received:
- 12.2.1 in the case of personal delivery, on the date of delivery;
 - 12.2.2 in the case of pre-paid post, on the third working day after posting; or
 - 12.2.3 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.
- 12.3 The Owner must notify the Minister of any change of ownership or control of all or any part of the Land and must supply the Minister with the name and address of the new owner or person in control.

13 SPECIAL CONDITIONS

- 13.1 Special conditions relating to this Covenant are set out in Schedule 3.
- 13.2 The standard conditions contained in this Covenant must be read subject to any special conditions.

Handwritten signature and initials in the bottom right corner of the page. The signature is a stylized cursive mark, and the initials are '147' with a large 'A' and a checkmark-like flourish.

CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

Executed as a Deed

Signed by _____ as)
Owner in the presence of:) _____

Witness: _____

Address : _____

Occupation: _____

Signed by **HENRY WESTON** and)
acting under a written delegation from the Minister)
of Conservation and exercising his powers under)
section 117 of the Reserves Act 1977 as designated)
Commissioner in the presence of:) _____

Witness: _____

Address : _____

Occupation: _____



SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

SCHEDULE 1

Description of Land:

All that land situated in the South Auckland Land District, Taupo District comprising 15.0000 hectares, more or less being Section 1 SOformerly part Lot 1 DPS 65623 (subject to survey) and as shown in red on the attached Map.

Reserve Values to be protected:

Extensive wetland system on Kaingaroa plateau (V18 190 628) containing *Lepidosperma australe* dominated sedgeland surrounded by monoao dominated frost flat shrubland. Contains a population of the nationally threatened swamp leek orchid *Prasophyllum hectorii*. North Island Fernbird, North Island robin, whitehead present.



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SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

SCHEDULE 2

Address for Service

The address for service of the Owner is:

CNI Iwi Holdings Limited
insert address]

The address for service of the Minister is:

The Conservator
Bay of Plenty Conservancy
PO Box 1146
Rotorua


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PART 1: PLOT ROAD COVENANT

SCHEDULE 3

Special Conditions


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SCHEDULE 7: CONSERVATION COVENANTS

PART 1: PLOT ROAD COVENANT

GRANT of

Certified correct for the purposes of
the Land Transfer Act 1952

Michael J Bodie
Solicitor for the Minister of
Conservation

CONSERVATION COVENANT

Under section 77 of the
Reserves Act 1977

to

MINISTER OF CONSERVATION

Legal Services
Department of Conservation

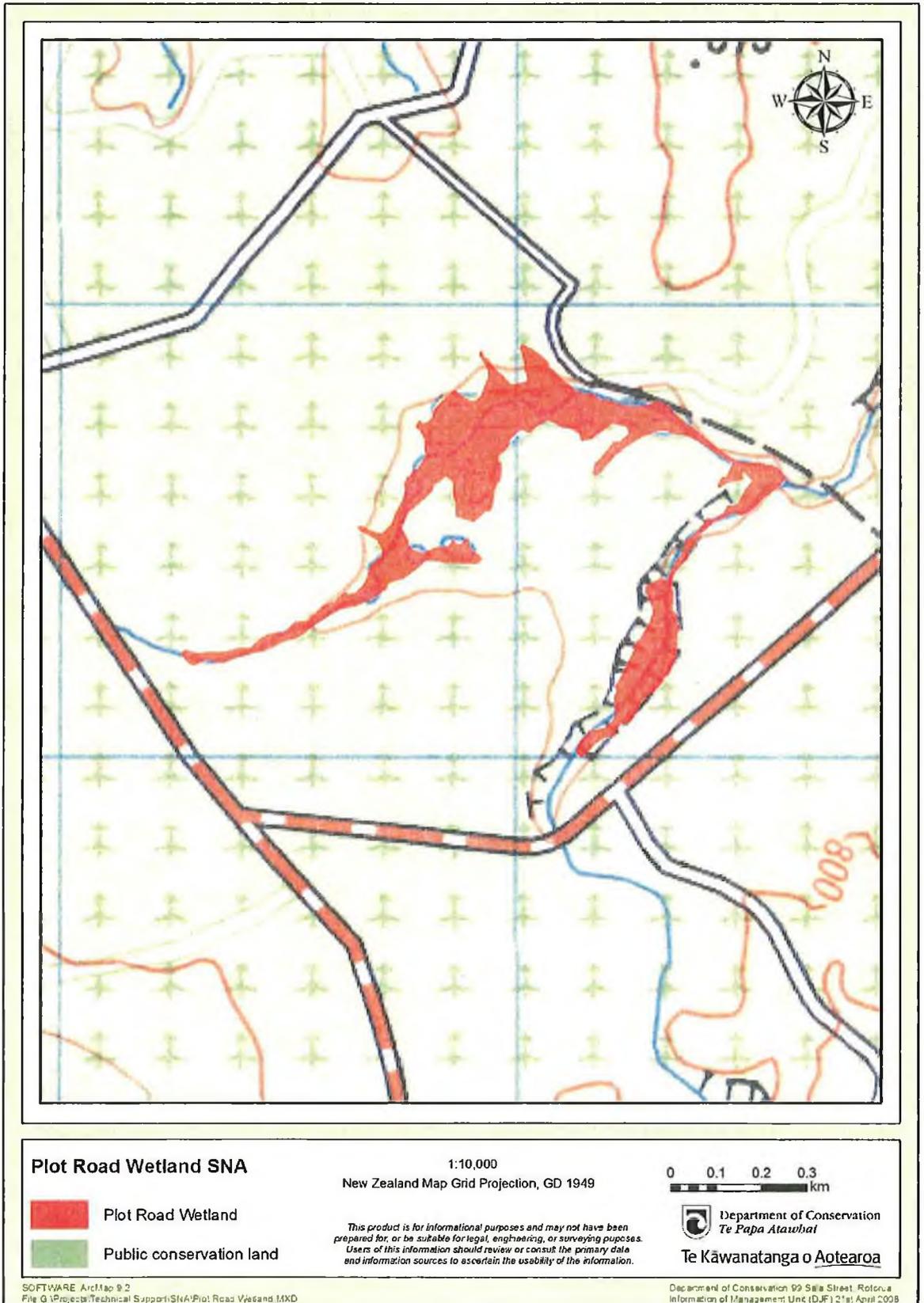


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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

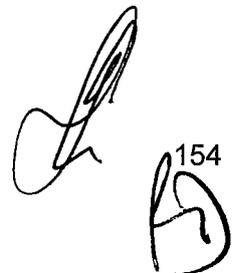
PART 1: PLOT ROAD COVENANT



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PART 2: RANGITAIKI RIVER COVENANT

(Clause 7.31.2)



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RANGITAIKI RIVER COVENANT

(Section 77 Reserves Act 1977)

THIS DEED of COVENANT is made this day of
BETWEEN CNI IWI HOLDINGS LIMITED (the Owner)
AND MINISTER OF CONSERVATION (the Minister)

BACKGROUND

- A. Section 77 of the Reserves Act 1977 provides that the Minister may enter into a covenant with the owner of any land to provide for management of that land's Reserve Values as described in Schedule 1.
- B. The Owner is the registered proprietor of the Land as a result of a Treaty settlement with the Crown in accordance with a Deed of Settlement dated ("**Deed of Settlement**") and implemented by the Act
- C. The Land contains Reserve Values which the parties to the Deed of Settlement agreed should be subject to a covenant under the Reserves Act 1977 which would provide that the Land should be managed to protect those values.
- D. The Owner has therefore agreed to grant the Minister a Covenant over the Land to preserve the Reserve Values.

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 Owner and Minister agree as follows.

1 INTERPRETATION

1.1 In this Covenant unless the context otherwise requires:

- | | |
|--------------------|-----------------------------------------------------------------------------|
| "Covenant" | means this Deed of Covenant made under section 77 of the Reserves Act 1977; |
| "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; |



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

"Land"	means the land described in Schedule 1;
"Minerals"	means any mineral that is not 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 re-aligned;
"Owner"	means the person or persons who, from time to time, is or are registered as the proprietor(s) of the Land;
"Reserve 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; and
"Working Days"	means the period between any one midnight and the next excluding Saturdays, Sundays and statutory holidays in the place where the Land is situated.

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

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SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

2 OBJECTIVES OF THE COVENANT

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

3 IMPLEMENTATION OF OBJECTIVE

3.1 Unless agreed in writing by the parties the Owner must not carry out or permit on or in relation to the Land:

3.1.1 grazing of the Land by livestock;

3.1.2 subject to clauses 3.2.1 and 3.2.3, felling, removal or damage of any tree, shrub or other plant;

3.1.3 the planting of any species of exotic 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, top dressing, sowing of seed or use of chemicals (whether for spraying or otherwise) except where the use of chemicals is reasonably necessary to control weeds or pests;

3.1.6 any cultivation, earth works or other soil disturbances;

3.1.7 any archaeological or other scientific research involving disturbance of the soil;

3.1.8 the damming, diverting or taking of Natural Water;

3.1.9 any action which will cause deterioration in the natural flow, supply, quantity, or quality of water of any stream, river, lake, pond, marsh, or any other water resource affecting the Land;

3.1.10 any other activity which might have an adverse effect on the Reserve Values;

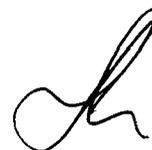
3.1.11 any prospecting or mining for Minerals, coal or other deposit or moving or removal of rock of any kind on or under the Land; and

3.1.12 the erection of utility transmission lines across the Land.

3.2 The Owner must take all reasonable steps to maintain the Land in a condition no worse than at the date of this Covenant, including:

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 co-operate with the Fire Authority when it is responding to a fire that threatens to burn, or is burning, on the Land and follow the directives of any controlling rural fire officer in attendance at the fire regarding fire suppression;



SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

- 3.2.3 keep the Land free from exotic tree species;
 - 3.2.4 keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
 - 3.2.5 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 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, must rebuild and replace all such Fences when reasonably required except as provided in clause 4.1.2; and
 - 3.2.7 comply with all requisite statutes, regulations and bylaws in relation to the Land.
- 3.3 The Owner acknowledges that:
- 3.3.1 this Covenant does not affect the Minister's exercise of the Minister's powers under the Wild Animal Control Act 1977; and
 - 3.3.2 the Minister has statutory powers, obligations and duties with which the Minister must comply.

4 THE MINISTER'S OBLIGATIONS AND OTHER MATTERS

- 4.1 The Minister must:
- 4.1.1 have regard to the objectives specified in clause 2 when considering any requests for approval under this Covenant; and
 - 4.1.2 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, the Director-General's employees or contractors, or any member of the public exercising any of the rights conferred by this Covenant.
- 4.2 The Minister may:
- 4.2.1 provide to the Owner technical advice or assistance as may be necessary or desirable to assist in the objectives specified in clause 2 subject to any financial, statutory or other constraints which may apply to the Minister from time to time; and
 - 4.2.2 prepare, in consultation with the Owner, a joint plan for the management of the Land to implement the objectives specified in clause 2.

SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

5 JOINT OBLIGATIONS

The Owner or the Minister may, by mutual agreement, carry out any work, or activity or improvement or take any action either jointly or individually better to achieve the objectives set out in clause 2.

6 DURATION OF COVENANT

This Covenant binds the parties in perpetuity to the rights and obligations contained in it.

7 OBLIGATIONS ON SALE OF LAND

7.1 If the Owner sells, leases, or parts with possession of the Land, the Owner must ensure that the Owner obtains the agreement of the purchaser, lessee, or assignee to comply with the terms of this Covenant.

7.2 Such agreement must include an agreement by the purchaser, lessee, or assignee to ensure that on a subsequent sale, lease, or assignment, a subsequent purchaser, lessee, or assignee will comply with the terms of this Covenant including this clause.

7.3 If, for any reason, this Covenant remains unregistered and the Owner fails to obtain the agreement of a purchaser, lessee, or assignee to comply with the terms of this Covenant, the Owner will continue to be liable in damages to the Minister for any breach of the Covenant committed after the Owner has parted with all interest in the Land in respect of which a breach occurs.

8 CONSENTS

The Owner must obtain the consent of any mortgagees of the Land to this Covenant.

9 MISCELLANEOUS MATTERS

9.1 Rights

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

9.2 Trespass Act:

9.2.1 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.

9.2.2 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.



SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

9.3 **Reserves Act**

In accordance with section 77(3) of the Reserves Act 1977 but 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.

9.4 **Title**

This Covenant must be signed by both parties and registered against the Certificate of Title to the Land.

9.5 **Acceptance of Covenant**

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

9.6 **Fire**

9.6.1 The Owner must notify, as soon as practicable, the appropriate Fire Authority and the Minister in the event of wildfire upon or threatening the Land.

9.6.2 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:

9.6.2.1 requested to do so; or

9.6.2.2 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.

9.6.3 This assistance will be at no cost to the Owner unless the Owner is responsible for the wild fire through wilful action or negligence (which includes the case where the wild fire is caused by the escape of a permitted fire due to non adherence to the conditions of the permit).

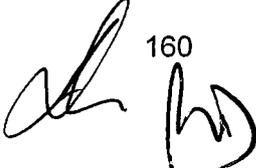
10 **DEFAULT**

10.1 Where either the Owner or the Minister breaches any of the terms and conditions contained in this Covenant the other party:

10.1.1 may take such action as may be necessary to remedy the breach or prevent any further damage occurring as a result of the breach; and

10.1.2 will also be entitled to recover from the party responsible for the breach as a debt due all reasonable costs (including solicitor/client costs) incurred by the other party as a result of remedying the breach or preventing the damage.

10.2 Should either the Owner or the Minister become of the reasonable view that the other party (the defaulting party) has defaulted in performance of or

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SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

observance of its obligations under this Covenant then that party (notifying party) may, by written notice:

- 10.2.1 advise the defaulting party of the default;
- 10.2.2 state the action reasonably required of the defaulting party to perform or observe in accordance with this Covenant; and
- 10.2.3 state a reasonable period within which the defaulting party must take action to remedy the default.

11 DISPUTE RESOLUTION PROCESSES

11.1 If any dispute arises between the Owner and the Minister in connection with this Covenant, the parties must, without prejudice to any other rights they may have under this Covenant, attempt to resolve the dispute by negotiation or other informal dispute resolution technique agreed between the parties.

11.2 Mediation

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

11.2.2 If the parties do not agree on a mediator, the President of the District Law Society in the region in which the Land is located is to appoint the mediator.

11.3 Failure of Mediation

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

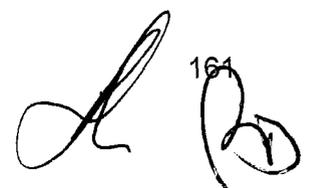
11.3.2 Notwithstanding anything to the contrary in the Arbitration Act 1996, if the parties do not agree on the person to be appointed as arbitrator, the appointment is to be made by the President for the time being of the District Law Society in the region in which the Land is situated.

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

12 NOTICES

12.1 Any notice to be given under this Covenant by one party to the other is to be in writing and sent 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 2.

12.2 A notice given in accordance with clause 12.1 will be deemed to have been received:

Handwritten signatures and initials at the bottom right of the page. One signature is a large, stylized 'A' or 'L' shape. To its right are the initials 'B' and 'R' in a circular arrangement, with the number '164' written above them.

SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

- 12.2.1 in the case of personal delivery, on the date of delivery;
 - 12.2.2 in the case of pre-paid post, on the third working day after posting; or
 - 12.2.3 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.
- 12.3 The Owner must notify the Minister of any change of ownership or control or all or any part of the Land and must supply the Minister with the name and address of the new owner or person in control.

13 SPECIAL CONDITIONS

- 13.1 Special conditions relating to this Covenant are set out in Schedule 3.
- 13.2 The standard conditions contained in this Covenant must be read subject to any special conditions.



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

Executed as a Deed

Signed by _____ as)
Owner in the presence of:) _____

Witness: _____

Address : _____

Occupation: _____

Signed by **HENRY WESTON** and)
acting under a written delegation from the Minister)
of Conservation and exercising his powers under)
section 117 of the Reserves Act 1977 as designated)
Commissioner in the presence of:) _____

Witness: _____

Address : _____

Occupation: _____



SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

SCHEDULE 1

Description of Land:

All that land situated in the South Auckland Land District, Taupo District comprising 15.0000 hectares, more or less being Section 1 SOformerly part Lot 1 DPS 73202, part Lot 1 DP 20756 and part Lot 20 DP 23615 (subject to survey) and shown in red on the attached map.

Reserve Values to be protected:

Extensive oxbow wetlands and remnant frost flat shrublands associated with the Rangitaiki River (U18 095735). Contains *Lepidosperma australe* dominated sedgeland surrounded by monoao dominated frost flat shrubland and *Coprosma propinqua*–manuka scrub. North Island fernbird, North Island robin, whitehead and a variety of other wetland birds present. One of the largest remaining wetland remnants on the Kaingaroa Plateau.


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SCHEDULE 2

Address for Service

The address for service of the Owner is:

CNI Iwi Holdings Limited
insert address]

The address for service of the Minister is:

The Conservator
Bay of Plenty Conservancy
PO Box 1146
Rotorua



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SCHEDULE 3

Special Conditions



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SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

GRANT of

Certified correct for the purposes of
the Land Transfer Act 1952

Michael J Bodie
Solicitor for the Minister of
Conservation

CONSERVATION COVENANT

Under section 77 of the
Reserves Act 1977

to

MINISTER OF CONSERVATION

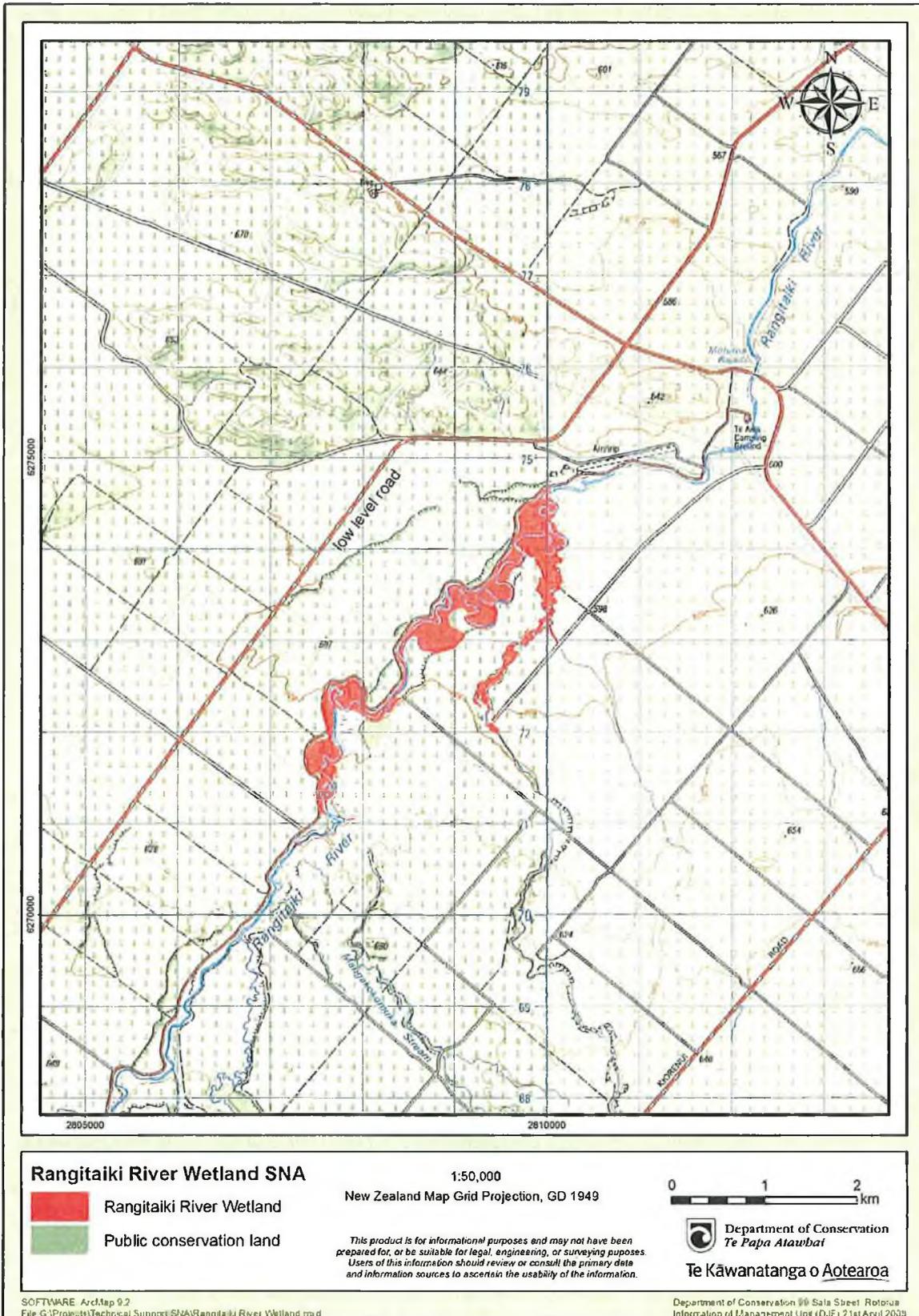
Legal Services
Department of Conservation


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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

PART 2: RANGITAIKI RIVER COVENANT

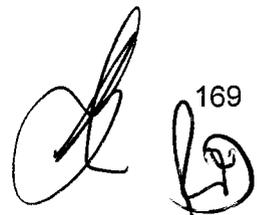


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168 *[Handwritten initials]*

PART 3: CAPELLA ROAD COVENANT

(Clause 7.37)



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CAPELLA ROAD COVENANT

(Section 77 Reserves Act 1977)

THIS DEED of COVENANT is made this day of

BETWEEN CNI IWI HOLDINGS LIMITED (the Owner)

AND MINISTER OF CONSERVATION (the Minister)

BACKGROUND

- A. Section 77 of the Reserves Act 1977 provides that the Minister may enter into a covenant with the owner of any land to provide for management of that land's Reserve Values as described in Schedule 1.
- B. The Owner is the registered proprietor of the Land as a result of a Treaty settlement with the Crown in accordance with a Deed of Settlement dated ("Deed of Settlement") and implemented by the Act
- C. The Land contains Reserve Values which the parties to the Deed of Settlement agreed should be subject to a covenant under the Reserves Act 1977 which would provide that the Land should be managed to protect those values.
- D. The Owner has therefore agreed to grant the Minister a Covenant over the Land to preserve the Reserve Values.

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 Owner and Minister agree as follows.

1 INTERPRETATION

1.1 In this Covenant unless the context otherwise requires:

"Covenant" means this Deed of Covenant made under section 77 of the Reserves Act 1977;

"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;



SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

“Land”	means the land described in Schedule 1;
“Minerals”	means any mineral that is not 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 re-aligned;
“Owner”	means the person or persons who, from time to time, is or are registered as the proprietor(s) of the Land;
“Reserve 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; and
“Working Days”	means the period between any one midnight and the next excluding Saturdays, Sundays and statutory holidays in the place where the Land is situated.

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

SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

2 OBJECTIVES OF THE COVENANT

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

3 IMPLEMENTATION OF OBJECTIVE

3.1 Unless agreed in writing by the parties the Owner must not carry out or permit on or in relation to the Land:

3.1.1 grazing of the Land by livestock;

3.1.2 subject to clauses 3.2.1 and 3.2.3, felling, removal or damage of any tree, shrub or other plant;

3.1.3 the planting of any species of exotic 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, top dressing, sowing of seed or use of chemicals (whether for spraying or otherwise) except where the use of chemicals is reasonably necessary to control weeds or pests;

3.1.6 any cultivation, earth works or other soil disturbances;

3.1.7 any archaeological or other scientific research involving disturbance of the soil;

3.1.8 the damming, diverting or taking of Natural Water;

3.1.9 any action which will cause deterioration in the natural flow, supply, quantity, or quality of water of any stream, river, lake, pond, marsh, or any other water resource affecting the Land;

3.1.10 any other activity which might have an adverse effect on the Reserve Values;

3.1.11 any prospecting or mining for Minerals, coal or other deposit or moving or removal of rock of any kind on or under the Land; and

3.1.12 the erection of utility transmission lines across the Land.

3.2 The Owner must take all reasonable steps to maintain the Land in a condition no worse than at the date of this Covenant, including:

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 co-operate with the Fire Authority when it is responding to a fire that threatens to burn, or is burning, on the Land and follow the directives of any controlling Rural Fire Officer in attendance at the fire regarding fire suppression;



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SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

- 3.2.3 keep the Land free from exotic tree species;
 - 3.2.4 keep the Land free from rubbish or other unsightly or offensive material arising from the Owner's use of the Land;
 - 3.2.5 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 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; and
 - 3.2.6 keep all Fences on the boundary of the Land in good order and condition and, notwithstanding clause 3.1.4, must rebuild and replace all such Fences when reasonably required except as provided in clause 4.1.2;
 - 3.2.7 comply with all requisite statutes, regulations and bylaws in relation to the Land.
- 3.3 The Owner acknowledges that:
- 3.3.1 this Covenant does not affect the Minister's exercise of the Minister's powers under the Wild Animal Control Act 1977; and
 - 3.3.2 the Minister has statutory powers, obligations and duties with which the Minister must comply.

4 THE MINISTER'S OBLIGATIONS AND OTHER MATTERS

- 4.1 The Minister must:
- 4.1.1 have regard to the objectives specified in clause 2.1 when considering any requests for approval under this Covenant; and
 - 4.1.2 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, the Director-General's employees or contractors, or any member of the public exercising any of the rights conferred by this Covenant.
- 4.2 The Minister may:
- 4.2.1 provide to the Owner technical advice or assistance as may be necessary or desirable to assist in the objectives specified in clause 2 subject to any financial, statutory or other constraints which may apply to the Minister from time to time; and
 - 4.2.2 prepare, in consultation with the Owner, a joint plan for the management of the Land to implement the objectives specified in clause 2.

SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

5 JOINT OBLIGATIONS

The Owner or the Minister may, by mutual agreement, carry out any work, or activity or improvement or take any action either jointly or individually better to achieve the objectives set out in clause 2.

6 DURATION OF COVENANT

This Covenant binds the parties in perpetuity to the rights and obligations contained in it.

7 OBLIGATIONS ON SALE OF LAND

7.1 If the Owner sells, leases, or parts with possession of the Land, the Owner must ensure that the Owner obtains the agreement of the purchaser, lessee, or assignee to comply with the terms of this Covenant.

7.2 Such agreement must include an agreement by the purchaser, lessee, or assignee to ensure that on a subsequent sale, lease, or assignment, a subsequent purchaser, lessee, or assignee will comply with the terms of this Covenant including this clause.

7.3 If, for any reason, this Covenant remains unregistered and the Owner fails to obtain the agreement of a purchaser, lessee, or assignee to comply with the terms of this Covenant, the Owner will continue to be liable in damages to the Minister for any breach of the Covenant committed after the Owner has parted with all interest in the Land in respect of which a breach occurs.

8 CONSENTS

The Owner must obtain the consent of any mortgagees of the Land to this Covenant.

9 MISCELLANEOUS MATTERS

9.1 Rights

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

9.2 Trespass Act

9.2.1 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; and

9.2.2 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.



SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

9.3 Reserves Act

In accordance with section 77(3) of the Reserves Act 1977 but 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.

9.4 Title

This Covenant must be signed by both parties and registered against the Certificate of Title to the Land.

9.5 Acceptance of Covenant

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

9.6 Fire

9.6.1 the Owner must notify, as soon as practicable, the appropriate Fire Authority and the Minister in the event of wildfire upon or threatening the Land;

9.6.2 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:

(a) requested to do so; or

(b) 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; and

9.6.3 this assistance will be at no cost to the Owner unless the Owner is responsible for the wild fire through wilful action or negligence (which includes the case where the wild fire is caused by the escape of a permitted fire due to non adherence to the conditions of the permit).

10 DEFAULT

10.1 Where either the Owner or the Minister breaches any of the terms and conditions contained in this Covenant the other party:

10.1.1 may take such action as may be necessary to remedy the breach or prevent any further damage occurring as a result of the breach; and

10.1.2 will also be entitled to recover from the party responsible for the breach as a debt due all reasonable costs (including solicitor/client costs) incurred by the other party as a result of remedying the breach or preventing the damage.

10.2 Should either the Owner or the Minister become of the reasonable view that the other party (the defaulting party) has defaulted in performance of or

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SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

observance of its obligations under this Covenant then that party (notifying party) may, by written notice:

- 10.2.1 advise the defaulting party of the default;
- 10.2.2 state the action reasonably required of the defaulting party to perform or observe in accordance with this Covenant; and
- 10.2.3 state a reasonable period within which the defaulting party must take action to remedy the default.

11 DISPUTE RESOLUTION PROCESSES

11.1 If any dispute arises between the Owner and the Minister in connection with this Covenant, the parties must, without prejudice to any other rights they may have under this Covenant, attempt to resolve the dispute by negotiation or other informal dispute resolution technique agreed between the parties.

11.2 Mediation

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

11.2.2 If the parties do not agree on a mediator, the President of the District Law Society in the region in which the Land is located is to appoint the mediator.

11.3 Failure of Mediation

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

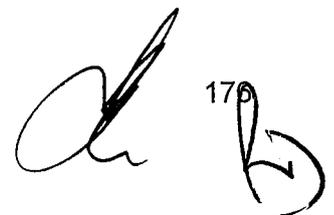
11.3.2 Notwithstanding anything to the contrary in the Arbitration Act 1996, if the parties do not agree on the person to be appointed as arbitrator, the appointment is to be made by the President for the time being of the District Law Society in the region in which the Land is situated.

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

12 NOTICES

12.1 Any notice to be given under this Covenant by one party to the other is to be in writing and sent 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 2.

12.2 A notice given in accordance with clause 12.1 will be deemed to have been received:

Handwritten signature and initials in the bottom right corner of the page. The signature is a cursive 'A' followed by a cursive 'B'. The number '170' is written next to the initials.

SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

- 12.2.1 in the case of personal delivery, on the date of delivery;
- 12.2.2 in the case of pre-paid post, on the third working day after posting; or
- 12.2.3 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.
- 12.3 The Owner must notify the Minister of any change of ownership or control or all or any part of the Land and must supply the Minister with the name and address of the new owner or person in control.
- 13 SPECIAL CONDITIONS**
- 13.1 Special conditions relating to this Covenant are set out in Schedule 3.
- 13.2 The standard conditions contained in this Covenant must be read subject to any special conditions.

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

Executed as a Deed

Signed by _____ as)
Owner in the presence of:) _____

Witness: _____

Address : _____

Occupation: _____

Signed by **HENRY WESTON** and)
acting under a written delegation from the Minister)
of Conservation and exercising his powers under)
section 117 of the Reserves Act 1977 as designated)
Commissioner in the presence of:) _____

Witness: _____

Address : _____

Occupation: _____



SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

SCHEDULE 1

Description of Land:

All that land situated in the South Auckland Land District, Rotorua District comprising 145.0000 hectares, more or less being Section 1 SOformerly being part lot 1 DPS 65986 (subject to survey) and as shown in red on the attached map.

Reserve Values to be protected:

Large wetland and indigenous forest complex (U15 794 482) contiguous with adjoining DOC administered wetlands on W and N boundaries. Wetland comprises areas of manuka/*Baumea* spp.-*Gleichenia* spp./*Sphagnum* fern-sedge-shrubland. Indigenous forest areas comprise regenerating podocarp-tawa forest and beech dominated forest. The wetland area has a large population of the nationally threatened green hooded orchid *Pterostylis paludosa*. Kereru, North Island fern bird present.

SCHEDULE 2

Address for Service

The address for service of the Owner is:

CNI Iwi Holdings Limited
insert address]

The address for service of the Minister is:

The Conservator
Bay of Plenty Conservancy
PO Box 1146
Rotorua

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SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

SCHEDULE 3

Special Conditions


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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT

GRANT of

Certified correct for the purposes of
the Land Transfer Act 1952

Michael J Bodie
Solicitor for the Minister of
Conservation

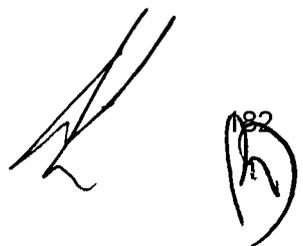
CONSERVATION COVENANT

Under section 77 of the
Reserves Act 1977

to

MINISTER OF CONSERVATION

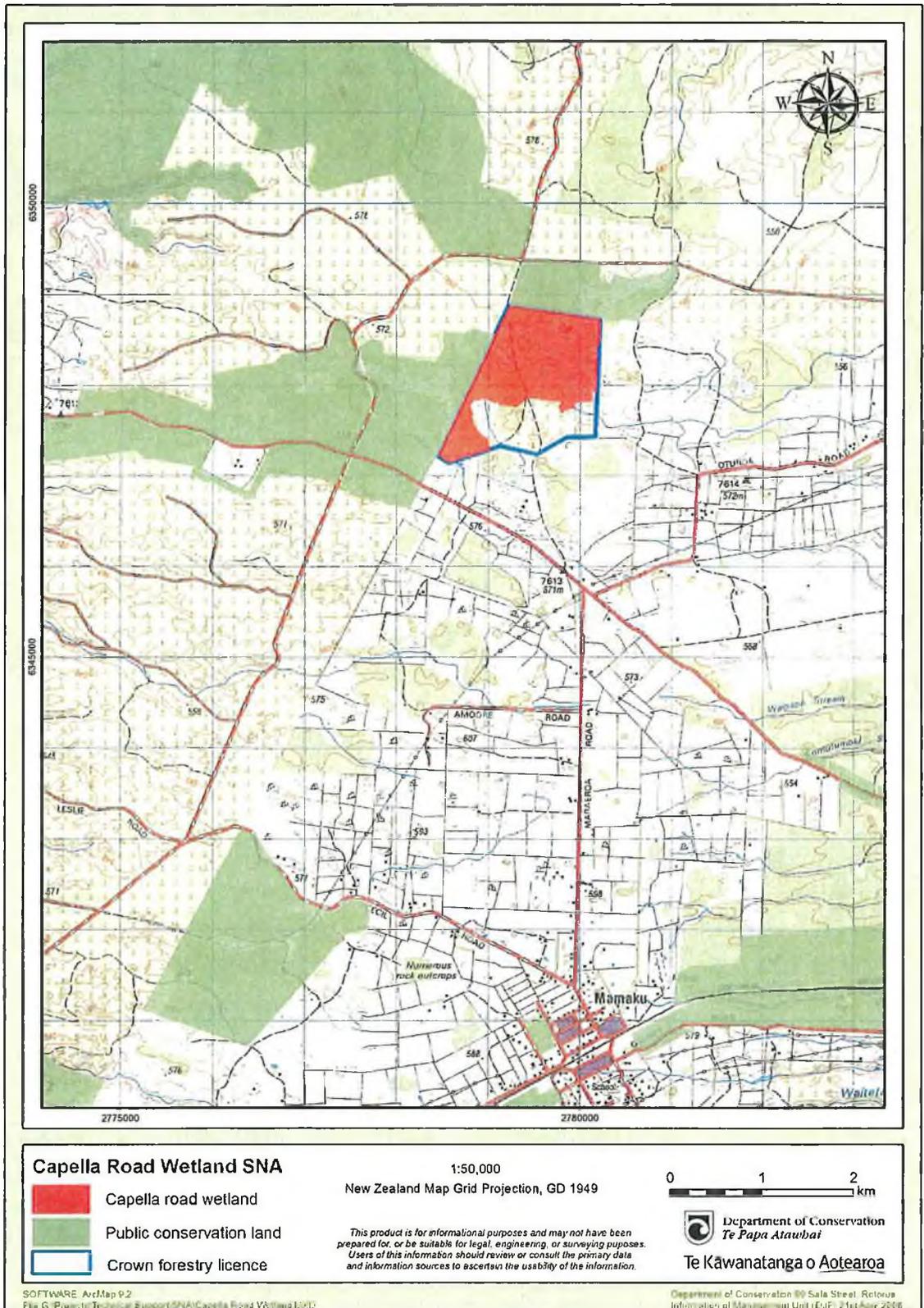
Legal Services
Department of Conservation

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT: SCHEDULES

SCHEDULE 7: CONSERVATION COVENANTS

PART 3: CAPELLA ROAD COVENANT



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