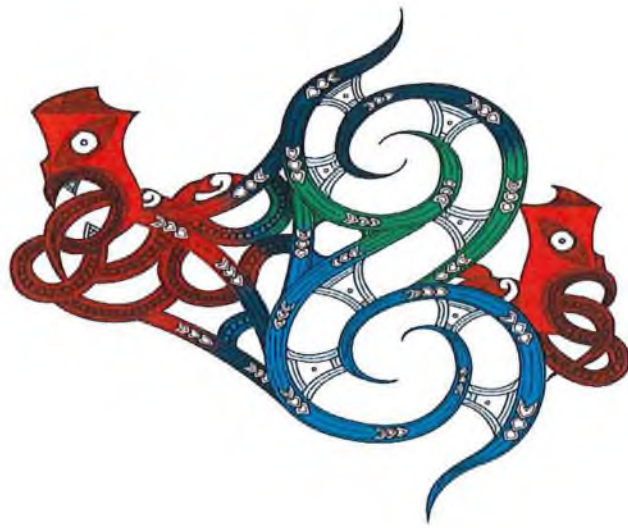


Ngaati Hinerangi

and

THE CROWN



**AGREEMENT IN PRINCIPLE
TO SETTLE
HISTORICAL CLAIMS**

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AGREEMENT IN PRINCIPLE

He Karakia

He hoonore, he korooria ki te atua
He maungaarongo ki runga i te mata o te whenua
He whakamoemiti, he whakawhetai ki a Io Matua Kore
Kia manaakitia Te Whare Tapu o Pootatau
Tae noa ki a Kiingi Tuheitia
E noho mai ia i runga i te taumata o ngaa Kiingi me Te Arikinui.
Manaakitia mai tona hoa rangatira a Atawhai me a raaua tamariki mokopuna
Tae noa atu ki Te Kahui Ariki
Rire, rire hou
Pai Marire.

He Mihi

Ko Tainui te waka
Ko Te Weraiti me ngaa pae maunga ngaa maunga tapu
Ko Waihou te awa
Ko Wairere me Te Ariki ngaa wai tapu
Ko Te Rohe o Koperu te whenua mai Matamata ki Tauranga Moana
Ko Koperu te tangata.
Ko Ngaati Tokotoko, Ngaati Te Riha, Ngaati Tangata, Ngaati Tamapango, Ngaati Whakamaungarangi,
Ngaati Kura, Ngaati Rangi me Ngaati Tawhaki ngaa hapu maha.
Ko Ngaati Hinerangi te iwi
Whano, whano,
Hara mai te toki,
Haumi e,
Hui e,
Taiki e.

E te iwi o Ngaati Hinerangi,
Nga uri o ngaa matua tupuna o ngaa hapu me ngaa marae maha hoki o Ngaati Hinerangi
Teena koutou, teena koutou, teena koutou katoa.
E ngaa mate huhua o Ngaati Hinerangi whanui
Moe mai, okioki atu i te huihuinga o te kahurangi
Te hunga wairua ki te hunga wairua
Te hunga ora ki te hunga ora
ki te Whai Ao
ki te Ao maarama
Tihei Mauri Ora!

He Waiata Tawhito

E whiti e te ra ki runga o Maurihiro
Kei raro ko Okauia whenua
Koperu tupuna
Nana I whakaroherohe
Mangakahika ki Ngatamahinerua,
E piki ra i Te Ara o Maurihiro ki Waitekohe, Hamamatewaha, Aongatete
Ki Rereatukahia,
Ka huri ki te tonga

Ko Te Umukorongaehe ki Te Irihanga ki Omokoroa ki Huhaarua
Ka huri ra ki Kaikaikaroro
Ngaumuwahine ki Te Whanautanga a Kiharoa
Whenua-a-kura tena koe
Ko Te Ara Pohatu
Ka huri ki Te Hauauru
Ki Haukapa ki Te Kapa a Hinerangi
Waipouri, Tuarapararahara ki Mangawhero ki Waihou
Putakakariki, ka huri ki Te Hau Raro
Tumutumu, Tikeikei, Pukemanuka
Ki Te Pae o Te Huia, Poukaroro ki Rangakuri,
Ko Te Onewhero
Ka huri ki Te Rawhiti, mai i Huakaramu
Ka tau ki Mangakahika ra
Whakamau te titiro ki nga pari tekoteko
Whakarongo atu ra, wheorooro
Huhuka mai ana ko Te Wairere me Te Ariki
Ko te kii ra a Tuakere, Kawea ahau ki runga o Putangi
Kia rongohau i nga tai haruru o Mangawhai,
Mei ka uia mai, tena ko wai koe, whakaahua atu ra
He uri tupuna ahau no Whakamaungarangi, Kura
Me Tokotoko, Te Riha ra, matamuri ko Tangata,
Nga uri o Tuwaewae o Koperu o Tamapango
Ko Ngati Hinerangi e hoa ma e.

1 BACKGROUND

Mandate and terms of negotiation

- 1.1 Ngaati Hinerangi Iwi (Ngaati Hinerangi) on 11 August 2012, by mandate hui, gave the Ngaati Hinerangi Trust a mandate to negotiate with the Crown a deed of settlement settling the historical claims of Ngaati Hinerangi.
- 1.2 The Crown recognised this mandate on 20 February 2014.
- 1.3 The mandated negotiators and the Crown agreed the scope, objectives, and general procedures for the negotiations by terms of negotiation dated 20 February 2014.

Nature and scope of deed of settlement agreed

- 1.4 The mandated negotiators and the Crown have agreed, in principle, the nature and scope of the deed of settlement.
- 1.5 This agreement in principle records that agreement and concludes substantive negotiations of the redress contemplated in this agreement in principle.

Approval and signing of this agreement in principle

- 1.6 The mandated body has –
 - 1.6.1 approved this agreement in principle; and
 - 1.6.2 authorised the trustees of the mandated body to sign it on their behalf.

2 AGREEMENT IN PRINCIPLE

2.1 Ngaati Hinerangi and the Crown agree –

- 2.1.1 that, in principle, the nature and scope of the deed of settlement is to be as provided in this agreement in principle; and
- 2.1.2 to work together in good faith to develop, as soon as reasonably practicable, a deed of settlement based on this agreement in principle. In particular, parties will work together to resolve any matters in relation to clause 3.5 of this agreement in principle, and agree or determine (where applicable) those matters under clauses 3.8 and 9.2; and
- 2.1.3 the deed of settlement is to be signed by or on behalf of Ngaati Hinerangi, the governance entity, and the Crown.

3 SETTLEMENT

Settlement of historical claims

- 3.1 The deed of settlement is to provide that, on and from the settlement date, -
- 3.1.1 the historical claims of Ngaati Hinerangi are settled; and
 - 3.1.2 the Crown is released and discharged from all obligations and liabilities in respect of the historical claims; and
 - 3.1.3 the settlement is final.
- 3.2 The definitions of the historical claims, and of Ngaati Hinerangi, are to be based on the definitions of those terms in Schedule 1.

Terms of settlement

- 3.3 The terms of the settlement provided in the deed of settlement are to be:
- 3.3.1 those in Schedule 3; and
 - 3.3.2 any additional terms agreed by the parties.

Redress

- 3.4 The deed of settlement is to provide for redress in accordance with this agreement in principle.
- 3.5 However, the deed of settlement will include –
- 3.5.1 redress contemplated by this agreement in principle only if any overlapping claim issues in relation to that redress have been addressed to the satisfaction of the Crown; and
 - 3.5.2 a property that this agreement in principle specifies as a potential cultural redress property, or a potential commercial redress property, subject to final written confirmation from the Crown that each of those properties is available. If any such potential property is not available, the Crown is under no obligation to substitute that property with another property.

- 3.6 If the Crown is unable to confirm any redress contemplated by this agreement in principle due to overlapping claims, the parties may discuss alternative redress so that the nature of the redress contemplated by this agreement in principle is maintained so far as that is possible, in the deed of settlement.
- 3.7 If any new redress is offered by the Crown in accordance with clause 3.6, Ngaati Hinerangi acknowledges that clauses 3.5.1 and 3.5.2 apply to that redress.

Transfer or vesting of settlement properties

3.8 The settlement documentation is to provide that the vesting or transfer of:

3.8.1 a redress property will be subject to –

- (a) any further identification and/or survey required; and
- (b) Part 4A of the Conservation Act 1987 (unless the settlement documentation provides otherwise); and
- (c) sections 10 and 11 of the Crown Minerals Act 1991; and
- (d) any relevant provisions included in the settlement documentation.

3.8.2 a redress property, will be subject to any encumbrance or right, in relation to that property that the settlement documentation either –

- (a) describes as existing at the date of the deed of settlement; or
- (b) requires to be created on or before the settlement date.

4 HISTORICAL ACCOUNT, ACKNOWLEDGEMENT AND APOLOGY

4.1 The deed of settlement is to include –

4.1.1 an agreed account of the historical relationship between Ngaati Hinerangi and the Crown based on the historical account headings in Schedule 2; and

4.1.2 the Crown's acknowledgement of its acts and omissions which have breached the Treaty of Waitangi/Te Tiriti o Waitangi and its terms and principles or caused prejudice to the Ngaati Hinerangi; based on the Provisional Acknowledgements in Schedule 2; and

4.1.3 a Crown apology for those breaches of the Treaty of Waitangi/Te Tiriti o Waitangi and its terms and principles.

5 CULTURAL REDRESS

General

- 5.1 All items of cultural redress are subject to the following being agreed, determined or resolved before a deed of settlement is signed:
- 5.1.1 the Crown confirming that any residual overlapping claim issues in relation to any item of cultural redress have been addressed to the satisfaction of the Crown; and
- 5.1.2 any other conditions specified in the cultural redress tables provided below and set out in clauses 3.5, 3.8 and 9.2 of this agreement in principle.

Potential cultural redress properties

- 5.2 The deed of settlement is to provide that the settlement legislation will vest in the governance entity those of the properties described in Table 1 below as potential cultural redress properties that the parties agree are to be cultural redress properties.
- 5.3 If the parties agree a potential cultural redress property is to be vested as a cultural redress property, it will be vested in the governance entity on the basis provided in Table 1 below.

Table 1 – Potential cultural redress properties*

Name of area	General description / location	Conditions of vesting / Specific conditions currently known
Thompson's Track (West end) (Part of Kaimai Mamaku Conservation Park)	12.0 hectares, approximately, being Part Section 20 Block III Wairere Survey District. Part computer freehold register SA729/209. Subject to survey.	As scenic or historic reserve
Thompsons Track (East end) (Parts of Kaimai Mamaku Conservation Park & Thompsons Track Conservation Area)	15.0 hectares, approximately, being Part Section 9 Block IV Aongatete Survey District and Part Lot 1 DP 64529. Part <i>Gazette</i> 1975 p2328 and Part Transfer B167558. Subject to survey.	As scenic or historic reserve
Ngatamahinerua (Part of Maurihero Scenic Reserve)	11 hectares, approximately, being Part Waiharakeke East 5. Part <i>Gazette</i> 1936 p2188. Subject to survey.	As scenic or historic reserve
Grazed part of Wairere Falls Scenic Reserve	11.0 hectares, approximately, being Part Section 9 Block XI Wairere Survey District. Part <i>Gazette</i> notice H307681. Subject to survey.	Unencumbered, subject to protection of existing grazing licence

Te Tuhi Track (West end) (Part of Kaimai Mamaku Conservation Park)	18.0 hectares, approximately, being Part Section 9 Block XV Wairere Survey District. Part <i>Gazette</i> 1975 p2328. Subject to survey.	As scenic or historic reserve. Subject to easement for DOC to maintain track
Te Tuhi Track (East end) (Part of Kaimai Mamaku Conservation Park)	18.0 hectares, approximately, being Part Lots 9 and 14 DP 5099 and Part Section 5 Block XII Aongatete Survey District. Part <i>Gazettes</i> 1982 p1932 and 1982 p4169. Subject to survey.	As scenic or historic reserve. Subject to easement for DOC to maintain track
Te Weraiti (Matatu Stream Conservation Area)	247.4020 hectares, more or less, being Lot 1 DPS 42024. All computer freehold register SA38B/560.	As scenic or historic reserve
Whenua-a-kura (Part of Kaimai Mamaku Conservation Park)	30.0 hectares, approximately, being Part Section 2 SO 464292. Part <i>Gazette</i> 1975 p2328. Subject to survey.	As scenic or historic reserve. Subject to easement for DOC to maintain track
Part Waipapa River Scenic Reserve	2.0 hectares, approximately, being Part Section 17 Block IX Aongatete Survey District. Part <i>Gazette</i> 2008 p4444. Subject to survey.	As scenic or historic reserve
Te Hanga (Parts of Maurihiro Scenic Reserve and Kaimai Mamaku Conservation Park)	28.0 hectares, approximately, being Part Maurihiro A. Part <i>Gazette</i> 1936, p 2188. Subject to survey. 2.0 hectares, approximately, being Part Crown land shown on SO 48402. Part <i>Gazette</i> 1975 p 2328. Subject to survey	As scenic or historic reserve
Tawhanga (Te Mimiha o Tuwhanga) (Part of Maurihiro Scenic Reserve)	30.0 hectares, approximately, being Part Maurihiro A. Part <i>Gazette</i> 1936 p2188. Subject to survey.	As scenic or historic reserve
Te Wai o Ngaumuwahine 2 (Part of Kaimai Mamaku Conservation Park)	40.0 hectares, approximately, being Part Mangatotara 1C North. Part <i>Gazette</i> 1975 p2328. Subject to survey	As scenic or historic reserve
Marginal Strip – Waihou River	4.0 hectares, approximately, being Part Crown Land shown on SO 27376. Subject to survey.	As recreation reserve
Corner Tower/Mowbray Roads, Turangaomoana Ministry of Justice (Office of Treaty Settlements Landbank) PF 1410	0.5666 hectares, more or less, being Section 45 Matamata Settlement. All computer freehold register 38973.	Unencumbered

* The legal descriptions of the properties in this table are indicative only and subject to confirmation by the Crown.

- 5.4 The Crown offers the opportunity to explore redress with Ngaati Hinerangi over those properties listed in the Table 2 below, subject to the resolution of overlapping claims.

Table 2 – Council managed land as potential cultural redress properties*

Name of area	General description / location	Conditions of vesting / Specific conditions currently known
Part Gerald Crapp Historic Reserve	0.1165 hectares, more or less, being Lot 31 DPS 27862. All Transfer 293313.	Council managed site to be explored for vesting with Western Bay of Plenty District Council and Department of Conservation.
Kotuku Recreation Reserve	0.2866 hectares, more or less, being Allotment 300 Te Puna Parish. All <i>Gazette</i> 1961 p366.	Council managed site to be explored for vesting with Western Bay of Plenty District Council and Department of Conservation.
Okauia Recreation Reserve	1.42 hectares, approximately, being Section 1B and Part Section 1D Block III Tapapa Survey District. Balance <i>Gazette</i> notice H452860.1. Subject to survey.	Council managed site to be explored for vesting with Matamata-Piako District Council and Department of Conservation.
Aongatete	4.0468 hectares, more or less, being Allotment 31A Te Mania Parish. Part <i>Gazette</i> 1902 p1908.	Council managed site in the Tauranga Moana area for exploring cultural redress arrangements with Western Bay of Plenty District Council**
Apata	0.81 hectares, approximately, being Part Allotment 133 Apata Parish. Part <i>Gazette</i> 1902 p1908. Subject to survey.	Council managed site in the Tauranga Moana area for exploring cultural redress arrangements with Western Bay of Plenty District Council**

*The legal descriptions of the properties in this table are indicative only and subject to confirmation by the Crown.

**The Department of Conservation may have an interest in these properties.

Overlay classification

- 5.5 The deed of settlement is to provide for the settlement legislation to –
- 5.5.1 declare the area described in Table 3 below as subject to an overlay classification; and
 - 5.5.2 provide the Crown’s acknowledgement of a statement of Ngaati Hinerangi values in relation to the area; and
 - 5.5.3 require the New Zealand Conservation Authority, and relevant conservation boards –

- (a) when considering a conservation document, in relation to the area, to have particular regard to –
 - (i) the statement of Ngaati Hinerangi values; and
 - (ii) the protection principles agreed by the parties; and
- (b) before approving a conservation document, in relation to the area to –
 - (i) consult with the governance entity; and
 - (ii) have particular regard to its views as to the effect of the document on Ngaati Hinerangi values and the protection principles; and

5.5.4 require the Director-General of Conservation to take action in relation to the protection principles; and

5.5.5 enable the making of regulations by the Governor General on the recommendation of the Minister of Conservation and bylaws made by the Minister of Conservation, in relation to the area.

Table 3 – Overlay classification*

Overlay areas to which the overlay classification is to apply	General description/location
Te Wairere, Wairere Falls, and Waiteariki Falls (being part Maurihero Scenic Reserve, part Wairere Falls Scenic Reserve, part Gordon Park Scenic Reserve and part Kaimai Mamaku Conservation Park).	500 hectares, approximately, being Part Section 9 and Section 11 Block XI and Part Section 2 Block XV Wairere Survey District, Part Waiharakeke East 5, Part Maurihero A, Part Okauia 1 and Part Section 1 SO 57454.

* The legal descriptions of the properties in this table are indicative only and subject to confirmation by the Crown.

Statutory acknowledgement

5.6 The deed of settlement is to provide for the settlement legislation to –

- 5.6.1 provide the Crown’s acknowledgement of the statements by Ngaati Hinerangi of their particular cultural, spiritual, historical, and traditional association with each of the areas described in Table 4 below as statutory areas to the extent that those areas are owned by the Crown; and
- 5.6.2 require relevant consent authorities, the Environment Court, and the Heritage New Zealand Pouhere Taonga to have regard to the statutory acknowledgement; and
- 5.6.3 require relevant consent authorities to forward to the governance entity summaries of resource consent applications affecting a statutory area; and

- 5.6.4 require relevant consent authorities to forward to the governance entity a copy of a resource consent application notice under section 145(10) of the Resource Management Act 1991; and
- 5.6.5 enable the governance entity, and any member of Ngaati Hinerangi, to cite the statutory acknowledgement as evidence of the settling group's association with a statutory area.

Table 4 – Statutory acknowledgements

Statutory areas to which the statutory acknowledgement is to apply	General description/location
Kaimai range ridgeline	Within the Kaimai Mamaku Conservation Park
Thompson's Track	Within the Kaimai Mamaku Conservation Park & Thompsons Track Conservation Area
Part Kaimai Mamaku Conservation Park	Within the Kaimai Mamaku Conservation Park
Waihou River (within Ngaati Hinerangi area of interest)	Waihou River
Geothermal Resource, Okauia	Okauia
Geothermal Resource, Taihoa	Taihoa
Coastal area of Tauranga Harbour (within Ngaati Hinerangi area of interest)	Tauranga Harbour

- 5.7 The Crown offers the opportunity to explore the application of a statutory acknowledgement over the following areas, subject to the resolution of overlapping claims –
- (a) Part of the Gerald Crapp Historic Reserve (2 hectares) at Omokoroa Beach; and
 - (b) Te Tapui Scenic Reserve at Piakonui Road, Richmond Downs.

Deed of recognition and statutory acknowledgement

- 5.8 The Crown offers the opportunity to explore a deed of recognition and statutory acknowledgement over Waianuanu (being part Kaimai Mamaku Conservation Park and part Gordon Park Scenic Reserve), subject to the resolution of overlapping claims.

Protocols

- 5.9 The deed of settlement is to require that the responsible Minister issue the governance entity with the protocols referred to in Table 5 below.
- 5.10 A protocol will provide for the Crown's interaction with the governance entity in relation to specified matters.

Table 5 – Protocols

Responsible Minister	Protocol
Minister of Energy and Resources	Crown Minerals protocol
Minister for Arts, Culture and Heritage	Taonga Tūturu protocol

Relationship Agreement with the Ministry for the Environment

- 5.11 The Ministry for the Environment will work with Ngaati Hinerangi following the signing of the agreement in principle to develop a relationship agreement that will cover –
- 5.11.1 a commitment from the Ministry to meet with the governance entity on an annual basis to discuss a list of items agreed in advance by both parties.

Relationship Agreement with the Department of Conservation

- 5.12 The deed of settlement will provide for the Department of Conservation to enter into a relationship agreement with the governance entity.
- 5.13 The parties intend that the relationship agreement will:
- 5.13.1 enable the Department of Conservation and the governance entity to maintain a positive, collaborative and enduring relationship into the future.

Relationship Agreement with the New Zealand Transport Agency

- 5.14 The New Zealand Transport Agency and Ngaati Hinerangi are developing a relationship instrument which will be included in the deed of settlement.

Letter of Recognition from Ministry of Primary Industries

- 5.15 The deed of settlement will record that the Director General of the Ministry of Primary Industries will write to the governance entity outlining:
- 5.15.1 that the Ministry of Primary Industries recognises Ngaati Hinerangi as tāngata whenua within their area of interest and have a special relationship with all species of fish, aquatic life and seaweed within their area of interest; and
- 5.15.2 how Ngaati Hinerangi can have input and participation into the Ministry of Primary Industry's national fisheries plans; and
- 5.15.3 how Ngaati Hinerangi can implement the Fisheries (Kaimoana Customary Fishing) Regulations 1998 within their area of interest.

- 5.16 Ngaati Hinerangi and the Ministry of Primary Industries will agree on the contents of the letter before initialling a deed of settlement.

Appointment as an advisory committee to the Minister of Primary Industries

- 5.17 The Minister of Primary Industries will, appoint the governance entity as an advisory committee to the Minister of Primary Industries under section 21(1) of the Ministry of Agriculture and Fisheries (Restructuring) Act 1995 in relation to areas of special significance that are to be agreed between Ngaati Hinerangi and the Minister of Primary Industries before initialling a deed of settlement.

Letters of Introduction

- 5.18 The deed of settlement will provide for the Director of the Office of Treaty Settlements to write letters of introduction to:

5.18.1 the Department of Internal Affairs;

5.18.2 the Museum of New Zealand Te Papa Tongarewa; and

5.18.3 Heritage New Zealand.

- 5.19 The deed of settlement will provide for the Minister for Treaty of Waitangi Negotiations to write a letter of introduction to the Minister of Internal Affairs.

- 5.20 The purpose of the letter is to raise the profile of Ngaati Hinerangi with the Minister of Internal Affairs, in relation to his or her portfolio. The text of the letter will be agreed between the mandated negotiators and the Crown and issued as soon as practicable after the establishment of the governance entity and before settlement date.

- 5.21 The deed of settlement will provide for the Director of the Office of Treaty Settlements to write letters of introduction to the following local authorities:

5.21.1 South Waikato District Council;

5.21.2 Hamilton City Council;

5.21.3 Tauranga District Council;

5.21.4 Waikato Regional Council;

5.21.5 Waipa District Council;

5.21.6 Hauraki District Council;

5.21.7 Matamata-Piako District Council;

5.21.8 Western Bay of Plenty District Council; and

5.21.9 Tauranga City Council.

Potential official geographic names

- 5.22 The deed of settlement is to provide for the settlement legislation to provide for the official geographic name of a feature, if the parties and New Zealand Geographic Board Ngā Pou Taunaha o Aotearoa (NZGB) agree. All proposed names will be provided by Ngaati Hinerangi before the deed of settlement is initialled, subject to approval by the NZGB.

Cultural redress non-exclusive

- 5.23 The Crown may do anything that is consistent with the cultural redress contemplated by this agreement in principle, including entering into, and giving effect to, another settlement that provides for the same or similar cultural redress.

Waihou River and Piako River

- 5.24 The Crown acknowledges that –

5.24.1 Ngaati Hinerangi have interests in those parts of the Waihou River and Piako River within their area of interest that are of significant cultural, historical, and spiritual importance to Ngaati Hinerangi (Ngaati Hinerangi interests); however

5.24.2 The Crown is developing co-governance arrangements in respect of the Waihou River and Piako River as part of the Treaty settlement process within the Hauraki Collective co-governance arrangements; and

5.24.3 The Crown will, therefore, work with Ngaati Hinerangi to ensure that any co-governance arrangements that are developed include appropriate arrangements in relation to Ngaati Hinerangi interests.

Tauranga Harbour

- 5.25 The Crown acknowledges that Ngaati Hinerangi has interests in the Tauranga Moana within their area of interest that are of significant cultural, historical, and spiritual importance to Ngaati Hinerangi and that the Crown will discuss with Ngaati Hinerangi how their interests in parts of Tauranga Moana may be recognised, consistent with –

5.25.1 the relative strength and nature of the Ngaati Hinerangi association with the Tauranga Moana;

5.25.2 the Crown policy on overlapping claims; and

5.25.3 agreements already entered into by the Crown in relation to Tauranga Moana catchment.

- 5.26 The Tauranga Moana Framework, a natural resources co-governance framework, has been agreed between the Crown and the Tauranga Moana Iwi Collective (TMIC) and is reflected in the TMIC Deed, which was signed in January 2015.

Clause 2.29 of the Tauranga Moana Iwi Collective Deed defines the "Tauranga Moana" as –:

- (a) the waters (including internal waters and tidal lagoons) and other natural resources and the geographic features (including Tauranga Harbour) comprising the coastal marine area marked as "A" on the Tauranga Moana framework plan; and
- (b) the waters and other natural resources and the geographic features comprising the rivers, streams, creeks and natural watercourses within the catchment that flow into –
 - (i) Tauranga Harbour; or
 - (ii) the sea at any point within the area marked as "A" on the Tauranga Moana Framework plan;
- (c) the waters and other natural resources and the geographic features comprising wetlands, swamps and lagoons within the catchment; and
- (d) the beds and aquatic margins of the water bodies referred to in clauses (a) to (c); and
- (e) the ecosystems associated with the waters and natural features referred to in clauses (a) to (d); but

and does not include –

- a) the waters and other natural resources situated on offshore islands for which the Minister of Local Government is the territorial authority pursuant to section 22 of the Local Government Act 2002, including Tūhua (current recorded name "Mayor Island (Tuhua)") and Motītī Island (current recorded name "Motiti Island"); or
- b) the waters and other natural resources and the geographic features comprising the rivers, streams, creeks and natural watercourses within the catchment that do not flow into:
 - (i) Tauranga Harbour; or
 - (ii) the sea at any point within the area marked as "A" on the Tauranga Moana framework plan.

6 FINANCIAL AND COMMERCIAL REDRESS

General

- 6.1 All items of commercial redress are subject to the following being agreed, determined or resolved before a deed of settlement is signed:
- 6.1.1 the Crown confirming that any residual overlapping claim issues in relation to any item of commercial redress have been addressed to the satisfaction of the Crown; and
 - 6.1.2 any other conditions specified in the commercial redress tables provided below and set out in clauses 3.5, 3.8 and 9.2 of this agreement in principle.

Financial and commercial redress amount

- 6.2 The deed of settlement is to provide that the Crown will pay the governance entity on the settlement date the financial and commercial redress amount of \$8,100,000 less –
- 6.2.1 the total of the transfer values (determined in accordance with the valuation process in Schedule 4) of any properties that the deed of settlement provides are commercial redress properties to be transferred to the governance entity on the settlement date.

Potential commercial redress properties

- 6.3 The deed of settlement is to provide that the Crown must transfer to the governance entity on the settlement date those of the properties described in Table 6 below as potential commercial redress properties that the parties agree are to be commercial redress properties.
- 6.4 If a commercial redress property to be transferred to the governance entity is –

Licensed land

- 6.4.1 licensed land, the settlement documentation is to provide –
- (a) the licensed land is to cease to be Crown forest land upon registration of the transfer; and
 - (b) from the settlement date, the governance entity is to be, in relation to the licensed land, –
 - (i) the licensor under the Crown forestry licence; and
 - (ii) a confirmed beneficiary under clause 11.1 of the Crown forestry rental trust deed; and

(iii) entitled to the rental proceeds under the Crown forestry licence since the commencement of the licence.

(iv) entitled to any allocation of New Zealand Units under the Emissions Trading Scheme.

Transfer and leaseback

6.4.2 a leaseback commercial redress property, the deed of settlement is to provide that the property is to be leased back by the governance entity to the Crown, from the settlement date –

(a) on the terms and conditions provided by a registrable ground lease for that property (ownership of the improvements remaining unaffected by the purchase) incorporated in the deed; and

(b) in the case of a Crown leaseback that is not a school site, at its initial annual rent determined or agreed in accordance with the valuation process in Schedule 4 (plus GST, if any, on the amount so determined or agreed); or

(c) in the case of a Crown leaseback of a school site, at an initial annual rent based on an agreed rental percentage of the agreed transfer value, determined in accordance with the Crown leaseback (plus GST, if any, on the amount so determined).

Table 6 – Potential commercial redress properties*

Landholding Agency	Property Name/Address	General description/ location	Conditions of transfer / Specific conditions currently known
Ministry of Education	Manawaru School site (land only), Manawaru Road, Manawaru	0.8777 hectares, more or less, being Part Section 9 Block II Wairere Survey District. All computer freehold register SA118/5. 0.8258 hectares, more or less, being Part Section 9 Block II Wairere Survey District. All computer freehold register SA97/15.	Leaseback Subject to clauses 6.6 to 6.8 of this agreement in principle.
Land Information New Zealand	Part Waihou CFL (Southern Portion), Manawaru	669.1830 hectares, more or less, being Lots 1 and 2 DPS 30665, Lot 1 DPS 57167 and Lot 1 DPS	Licensed land

		53795.	
Ministry of Justice (Office of Treaty Settlements Landbank) PF 742	9 Inaka Place, Matamata	0.1267 hectares, more or less, being Lots 90 and 91 DPS 22548. All computer freehold register SA51B/246.	
Ministry of Justice (Office of Treaty Settlements Landbank) PF 1274	11 Arawa Street, Matamata	0.3404 hectares, more or less, being Lot 1 DPS 56967. All computer freehold register SA47A/584.	

* The legal descriptions of the properties in this table are indicative only and subject to confirmation by the Crown.

- 6.5 The Crown offers the opportunity to explore redress over the Matamata Police Station, subject to the resolution of overlapping claims.

School sites

- 6.6 Transfer and leaseback of school sites will be subject to standard Ministry of Education policies; operational considerations; and the outcome of historical gifting investigations. Transfer and leasebacks of school sites are for land only and are subject to an agreed registrable ground lease for the property with ownership of the improvements remaining unaffected by the transfer. Operational considerations, such as shared school sites or some Board of Trustees house site issues, may mean a specific site can be available but would be subject to specific processes in the deed of settlement (or lease).
- 6.7 Availability of transfer and leaseback of Ministry of Education sites is subject to the transfer value and the lease being agreed one month prior to initialling of the deed of settlement.
- 6.8 A school site will cease to be a transfer and leaseback property if, before the settlement date, the Ministry of Education notifies the mandated body or the governance entity, as the case may be, that the site has become surplus to its requirements.

Right of First Refusal

- 6.9 The settlement documentation is to provide that –
- 6.9.1 the governance entity has a right of first refusal (an RFR) in relation to a disposal by the Crown or Housing New Zealand Corporation, of any of the land described in Table 7 below as potential RFR land that the parties agree is to be RFR land if, on the settlement date, it is owned by the Crown or Housing New Zealand Corporation; and
- 6.9.2 the RFR will apply for 174 years from the settlement date.

Table 7 – Potential RFR land*

Landholding Agency	Property Name/Address	General description/location
Ministry of Education	Te Poi School, 3 Stopford Road, Te Poi	2.2059 hectares, more or less, being Part Lot 1 DP 11543 and Lot 1 DP 36690. Part Gazette 1964 p1972.
Ministry of Education	Matamata College, Firth Street, Matamata	12.29 hectares, more or less, being Parts Section 79 Block II Tapapa Survey District, Lots 9 and 10 DP 15616 and Lot 2 DP 34755. Balance Gazette Notice H139623.
Ministry of Education	Matamata Primary School, 115A Broadway, Matamata	2.0234 hectares, more or less, being Blocks IX and X Matamata Township. Part Gazette 1914 p4268. 0.3035 hectares, more or less, being Block XXI Matamata Township. Part Gazette 1913 p1884.
Ministry of Education	Omokoroa Point School, 37 Hamurana Road, Omokoroa	1.9387 hectares, more or less, Part Lot 2 DP 12835. Part Gazette 1957 p258.
Housing New Zealand Corporation (HNZC)	[Yet to be confirmed by the HNZC Board]	[Yet to be confirmed by the HNZC Board]

* The legal descriptions of the properties in this table are indicative only and subject to confirmation by the Crown.

7 OVERLAPPING CLAIMS PROCESS

Process for resolving overlapping claims

- 7.1 The development of this agreement in principle has been informed by the overlapping claims process set out in Attachment 2, which the parties agreed to implement following the signing of the terms of negotiation specified at clause 1.3.
- 7.2 The Crown is ultimately responsible and accountable for the overall overlapping claims process and it must act in accordance with its Treaty obligations. The Crown –
- 7.2.1 has a duty to act in good faith to other claimant groups (including those who have already settled with the Crown) who have interests in the Ngaati Hinerangi area of interest (refer Attachment 1); and
- 7.2.2 must ensure it actively protects the interests of other claimant groups (whether already mandated or not) and settled groups; and
- 7.2.3 must avoid unreasonably prejudicing its ability to reach a fair settlement with other claimant groups in the future, while not unduly devaluing the settlement of other settled groups and with Ngaati Hinerangi.
- 7.3 Following the signing of this agreement in principle, parties will work together with overlapping claimant and settled groups to resolve any remaining overlapping claims matters. If after working together the overlapping claims remain unresolved, the Crown may have to make a final decision. In reaching any decisions on overlapping claims, the Crown is guided by two general principles:
- 7.3.1 the Crown's wish to reach a fair and appropriate settlement with Ngaati Hinerangi without compromising the existing settlements of settled groups; and
- 7.3.2 the Crown's wish to maintain, as far as possible, its capability to provide appropriate redress to other claimant groups and achieve a fair settlement of their historical claims.
- 7.4 The process for resolving remaining overlapping claims matters is set out in Table 8 below.

Table 8 – Next steps in overlapping claims process for Ngaati Hinerangi

Next steps	Timeframe
Agreement in Principle (AIP) uploaded to Office of Treaty Settlements (OTS) website.	15 December 2015
OTS writes to all overlapping groups advising of the Crown offer in the AIP, seeking submissions (written confirmation of support, agreement reached with Ngaati Hinerangi or identification of issues for discussion).	6 November 2015
Overlapping groups to provide submissions to OTS. Ngaati Hinerangi to report back on engagement with overlapping	25 November 2015

groups and advise of any agreement reached.	
OTS, Ngaati Hinerangi and affected overlapping groups liaise to agree a process to try and resolve issue(s).	26 November 2015*
OTS assesses submissions and reports to the Minister for Treaty of Waitangi Negotiations providing an update on overlapping claims and if there are issues advises the Minister of a process to resolve those issues.	27 November 2015
Facilitated meetings or Crown to attend meetings with Ngaati Hinerangi and overlapping group if requested. Iwi to agree on a solution to the issue. If no agreement reached, then OTS will seek a preliminary decision on unresolved issues/overlapping claims.	December 2015*
Minister for Treaty of Waitangi Negotiations to advise overlapping groups of preliminary decision on unresolved issues, and offers officials to meet to discuss.	April 2016*
Responses from affected overlapping groups on Minister's decision.	May 2016*
OTS reports to Minister for Treaty of Waitangi Negotiations on final decisions on overlapping claims and Ngaati Hinerangi settlement package.	July 2016*
Cabinet consideration of Ngaati Hinerangi deed of settlement package.	September 2016*
Parties aim to initial deed of settlement.	December 2016*

* These dates are indicative only and subject to confirmation.

8 INTEREST AND TAX

Interest

- 8.1 The deed of settlement is to provide for the Crown to pay the governance entity, on the settlement date, interest on the financial and commercial redress amount –
- 8.1.1 for the period –
- (a) beginning on the date of this agreement in principle; and
 - (b) ending on the day before the settlement date; and
 - (c) at the rate from time to time set as the official cash rate by the Reserve Bank, calculated on a daily basis but not compounding.
- 8.2 The interest is to be –
- 8.2.1 subject to any tax payable; and
- 8.2.2 payable after withholding any tax required by legislation to be withheld.

Tax

- 8.3 Subject to the Minister of Finance's consent, the deed of settlement is to provide that the Crown must indemnify the governance entity for any GST or income tax payable in respect of the provision of Crown redress.
- 8.4 The governance entity agrees that neither it, nor any other person, will claim with respect to the provision of Crown redress -
- 8.4.1 an input credit for GST purposes; or
- 8.4.2 a deduction for income tax purposes.

9 NEXT STEPS

Disclosure information

- 9.1 The Crown will, as soon as reasonably practicable, prepare and provide to Ngaati Hinerangi disclosure information in relation to –
- 9.1.1 each potential cultural redress property; and
 - 9.1.2 each potential commercial redress property.

Resolution of final matters

- 9.2 The parties will work together to agree, as soon as reasonably practicable, all matters necessary to complete the deed of settlement, including agreeing on or determining as the case may be –
- 9.2.1 the terms of the –
 - (a) historical account; and
 - (b) Crown's acknowledgements and apology; and
 - 9.2.2 the cultural redress properties, the commercial redress properties, the RFR land from the potential properties or land provided in the relevant table, and if applicable, any conditions that will apply; and
 - 9.2.3 the transfer values of the commercial redress properties (in accordance with the valuation process in Schedule 4, or by another valuation process as agreed in writing between the landholding agency and Ngaati Hinerangi); and
 - 9.2.4 the terms of a registrable ground lease for any leaseback property; and
 - 9.2.5 the initial annual rent for any leaseback commercial redress property other than a school site¹; and
 - (a) the terms of the following (which will, where appropriate, be based on the terms provided in recent settlement documentation):
 - (b) the cultural redress; and
 - (c) the transfer of the commercial redress properties; and
 - (d) the RFR, including the circumstances in which RFR land may be disposed of without the RFR applying; and

¹ For a school site, the initial annual rent will be as a result of the processes in clause 6.4.2(c)

(e) the tax indemnity; and

9.2.6 the following documents:

(a) the statement of Ngaati Hinerangi values and the protection principles in relation to the overlay classification area; and

(b) Ngaati Hinerangi statements of association for each of the statutory areas; and

(c) the deeds of recognition; and

(d) the protocols; and

(e) the Department of Conservation relationship agreement; the Ministry for the Environment relationship agreement and the New Zealand Transport Agency agreement; and

(f) the settlement legislation; and

9.2.7 all other necessary matters.

Development of governance entity and ratification process

9.3 Ngaati Hinerangi will, as soon as reasonably practicable after the date of this agreement, and before the signing of a deed of settlement –

9.3.1 form a single governance entity that the Crown is satisfied meets the requirements of clause 10.1.2 (a); and

9.3.2 develop a ratification process referred to clause 10.1.2 (b) that is approved by the Crown.

10 CONDITIONS

Entry into deed of settlement conditional

- 10.1 The Crown's entry into the deed of settlement is subject to –
- 10.1.1 Cabinet agreeing to the settlement and the redress; and
- 10.1.2 the Crown being satisfied Ngaati Hinerangi have –
- (a) established a governance entity that –
 - (i) is appropriate to receive the redress; and
 - (ii) provides, for Ngaati Hinerangi, –
 - (I) appropriate representation; and
 - (II) transparent decision-making and dispute resolution processes; and
 - (III) full accountability; and
 - (b) approved, by a ratification process approved by the Crown, –
 - (i) the governance entity to receive the redress; and
 - (ii) the settlement on the terms provided in the deed of settlement; and
 - (iii) signatories to sign the deed of settlement on Ngaati Hinerangi behalf.

Settlement legislation

- 10.2 The deed of settlement is to provide that following the signing of the deed of settlement the Crown will propose a draft settlement bill for introduction to the House of Representatives.
- 10.3 This draft settlement bill will provide for all matters for which legislation is required to give effect to the deed of settlement.
- 10.4 The draft settlement bill must:
- 10.4.1 comply with the drafting standards and conventions of the Parliamentary Counsel Office for Governments Bills, as well as the requirements of the Legislature under Standing Orders, Speakers' Rulings, and conventions; and

10.4.2 be in a form that is satisfactory to Ngaati Hinerangi and the Crown.

10.5 The deed of settlement is to provide that Ngaati Hinerangi and the governance entity must support the passage of the draft settlement bill through Parliament.

Settlement conditional on settlement legislation

10.6 The deed of settlement is to provide that the settlement is conditional on settlement legislation coming into force although some provisions may be binding on and from the date the deed of settlement is signed.

11 GENERAL

Nature of this agreement in principle

11.1 This agreement in principle –

11.1.1 is entered into on a without prejudice basis; and

11.1.2 in particular, may not be used as evidence in proceedings before, or presented to, the Waitangi Tribunal, any court, or any other judicial body or tribunal; and

11.1.3 is non-binding; and

11.1.4 does not create legal relations.

Termination of this agreement in principle

11.2 The Crown or the mandated negotiators, on behalf of Ngaati Hinerangi, may terminate this agreement in principle by notice to the other.

11.3 Before terminating this agreement in principle, the Crown or the mandated negotiators, as the case may be, must give the other at least 20 business days notice of an intention to terminate.

11.4 This agreement in principle remains without prejudice even if it is terminated.

Definitions

11.5 In this agreement in principle –

11.5.1 the terms defined in the definitions Schedule have the meanings given to them by that Schedule; and

11.5.2 all parts of speech, and grammatical forms, of a defined term have a corresponding meaning.

Interpretation

11.6 In this agreement in principle –

11.6.1 headings are not to affect its interpretation; and

11.6.2 the singular includes the plural and vice versa.

11.7 Provisions in –

- 11.7.1 the Schedules to this agreement in principle are referred to as paragraphs;
and
- 11.7.2 other parts of this agreement are referred to as clauses.

AGREEMENT IN PRINCIPLE

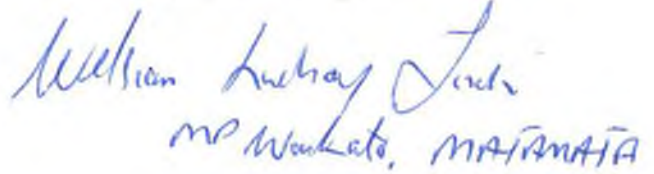
SIGNED on 12th day of December 2015

SIGNED for and on behalf of THE CROWN by -

The Minister for Treaty of Waitangi
Negotiations



Hon Christopher Finlayson



Mr William Luckay Jones
Māhaka, MĀHAKA

SIGNED for and on behalf of Ngaati Hinerangi Trust:



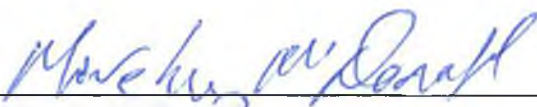
Phillip Smith
Chairperson/Trustee



Barbara Kinzett
Secretary/Trustee



Dianna Vaimoso
Treasurer/Trustee

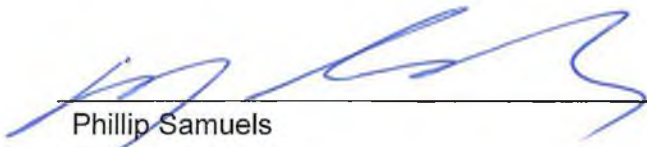


Morehu McDonald
Negotiator/Trustee

AGREEMENT IN PRINCIPLE



Yvonne Hinengaru Thompson - Rauwhero
Negotiator/Trustee



Phillip Samuels
Trustee



Dave Thompson
Trustee



Christopher Wilson
Trustee

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Other members of Ngaati Hinerangi who support the Agreement in Principle

Tangihia Peape.

Elizabeth Samuel.

Isaac Samuels.

Whakawhiti Puhia Maria Enge.


Francis Teape

to name

Michelle Harrison

Rawiri KOPERU

Shirley Dickson


Dorian Mays.

Joanne Neale.

Harrison Smith

Tokodoko Pihema

Hinerangi Pihema

Arast alia Jimu.

AGREEMENT IN PRINCIPLE

Other members of Ngaati Hinerangi who support the Agreement in Principle

Kio Rangley
Mark Doyles

Haimon

Wan

Matekitatohi

○

R. Thompson

Kio Rawiri - McDonald



Haimon

D. Wall

P. Thompson

I. Thompson

○

W. Whyte

C. Kinzett-Rolfe

AGREEMENT IN PRINCIPLE

Other members of Ngaati Hinerangi who support the Agreement in Principle

AGREEMENT IN PRINCIPLE

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AGREEMENT IN PRINCIPLE

Other members of Ngaati Hinerangi who support the Agreement in Principle

SCHEDULES

1 DEFINITIONS

Historical claims

1.1 The deed of settlement will provide that historical claims –

1.1.1 means every claim (whether or not the claim has arisen or been considered, researched, registered, notified, or made by or on the settlement date) that the settling group, or a representative entity, had at, or at any time before, the settlement date, or may have at any time after the settlement date, and that -

(a) is, or is founded on, a right arising –

(i) from the Treaty of Waitangi/Te Tiriti o Waitangi or its principles;
or

(ii) under legislation; or

(iii) at common law, including aboriginal title or customary law; or

(iv) from fiduciary duty; or

(v) otherwise; and

(b) arises from, or relates to, acts or omissions before 21 September 1992–

(i) by, or on behalf of, the Crown; or

(ii) by or under legislation; and

1.1.2 includes every claim to the Waitangi Tribunal to which paragraph 1.1.1 applies that relates exclusively to the settling group or a representative entity, including the following claims:

(a) Wai 1226 – Ngaati Hinerangi claim; and

(b) Wai 2110 – Ngaati Hinerangi Lands claim; and

(c) Wai 2112 – Ngaati Hinerangi Trust claim.

1.1.3 includes every other claim to the Waitangi Tribunal to which paragraph 1.1.1 applies, so far as it relates to the settling group or a representative entity, including the following claims:

(a) Wai 1379 – Maurihero B Trust claim; and

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- (b) Wai 2111 – Ngāti Tamapango, Ngāti Tokotoko and Others Lands claim; and
- (c) Wai 2113 – Ngāti Tamapango and Ngāti Tokotoko Lands claim; and
- (d) Wai 2114 – Ngāti Tamapango and Ngaati Hinerangi Lands claim; and
- (e) Wai 2106 – Heeni Rawiri Whanau and Others Lands (McDonald) claim; but

1.1.4 does not include the following claims –

- (a) a claim that a member of the settling group, or a whānau, hapū, or group referred to in paragraph 1.4.2, may have that is, or is founded on, a right arising as a result of being descended from an ancestor who is not referred to in paragraph 1.4.1:
- (b) a claim that a representative entity may have to the extent the claim is, or is founded, on a claim referred to in clause 1.1.4(a);
- (c) any claim based on descent from a recognised ancestor of Ngaati Rangi to the extent that any claim is, or is founded on, a right arising from being descended from an ancestor other than Koperu.

1.2 To avoid doubt, the settlement of the historical claims of Ngaati Hinerangi will not affect the right of iwi, hapū or whānau who are members of Ngaati Hinerangi to apply for the recognition of protected customary rights or customary marine title under the Marine and Coastal Area (Takutai Moana) Act 2011.

1.3 The deed of settlement will, to avoid doubt, provide paragraph 1.1.1 is not limited by paragraphs 1.1.2 or 1.1.3.

Ngaati Hinerangi

1.4 The deed of settlement will provide **Ngaati Hinerangi** or the **settling group** means -

1.4.1 the collective group composed of individuals who descend from one or more of the settling group's ancestors; and

1.4.2 every whānau, hapū, or group to the extent that it is composed of individuals referred to in paragraph 1.4.1, including the following groups:

- (a) Ngāti Tamapango; and
- (b) Ngāti Tokotoko; and
- (c) Ngāti Te Riha; and
- (d) Ngāti Kura; and
- (e) Ngāti Whakamaungarangi; and

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- (f) Ngāti Tawhaki; and
 - (g) Ngāti Rangī; and
 - (h) Ngāti Tangata.
- 1.4.3 every individual referred to in paragraph 1.4.1.
- 1.4.4 for the avoidance of doubt the Ngāti Tamapango referred to in this deed is distinct from the Ngāti Pango whose claims have been settled through the Ngāti Ranginui Deed of Settlement.
- 1.5 The deed of settlement will provide, for the purposes of paragraph 1.4.1 -
- 1.5.1 a person is **descended** from another person if the first person is descended from the other by –
- (a) birth; or
 - (b) legal adoption; or
 - (c) Māori customary adoption in accordance with Ngaati Hinerangi tikanga (customary values and practices); and
- 1.5.2 **Ngaati Hinerangi ancestor** means an individual who
- (a) exercised customary rights by virtue of being descended from –
 - (i) Koperu; or
 - (ii) a recognised ancestor of any of the groups listed in clause 1.4.2; and
 - (b) exercised the customary rights in 1.5.2 (a) predominantly in relation to the Ngaati Hinerangi area of interest after 6 February 1840.
- 1.5.3 **customary rights** means rights according to tikanga Māori (Māori customary values and practices) including –
- (a) rights to occupy land; and
 - (b) rights in relation to the use of land or other natural or physical resources.

Other definitions

- 1.6 In this agreement in principle –

arbitration commencement date, in relation to the determination of the market value and/or market rental of a valuation property means:

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- (a) in relation to a referral under paragraph 4.12.2 the date of that referral; and,
- (b) in relation to an appointment under paragraph 4.12.3 or 4.12.4, a date specified by the valuation arbitrator; and

arbitration meeting, in relation to the determination of the market value and/or market rental of a valuation property, means the meeting notified by the valuation arbitrator under paragraph 4.13.1; and

area of interest means the area identified as the area of interest in the attachment; and

business day means a day that is not –

- (a) a Saturday or Sunday; or
- (b) Waitangi Day, Good Friday, Easter Monday, ANZAC Day, the Sovereign's Birthday, or Labour day; or
- (c) if Waitangi Day or ANZAC Day falls on a Saturday or Sunday, the following Monday; or
- (d) a day in the period commencing with 25 December in any year and ending with 15 January in the following year; or
- (e) a day that is observed as the anniversary of the province of –
 - (i) Wellington; or
 - (ii) Auckland; and

commercial redress property means each property described as a commercial redress property in the deed of settlement; and

conservation document means a national park management plan, conservation management strategy, or conservation management plan; and

Crown has the meaning given to it by section 2(1) of the Public Finance Act 1989; and

Crown forest land has the meaning given to it by section 2(1) of the Crown Forest Assets Act 1989; and

Crown forestry licence has the meaning given to it by section 2(1) of the Crown Forest Assets Act 1989; and

Crown forestry rental trust deed means the trust deed made on 30 April 1990 establishing the Crown Forestry Rental Trust under section 34(1) of the Crown Forest Assets Act 1989; and

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Crown leaseback, in relation to a leaseback commercial redress property means the lease the deed of settlement will provide to be entered into by the governance entity and the Crown as described in clauses 6.4.2; and

Crown redress –

- (a) means redress –
 - (i) provided by the Crown to the governance entity; or
 - (ii) vested by the settlement legislation in the governance entity that was, immediately prior to the vesting, owned by or vested in the Crown; and
- (b) includes any right of the governance entity under the settlement documentation –
 - (i) of first refusal in relation to RFR land; but
- (c) does not include
 - (i) an obligation of the Crown under the settlement documentation to transfer RFR land; or
 - (ii) RFR land; or
 - (iii) any on-account payment made before the date of the deed or to entities other than the governance entity; and

cultural redress means the redress to be provided under the settlement documentation referred to in part 5; and

cultural redress property means each property described as a cultural redress property in the deed of settlement; and

deed of settlement means the deed of settlement to be developed under clause 2.1.2; and

disclosure information means in relation to a redress property, the information provided by the Crown to the governance entity under clause 9.1; and

encumbrance, in relation to a property, means a lease, tenancy, licence, easement, covenant, or other right or obligation affecting that property; and

financial and commercial redress means the redress to be provided under the settlement documentation referred to in part 6; and

financial and commercial redress amount means the amount referred to as the financial and commercial redress amount in clause 6.2; and

governance entity means the governance entity to be formed by the settling group under clause 9.3.1; and

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initial annual rent, in relation to a leaseback property, means the rent payable under the Crown leaseback from its commencement determined or agreed in accordance with Schedule 4; and

land holding agency, in relation to a potential commercial redress property or potential RFR land, means the department specified opposite that property or land in Tables 7 and 8, as the case may be; and

leaseback commercial redress property means:

- (a) a potential commercial redress property that Table 7 identifies as a leaseback property; or
- (b) a commercial redress property identified in the deed of settlement as a leaseback property; and

leaseback property means each leaseback commercial redress property; and

licensed land means a potential commercial redress property that the redress table identifies as licensed land, being Crown forest land that is subject to a Crown forestry licence but excluding –

- (c) all trees growing, standing, or lying on the land; and
- (d) all improvements that have been acquired by a purchaser of trees on the land or made, after the acquisition of the trees by the purchaser, or by the licensee; and

mandated negotiators means –

- (a) the following individuals:
 - (i) **Morehu McDonald, 6 Hakanoa Street, Grey Lynn, Auckland Central, 1021, Lecturer;**
 - (ii) **Yvonne Hinengaru Thompson - Rauwhero, Hinerangi Tawhaki Marae, RD2 Okauia, Matatmata;** or
- (b) if one or more individuals named in paragraph (a) dies, or becomes incapacitated, the remaining individuals; and

mandated body means Ngaati Hinerangi Trust

market rental, in relation to a property, has the meaning provided in the valuation instructions in appendix 1 to Schedule 4; and

market value, in relation to a property, has the meaning provided in the valuation instructions in appendix 1 to Schedule 4; and

notification date, in relation to a potential commercial redress property, has the meaning provided in Schedule 4, paragraph 4.2; and

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party means each of the settling group and the Crown; and

potential commercial redress property means each property described as a potential commercial redress property in Table 6; and

potential cultural redress property means each property described as a potential cultural redress property in Table 1; and

potential RFR land means the land described as potential RFR land in Table 7; and

protocol means a protocol referred to in Table 5; and

redress means the following to be provided under the settlement documentation –

- (a) the Crown's acknowledgment and apology referred to in clause 4.1; and
- (b) the financial and commercial redress; and
- (c) the cultural redress; and

redress property means -

- (a) each cultural redress property; and
- (b) each commercial redress property; and

registered valuer means any valuer for the time being registered under the Valuers Act 1948; and

representative entity means a person or persons acting for or on behalf of the settling group; and

resumptive memorial means a memorial entered on a certificate of title or computer register under any of the following sections:

- (a) 27A of the State-Owned Enterprises Act 1986; or
- (b) 211 of the Education Act 1989; or
- (c) 38 of the New Zealand Railways Corporation Restructuring Act 1990; and

RFR means the right of first refusal referred to in clause 6.9; and

RFR land means the land referred to as RFR land in the deed of settlement; and

school site, means a leaseback property in respect of which the land holding agency is the Ministry of Education; and

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settlement means the settlement of the historical claims under the settlement documentation; and

settlement date means the date that will be defined in the deed of settlement and settlement legislation; and

settlement document means a document to be entered into by the Crown to give effect to the deed of settlement; and

settlement documentation means the deed of settlement and the settlement legislation; and

settlement legislation means the legislation giving effect to the deed of settlement; and

settlement property means –

- (a) each cultural redress property; and
- (b) each commercial redress property; and
- (c) any RFR land; and

statement of association means each statement of association referred to in clause 5.6.1; and

statutory acknowledgement means the acknowledgement to be made by the Crown in the settlement legislation referred to in clause 5.6.1 on the terms to be provided by the settlement legislation; and

statutory area means an area referred to in Table 4 as a statutory area; and

tax indemnity means the indemnity to be provided in the deed of settlement under clauses 8.3 and 8.4; and

transfer value, in relation to a potential commercial redress property, means the amount payable by the governance entity for the transfer of the property determined or agreed in accordance with Schedule 4; and

Treaty of Waitangi/Te Tiriti o Waitangi means the Treaty of Waitangi as set out in Schedule 1 to the Treaty of Waitangi Act 1975; and

valuation arbitrator, in relation to a valuation property means the person appointed under paragraphs 4.3.2 or 4.4, in relation to the determination of its market value, and if applicable its market rental; and

valuation date, in relation to a potential commercial redress property, means the notification date in relation to the property; and

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valuation property means each potential commercial redress property that is to be valued.

2 HISTORICAL ACCOUNT

2.1 The historical account will be based on the following headings:

- 2.1.1 Ngaati Hinerangi origins and rohe.
- 2.1.2 1864 war in the Tauranga Moana.
- 2.1.3 1865 Tauranga raupatu.
- 2.1.4 The Te Puna-Katikati block.
- 2.1.5 1867 destruction of Ngaati Hinerangi settlements in the Bush Campaign.
- 2.1.6 Native Land laws and individualisation of title.
- 2.1.7 Ngaati Hinerangi Landlessness.
- 2.1.8 Resulting socioeconomic issues.

2.2 Provisional Crown Acknowledgements to Ngaati Hinerangi

a. The Crown acknowledges that:

- i. members of Ngaati Hinerangi fought in the war in Tauranga in 1864, during which many Māori of Tauranga and surrounding areas lost their lives; and
- ii. it was ultimately responsible for the outbreak of that war, and that its actions breached the Treaty of Waitangi and its principles;

b. The Crown acknowledges that:

- i. in 1865 it compulsorily extinguished the customary interests of Ngaati Hinerangi within the wider Tauranga confiscation district;
- ii. the land it returned to Ngaati Hinerangi was not returned in Māori customary title;
- iii. this made Ngaati Hinerangi land more susceptible to alienation and contributed to the loss of access to wahi tapu on the Huharua and Omokoroa peninsulas and traditional mahinga kai, and caused significant distress to Ngaati Hinerangi; and
- iv. the compulsory extinguishment of Ngaati Hinerangi customary title in the Tauranga confiscation district was unjust and a breach of the Treaty of Waitangi and its principles;

c. The Crown acknowledges that:

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- i. it inflicted a scorched earth policy in its assaults on Ngaati Hinerangi settlements during the 1867 bush campaign; and
 - ii. its conduct during the bush campaign was unreasonable and unnecessary and was a breach of the Treaty of Waitangi and its principles;
 - d. The Crown acknowledges that:
 - i. it did not consult with Ngaati Hinerangi before introducing native land laws that provided for the individualisation of Māori land previously held in collective tenure;
 - ii. this made the lands of Ngaati Hinerangi more susceptible to alienation, fragmentation and partition; and
 - iii. eroded the traditional social structures and rangatiratanga of Ngaati Hinerangi. It failed to take adequate steps to protect these structures, and this was a breach of the Treaty of Waitangi and its principles;
 - e. The Crown acknowledges it failed to actively protect Ngaati Hinerangi interests in lands they wished to retain when it initiated the purchase of Te Puna and Katikati blocks in 1864 by not investigating the rights of Ngaati Hinerangi to these lands and this failure was in breach of the Treaty of Waitangi and its principles;
 - f. The Crown acknowledges that the cumulative effect of its acts and omissions left Ngaati Hinerangi virtually landless, and had a devastating impact on their economic, social and cultural well-being and development. Its failure to ensure that Ngaati Hinerangi retained sufficient land for their present and future needs was a breach of the Treaty of Waitangi and its principles;
 - g. The Crown acknowledges that the construction of the Kaimai Tunnel through Ngaati Hinerangi sacred maunga has been a significant source of grievance for Ngaati Hinerangi. The Crown further acknowledges that the Kaimai Tunnel contributed to the economic prosperity of the Tauranga region, and that Crown policies limited the ability of Ngaati Hinerangi to share in that prosperity.

3 TERMS OF SETTLEMENT

Rights unaffected

- 3.1 The deed of settlement is to provide that, except as provided in the settlement documentation, the rights and obligations of the parties will remain unaffected.

Acknowledgments

- 3.2 Each party to the deed of settlement is to acknowledge in the deed of settlement that –
- 3.2.1 the other party has acted honourably and reasonably in relation to the settlement; but
 - 3.2.2 full compensation of the settling group is not possible; and
 - 3.2.3 the settling group intends their foregoing of full compensation to contribute to New Zealand's development; and
 - 3.2.4 the settlement is intended to enhance the ongoing relationship between the settling group and the Crown (in terms of the Treaty of Waitangi/Te Tiriti o Waitangi, its principles, and otherwise).
- 3.3 The settling group is to acknowledge in the deed of settlement that –
- 3.3.1 taking all matters into consideration (some of which are specified in paragraph 3.2), the settlement is fair in the circumstances; and
 - 3.3.2 the redress –
 - (a) is intended to benefit the settling group collectively; but
 - (b) may benefit particular members, or particular groups of members, of the settling group if the governance entity so determines in accordance with the governance entity's procedures.

Implementation

- 3.4 The deed of settlement is to provide the settlement legislation will, on terms agreed by the parties (based on the terms in recent settlement legislation), –
- 3.4.1 settle the historical claims; and
 - 3.4.2 exclude the jurisdiction of any court, tribunal, or other judicial body in relation to the historical claims and the settlement; and
 - 3.4.3 provide that certain enactments do not apply –
 - (a) for the benefit of the settling group or a representative entity; and

AGREEMENT IN PRINCIPLE

- 3.4.4 require any resumptive memorials to be removed from the certificates of title to, or the computer registers for, the settlement properties; and
 - 3.4.5 provide that the rule against perpetuities and the Perpetuities Act 1964 does not apply –
 - (a) where relevant, to any entity that is a common law trust; and
 - (b) to any settlement documentation; and
 - 3.4.6 require the Secretary for Justice to make copies of the deed of settlement publicly available.
- 3.5 The deed of settlement is to provide –
- 3.5.1 the governance entity must use its best endeavours to ensure every historical claim is discontinued by the settlement date or as soon as practicable afterwards; and
 - 3.5.2 the Crown may: –
 - (a) cease any land bank arrangement in relation to the settling group, the governance entity, or any representative entity, except to the extent necessary to comply with its obligations under the deed;
 - (b) after the settlement date, advise the Waitangi Tribunal (or any other tribunal, court, or judicial body) of the settlement.

4 VALUATION PROCESS FOR POTENTIAL COMMERCIAL REDRESS PROPERTIES

Note: Unless otherwise agreed in writing between the relevant landholding agency and Ngaati Hinerangi, the parties will enter into the following valuation process for potential commercial redress properties

A DETERMINING THE TRANSFER VALUE AND INITIAL ANNUAL RENT OF A PROPERTY

APPLICATION OF THIS SUBPART

- 4.1 This subpart provides how the following are to be determined in relation to a potential commercial redress property that is a valuation property:
- 4.1.1 its transfer value; and
 - 4.1.2 if it is a leaseback property that is not a school site, its initial annual rent.
- 4.2 The transfer value, and if applicable the initial annual rent, are to be determined as at a date agreed upon in writing by the parties (the **notification date**).

APPOINTMENT OF VALUERS AND VALUATION ARBITRATOR

- 4.3 The parties, in relation to a property, not later than 10 business days after the notification date:
- 4.3.1 must each:
 - (a) instruct a valuer using the form of instructions in appendix 1; and
 - (b) give written notice to the other of the valuer instructed; and
 - 4.3.2 may agree and jointly appoint the person to act as the valuation arbitrator in respect of the property.
- 4.4 If the parties do not agree and do not jointly appoint a person to act as a valuation arbitrator within 15 business days after the notification date, either party may request that the Arbitrators' and Mediators' Institute of New Zealand appoint the valuation arbitrator as soon as is reasonably practicable.
- 4.5 The parties must ensure the terms of appointment of their respective registered valuers require the valuers to participate in the valuation process.

QUALIFICATION OF VALUERS AND VALUATION ARBITRATOR

- 4.6 Each valuer must be a registered valuer.
- 4.7 The valuation arbitrator –

AGREEMENT IN PRINCIPLE

- 4.7.1 must be suitably qualified and experienced in determining disputes about –
- (a) the market value of similar properties; and
 - (b) if applicable, the market rental of similar properties; and
- 4.7.2 is appointed when he or she confirms his or her willingness to act.

VALUATION REPORTS FOR A PROPERTY

- 4.8 Each party must, in relation to a valuation, not later than:
- 4.8.1 [50] business days after the notification date, provide a copy of its final valuation report to the other party; and
 - 4.8.2 [60] business days after the notification date, provide its valuer's written analysis report to the other party.
- 4.9 Valuation reports must comply with the International Valuation Standards 2012, or explain where they are at variance with those standards.

EFFECT OF DELIVERY OF ONE VALUATION REPORT FOR A PROPERTY

- 4.10 If only one valuation report for a property that is not a school site is delivered by the required date, the transfer value of the property, and if applicable its initial annual rent, is the market value and the market rental, as assessed in the report.
- 4.11 If only one valuation report for a property that is a school site is delivered by the required date, the transfer value of the property is the market value as assessed in the report, (based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%),

NEGOTIATIONS TO AGREE A TRANSFER VALUE AND INITIAL ANNUAL RENT FOR A PROPERTY

- 4.12 If both valuation reports for a property are delivered by the required date:
- 4.12.1 the parties must endeavour to agree in writing:
 - (a) the transfer value of the property; or
 - (b) if the property is a school site, the transfer value (being the agreed market value based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%); and
 - (c) if the property is a leaseback property that is not a school site, its initial annual rent;
 - 4.12.2 either party may, if the transfer value of the property, or if applicable, its initial annual rent, is not agreed in writing within [70] business days after the notification date and if a valuation arbitrator has been appointed under paragraph 4.3.2 or paragraph 4.4, refer that matter to the determination of the valuation arbitrator; or

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- 4.12.3 if that agreement has not been reached within the [70] business day period but the valuation arbitrator has not been appointed under paragraph 4.3.2 or paragraph 4.4, the parties must attempt to agree and appoint a person to act as the valuation arbitrator within a further [5] business days; and
- 4.12.4 if paragraph 4.12.3 applies, but the parties do not jointly appoint a person to act as a valuation arbitrator within the further [5] business days, either party may request that the Arbitrators' and Mediators' Institute of New Zealand appoint the valuation arbitrator as soon as is reasonably practicable; and
- 4.12.5 the valuation arbitrator, must promptly on his or her appointment, specify to the parties the arbitration commencement date.

VALUATION ARBITRATION

- 4.13 The valuation arbitrator must, not later than [10] business days after the arbitration commencement date, –
 - 4.13.1 give notice to the parties of the arbitration meeting, which must be held –
 - (a) at a date, time, and venue determined by the valuation arbitrator after consulting with the parties; but
 - (b) not later than [30] business days after the arbitration commencement date; and
 - 4.13.2 establish the procedure for the arbitration meeting, including providing each party with the right to examine and re-examine, or cross-examine, as applicable, –
 - (a) each valuer; and
 - (b) any other person giving evidence.
- 4.14 Each party must –
 - 4.14.1 not later than 5pm on the day that is [5] business days before the arbitration meeting, give to the valuation arbitrator, the other party, and the other party's valuer –
 - (a) its valuation report; and
 - (b) its submission; and
 - (c) any sales, rental, or expert evidence that it will present at the meeting; and
 - 4.14.2 attend the arbitration meeting with its valuer.
- 4.15 The valuation arbitrator must –
 - 4.15.1 have regard to the requirements of natural justice at the arbitration meeting; and

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- 4.15.2 no later than [50] business days after the arbitration commencement date, give his or her determination –
- (a) of the market value of the property (which in respect of a school site is to be the market value based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%); and
 - (b) if applicable, of its market rental; and
 - (c) being no higher than the higher, and no lower than the lower, assessment of market value and/or market rental, as the case may be, contained in the parties' valuation reports.
- 4.16 An arbitration under this subpart is an arbitration for the purposes of the Arbitration Act 1996.

TRANSFER VALUE AND INITIAL ANNUAL RENT FOR ALL PROPERTIES

- 4.17 The transfer value of the property, and if applicable its initial annual rent, is:
- 4.17.1 determined under paragraph 4.10 or 4.11, (as the case may be); or
 - 4.17.2 agreed under paragraph 4.12.1; or
 - 4.17.3 the market value and, if applicable, market rental determined by the valuation arbitrator under paragraph 4.15.2, if the determination is in respect of a property that is not a school site; or
 - 4.17.4 if the property is a school site, the market value determined by the valuation arbitrator under paragraph 4.15.2, (based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%).

B GENERAL PROVISIONS

TIME LIMITS

- 4.18 In relation to the time limits each party must use reasonable endeavours to ensure -
- 4.18.1 those time limits are met and delays are minimised; and
 - 4.18.2 in particular, if a valuer or a valuation arbitrator appointed under this part is unable to act, a replacement is appointed as soon as is reasonably practicable.

DETERMINATION FINAL AND BINDING

- 4.19 The valuation arbitrator's determination under subpart A is final and binding.

COSTS

- 4.20 In relation to the determination of the transfer value, and initial annual rent, of a property, each party must pay –

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- 4.20.1 its costs; and
- 4.20.2 half the costs of a valuation arbitration; or
- 4.20.3 such other proportion of the costs of a valuation arbitration awarded by the valuation arbitrator as the result of a party's unreasonable conduct.

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APPENDIX 1

NOTE: If these instructions apply to-

- a non-leaseback property, references connected with a leaseback (including references to assessing the property's market rental) must be deleted; or
- a leaseback property -
 - that is to be leased back to the Ministry of Education, references to assessing the property's market rental must be deleted; or
 - that is not to be leased back to the Ministry of Education; references to a lease to the Ministry of Education and to the market value of a school site must be deleted.

These instructions may be modified to apply to more than one valuation property.

[Valuer's name]

[Address]

Valuation instructions

INTRODUCTION

Ngaati Hinerangi and the Crown have entered into an agreement in principle to settle the settling group's historical claims dated [date] (the **agreement in principle**).

PROPERTY TO BE VALUED

Ngaati Hinerangi have given the land holding agency an expression of interest in purchasing -

[describe the property including its legal description]

[PROPERTY TO BE LEASED BACK

If Ngaati Hinerangi purchases the property from the Crown as a commercial redress property under its deed of settlement, the governance entity will lease the property back to the Crown on the terms provided by the attached lease (the **agreed lease**).

As the agreed lease is a ground lease, the ownership of the improvements on the property (the **Lessee's improvements**), remains unaffected by the transfer.]

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A copy of the agreement in principle is enclosed.

Your attention is drawn to –

- (a) Schedule 4; and
- (b) the attached agreed lease of the property].

All references in this letter to subparts or paragraphs are to subparts or paragraphs of Schedule 4.

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A term defined in the agreement in principle has the same meaning when used in these instructions.

The property is a valuation property for the purposes of part 6. Subpart A of Schedule 4 applies to the valuation of properties.

ASSESSMENT OF MARKET VALUE REQUIRED

You are required to undertake a valuation to assess the market value of the property [that is a school site in accordance with the methodology below] as at [date] (the **valuation date**).

[As the Lessee's improvements will not transfer, the market value of the property is to be the market value of its land (i.e. not including any Lessee's improvements).]

The [land holding agency] [settling group] [~~delete one~~] will require another registered valuer to assess the market value of the property [,and its market rental,] as at the valuation date.

The two valuations are to enable the market value of the property, [and its market rental,] to be determined either:

- (a) by agreement between the parties; or
- (b) by arbitration.

The market value of the property so determined will be the basis of establishing the "transfer value" at which Ngaati Hinerangi may elect to purchase the property as a commercial redress property under part 6, plus GST (if any).

[MARKET VALUE OF A SCHOOL SITE

For the purposes of these instructions the intention of the parties in respect of a school site is to determine a transfer value to reflect the designation and use of the land for education purposes.

The market value of a school site is to be calculated as the market value of the property, exclusive of improvements, based on highest and best use calculated on the zoning of the property in force at the valuation date, less 20%.

A two step process is required:

- 1) firstly, the assessment of the unencumbered market value (based on highest and best use) by;
 - a) disregarding the designation and the Crown leaseback; and
 - b) considering the zoning in force at the valuation date and
 - c) excluding any improvements on the land; and;
- 2) secondly the application of a 20% discount to the unencumbered market value to determine the market value as a school site (transfer value).]

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The transfer value is used to determine the initial annual rent based on an agreed rental percentage of the agreed transfer value, determined in accordance with the Crown leaseback (plus GST, if any, on the amount so determined).

[ASSESSMENT OF MARKET RENTAL REQUIRED

You are also required to assess the market rental (exclusive of GST) for the property, as at the valuation date, being the rental payable from the commencement of the agreed lease.

The market rental for the property is to be the market rental payable under the agreed lease, being a ground lease. So it will be the rent payable for its land (i.e. excluding any Lessee's improvements).]

VALUATION OF PROPERTY

You must, in relation to a property:

- (a) before inspecting the property, determine with the other valuer:
 - (i) the valuation method or methods applicable to the property; and
 - (ii) the comparable sales[, and comparable market rentals if the property is not a school site,] to be used in determining the market value of the property [and its market rental if the property is not a school site]; and
- (b) inspect the property, where practical, together with the valuer appointed by the other party; and
- (c) attempt to resolve any matters or issues arising from your inspections and input assumptions; and
- (d) by not later than [30] business days after the valuation date prepare, and deliver to us, a draft valuation report; and
- (e) by not later than [45] business days after the valuation date:
 - (i) review your draft valuation report, after taking into account any comments made by us or a peer review of the report obtained by us; and
 - (ii) deliver a copy of your final valuation report to us; and
- (f) by not later than [55] business days after the valuation date, prepare and deliver to us a written analysis of both valuation reports to assist in the determination of the market value of the property [and its market rental if the property is not a school site]; and
- (g) by not later than [65] business days after the valuation date, meet with the other valuer and discuss your respective valuation reports and written analysis reports with a view to reaching consensus on the market value [and its market rental if the property is not a school site]; and
- (h) if a consensus on market value [and its market rental if the property is not a school site] is reached, record it in writing signed by you and the other valuer and deliver it to both parties; and

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- (i) participate in any meetings, including any peer review process, as required by us and the other party to agree the market value of the property [and its market rental if the property is not a school site]; and
- (j) if a review valuer has been appointed by parties, you must within 5 business days of receipt of the review valuer's report, review your market valuation report, taking into account the findings of the review valuer, and provide us with a written report of your assessment of the market value of the property; and
- (k) participate in any arbitration process required under subpart A to determine the market value of the property [and its market rental if the property is not a school site].

REQUIREMENTS OF YOUR VALUATION

Our requirements for your valuation are as follows.

You are to assume that –

- (a) the property is a current asset and was available for immediate sale as at the valuation date; and
- (b) all legislative processes that the Crown must meet before disposing of the property have been met.

Your valuation is –

- (a) to assess market value on the basis of market value as defined in the current edition of the Australia and New Zealand Valuation and Property Standards [2009] and International Valuation Standards [2012]; and
- (b) to take into account –
 - (i) any encumbrances, interests, or other matters affecting or benefiting the property that were noted on its title on the valuation date; and
 - (ii) the terms of the agreed lease; and
 - (iii) the attached disclosure information about the property that has been given by the land holding agency to the settling group, including the disclosed encumbrances; and
 - (iv) the attached terms of transfer (that will apply to a purchase of the property by the governance entity); but
- (c) not to take into account a claim in relation to the property by or on behalf of the settling group; and
- (d) in relation to the market rental for the property, to be on the basis of a willing lessor and a willing lessee, in an arm's length transaction, the parties having acted knowledgeably, prudently, and without compulsion].

AGREEMENT IN PRINCIPLE

REQUIREMENTS FOR YOUR VALUATION REPORT

We require a full valuation report in accordance with the current edition of the Australia and New Zealand Valuation and Property Standards [2009] and International Valuation Standards [2012], including -

- (a) an executive summary, containing a summary of –
 - (i) the valuation; and
 - (ii) [the market rental; and]
 - (iii) the key valuation parameters; and
 - (iv) the key variables affecting value; and
- (b) a detailed description, and a clear statement, of the land value; and
- (c) a clear statement as to any impact of –
 - (i) the disclosed encumbrances; and
 - (ii) the agreed lease; and
- (d) details of your assessment of the highest and best use of the property; and
- (e) comment on the rationale of likely purchasers[, and tenants,] of the property; and
- (f) a clear identification of the key variables which have a material impact on the valuation; and
- (g) full details of the valuation method or methods; and
- (h) appendices setting out –
 - (i) a statement of the valuation methodology and policies; and
 - (ii) relevant market and sales information.

Your report must comply with the minimum requirements set out in section 5 of the International Valuation Standard 1 Market Value Basis of Valuation, and other relevant standards, insofar as they are consistent with subpart A.

You may, with our prior consent, obtain specialist advice, such as engineering or planning advice.

ACCEPTANCE OF THESE INSTRUCTIONS

By accepting these instructions, you agree to comply with these instructions and, in particular, not later than:

- (a) [30] business days after the valuation date, to prepare and deliver to us a draft valuation report; and

AGREEMENT IN PRINCIPLE

- (b) [45] business days after the valuation date, to:
 - (i) review your draft valuation report after taking into account any comments made by us or a peer review of the report obtained by us; and
 - (ii) deliver a copy of your final valuation report to us; and
- (c) [55] business days after the valuation date, to prepare and deliver to us a written analysis of both valuation reports; and
- (d) [65] business days after the valuation date, to meet with the other valuer to discuss your respective valuation reports and written analysis reports.

ACCESS

[You should not enter on to the property without first arranging access through the **[landholding agency]** **[give contact details]**.]

[Where the property is a school site, you should not enter on to **[insert name(s) of school site(s)]** without first arranging access through the Ministry of Education **[give contact details]** and should not contact the school(s) directly.]

OPEN AND TRANSPARENT VALUATION

The parties intend this valuation to be undertaken in an open and transparent manner, and for all dealings and discussions to be undertaken in good faith.

In particular, you must:

- (a) copy any questions you have or receive with regard to the valuation, together with the responses, to the settling group, the land holding agency, and the other valuer: and
- (b) make all reasonable attempts throughout this valuation process to resolve differences between you and the other valuer before delivering a copy of your final valuation report to us.

Yours faithfully

[Name of signatory]

[Position]

[Settling group/Land holding agency][delete one]

5 VALUATION PROCESS FOR CROWN FOREST LAND

Valuation Process

Agreement between

The Crown acting through Land Information New Zealand

“The Crown”

AND

“The Claimant”

Definitions and Interpretation

1 In this valuation process, unless the context otherwise requires:

Arbitration means Arbitration under the Arbitration Act 1996;

Arbitration Commencement Date means the next business day after the expiration of time period referred to in paragraph 17 or 19;

Arbitrator means a person appointed under paragraph 6;

Business Day means the period of 9am to 5pm on any day other than:

- a. Saturday, Sunday, Good Friday, Easter Monday, Anzac Day, the Sovereign’s Birthday, Labour Day, and Waitangi Day;
- b. a day in the period commencing with 25 December in any year and ending with the close of 15 January in the following year; and
- c. the days observed as the anniversaries of the provinces of Wellington and Waikato.

Crown Forest Land means the licensed Crown forest land to which this valuation process applies;

Market Value is the estimated amount, exclusive of GST, at which the licensor’s interest in the Crown Forest Land might be expected to exchange on the Valuation Date, between a willing buyer and a willing seller, in an arms’ length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion;

Principals mean the Crown and the Claimant;

Registered Valuer means any valuer for the time being registered under the Valuers Act 1948;

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Valuation Commencement Date means the date by which disclosure has been provided by the Crown to the Claimant as outlined in Paragraph 2 of the Valuation Process;

Valuation Date means the delivery date of the Valuers' final valuation reports;

Valuation Exchange Date means the next Business Day after the expiration of 70 Business Days commencing on the Valuation Commencement Date;

Valuation Report means the valuation report prepared by either Valuer for their respective Principals in accordance with this valuation process; and

Valuer means any Registered Valuer with experience in the valuation of commercial forest land in New Zealand, appointed by either the Crown or the Claimant under paragraph 3 to take part in this valuation process.

Preliminary steps

- 2 The Crown will, within 20 Business Days of the Claimant notifying the Crown that they are able to proceed with this process, give all material information that relates to the Crown Forest Land of which Land Information New Zealand is aware. This includes all information able to be obtained by the Crown under the provisions of the licence, having inspected its records but not having undertaken a physical inspection of the Crown Forest Land or made enquiries beyond Land Information New Zealand records.
- 3 Within 7 Business Days of the Claimant notifying the Crown that they are able to proceed with this process, the Principals shall each:
 - a. appoint a Registered Valuer in accordance with this valuation process; and
 - b. give notice to the other of the identity of the Registered Valuer.
- 4 The Principals shall ensure that the terms of appointment of their respective Valuers require them to participate in the process in accordance with the terms set out in this valuation process.
- 5 The Principals shall send the appended instructions to their respective Valuers within 5 Business days of the notice given to the other of the identity of each Valuer.
- 6 The Principals shall jointly appoint an Arbitrator who is qualified and experienced in valuing assets similar to Crown Forest Land and is a member of the Arbitrators' and Mediators' Institute of New Zealand Incorporated. The appointment is made once the appointee has confirmed in writing that they will provide the required service in accordance with this valuation process. This appointment is to be made no later than 20 Business Days from when this valuation process is agreed.
- 7 If no appointment has been made within the time period specified in paragraph 6, the Crown shall, within 5 Business Days, request that the President of the Arbitrators' and Mediators' Institute of New Zealand Incorporated make such an appointment.

AGREEMENT IN PRINCIPLE

Parameters for the Valuation Assessments

- 8 Both Valuers must undertake a joint inspection of the Crown Forest Land in sufficient time to enable compliance with paragraph 9.
- 9 The Valuers are to provide a letter within 30 Business Days from the Valuation Commencement Date detailing their agreement on the base parameters and input assumptions, and outlining any points of difference and their impacts. Any changes following this agreement are to be discussed and agreed to by both Valuers. The Principals are to be advised of these changes. The allotted time of 30 Business Days also provides for both Valuers to agree between themselves any additional advice required to assist the valuation assessment e.g. Resource Management advice on subdivision potential of the land if this is determined to be the highest and best use.

Initial Meeting

- 10 The appointed Valuers shall each prepare a Valuation Report which includes their respective assessments of Market Value. The Valuers shall meet with each other to discuss their respective assessments and any major points of difference, and shall raise any questions regarding those points of differences within 50 Business Days from the Valuation Commencement Date. Following this meeting the Valuers are to review their reports and amend if required.
- 11 In the event that the final assessment of market value is disclosed in the meeting outlined in paragraph 10, the Valuers are to hold this information in confidence.

Exchange of Valuation Reports

- 12 The Principals shall deliver copies of their Valuation Reports to each other no later than the Valuation Exchange Date.
- 13 If either of the Principals fail to deliver their Valuation Report to each other by the Valuation Exchange Date, then the assessment of the Market Value contained in the Valuation Report provided by that other Principal (by the Valuation Exchange Date) will be the Market Value.

Presentation of Valuation Reports

- 14 The Principals agree to meet, together with their respective Valuers, no later than 7 Business Days from the Valuation Exchange Date for the Valuers to present their respective Valuation Reports and respond to any questions raised by either Principal.

Parameters to agree Market Value

Difference in assessment of Market Value is 20% or greater

- 15 If the difference in the assessment of Market Value in the Valuation Reports is 20% or greater, the Principals are to refer the reports to peer review.
- 16 Within 15 Business days of the Valuation Exchange Date, the Principals are to agree and appoint a joint peer reviewer. If the Principals are unable to agree on a joint peer reviewer, each Principal shall appoint a peer reviewer. The peer reviewer must be a Registered Valuer.

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- 17 The peer reviewer/s shall provide a detailed report on both valuation reports within 20 Business Days of being appointed, and supply to both the Principals and the Valuers.
- 18 The Valuers shall, within 7 business days of receiving the last peer review report, review their respective assessments and notify their respective Principals of any change. The next business day after the expiration of the 7 Business Days, the Principals shall provide to each other their revised assessment of Market Value.
- 19 If the Valuers are able to provide a revised assessment of Market Value to the Principals which brings the difference in valuations to less than 20%, the negotiations will be referred to paragraph 20. However, if at the end of 10 Business Days the difference is still greater than 20% and the Principals are unable to agree to a Market Value, the Valuation Reports will be referred to Arbitration as set out in paragraphs 22-27 for determination of Market Value.

Difference in assessment of Market Value is less than 20%

- 20 If the difference in the assessment of Market Value in the Valuation Reports is less than 20%, the Principals will meet within 20 Business Days from the Valuation Exchange Date and endeavour to agree a Market Value. This may result in a number of negotiation meetings held within the 20 Business Days following the Valuation Exchange Date.
- 21 If at the end of the time period referred to in paragraph 20, the Principals are unable to agree a Market Value, the Valuation Reports will be referred to Arbitration as set out in paragraphs 22-27 for determination of Market Value.

Arbitration Process and Determination of Disputed Values

- 22 The Arbitrator shall promptly give notice of a hearing to be attended by the Principals and their respective Valuers, at a venue and time to be decided by the Arbitrator after consultation with the Principals, and having regard to their obligation under paragraph 23 but no later than 10 Business Days from the Arbitration Commencement Date.
- 23 The Principals shall by no later than 5.00 pm, on the 5th Business Day prior to the date of the hearing give to the Arbitrator (and each other), their respective Valuation Reports and any submission or expert evidence based on that information which the Principals intend to present at the meeting.
- 24 At the hearing, the Arbitrator shall establish a procedure giving each Principal the right to examine, cross examine and re-examine the Valuers and other experts appointed by the Principals in relation to the information provided to the Arbitrator, and will otherwise have regard to the requirements of natural justice in the conduct of the hearing.
- 25 The Arbitrator shall hold the hearing and give his or her determination of the Market Value within 30 Business Days of hearing date. That determination shall not be outside the range between the assessment of Market Value contained in the Crown's Valuation Report and in the Claimant's Valuation Report.
- 26 The Market Value for the Crown Forest Land shall be the Arbitrator's determination of the Market Value.
- 27 The determination of the Arbitrator shall be final and binding on the Principals.

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General provisions

- 28 The Principals shall each bear their own costs in connection with the processes set out in this valuation process. The costs of the Arbitrator and the costs of the hire of a venue for the hearing referred to in paragraphs 22-25 shall be shared equally between the Principals. However, in appropriate cases, the Arbitrator may award costs against the Crown or the Claimant where the Arbitrator considers that it would be just to do so on account of unreasonable conduct.
- 29 The Principals each acknowledge that they are required to use reasonable endeavours to ensure the processes set out in this valuation process operate in the manner, and within the timeframes, specified in this valuation process.
- 30 If the processes set out in this valuation process are delayed through any event (such as the death, incapacity, unwillingness or inability to act of any Registered Valuer or the Arbitrator) the Principals shall use reasonable endeavours and co-operate with each other to minimise the delay.
- 31 The Market Value of the property must be updated, using an agreed valuation process, in the event that a Deed of Settlement is initialled or signed more than 12 months after the Valuation Date, or more than 18 months after the Valuation Date where valuations are set before the Agreement in Principle. An updated Market Value of the property is not required if agreement on the Market Value is reached between the Principals.

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INSTRUCTIONS TO VALUERS FOR LICENSED

CROWN FOREST LAND

INTRODUCTION

The Agreement in Principle for the Settlement of Ngaati Hinerangi (the "AIP") provides the opportunity for the claimants to acquire the licensor's interest in the Crown Forest Land that is subject to the [] Crown forestry licence (the "Crown Forest Land").

The valuation of the licensor's interest in the Crown Forest Land is to be undertaken in the context of the AIP between the Crown and []

The licensor's interest is the interest as proprietor of that land and is to be assessed on the basis that the Crown Forest Land will transfer as a result of a deemed recommendation from the Waitangi Tribunal and that the restrictions of the Crown Forest Assets Act 1989 such as prohibition on sale no longer apply (i.e. the licensor is assumed to be the claimants, not the Crown, for the purpose of the valuation).

The principals, being the Crown (acting through Land Information New Zealand in respect to valuations) and the claimant, wish to obtain market valuations for specified part of the Crown Forest Land available for selection.

REQUIREMENTS

1. Any transfer of the Crown Forest Land to the claimants would be deemed to be the result of a recommendation from the Waitangi Tribunal under section 8HB of the Treaty of Waitangi Act 1975. This would trigger the relevant sections of Part II of the Crown forestry licences.
2. The Crown forest land is to be valued as though:
 - a. a computer freehold register (CFR) can be issued (a possible delay of up to 5 years) for the land to be valued and is subject to and together with the encumbrances identified in the disclosure data together with any subject and appurtenant easements arising from consultation under Section 17.4.1 of Part IIC of the Crown forestry licence;
 - b. the land will transfer subject to the Crown forestry licence;
 - c. the termination period of the licence will begin on 30 September following the giving of the termination notice (assumed to be 30 September 20XX);
 - d. [where a whole Crown forestry licence is offered to Iwi, the provisions of Section 14.2 and Part IIB (Section 16) of the licence will apply to the land;] or [where part of a Crown forestry licence is offered to Iwi, the provisions of Section 14.3 and Part IIC (Section 17) of the licence will apply to the land;]
 - e. [where part of a Crown forestry licence is offered to Iwi, the Crown will be responsible for carrying out and completing the survey necessary to define the boundaries between the part selected and the balance of the licensed land together

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with any reciprocal easements arising from consultation under Section 17.4.1 of Part IIC of the Crown forestry licence before a CFR can issue. This process may take up to 5 years to complete;] and

- f. New Zealand Units (NZU) will not transfer with the land (due to NZUs being dealt with separately from settlement redress).
3. Each valuer is required:
- to provide a valuation report as at [] (the "**Valuation Date**");
 - to provide the market value of the licensor's interest (as described in paragraph 4 below) clearly setting out how this was determined.
4. The value required is the market value being the estimated amount, exclusive of GST, at which the licensor's interest in the Crown Forest Land might be expected to exchange, on the Valuation Date, between a willing buyer and a willing seller, in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion.
5. Both valuers are to jointly, at times to be agreed between them and the licence holders:
- inspect the properties; and
 - inspect the sales information and its supporting evidence.
6. Before the valuation reports are prepared, in accordance with clause 9 of the Valuation Process document, the valuers are to reach agreement on:
- a list of comparable sales to be used in determining the value of the Crown Forest Land;
 - the geographic extent and relevant matters concerning the licensor's interest in the Crown Forest Land;
 - the base information on current rentals paid along with other market rental evidence; and
 - the base information or inputs into a formula for assessing future rentals to take account of the return provisions in the Crown forestry licence.
7. Each valuation report provided by a valuer shall:
- include an assessment of the market value as at the Valuation Date, identifying and explaining the key issues affecting value, if any;
 - For the avoidance of doubt set out any assumptions on which the valuation is based, including:
 - Impact of comparable sales analysis in relation to land subject to Crown forestry licences;

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- The impact of the provisions of the Emissions Trading Scheme and Kyoto Protocol (and/or any other agreements and legislative provisions relating to climate change);
- Terms and conditions of the relevant Crown forestry licences (including any provisions and arrangements relating to licence fees and/or rentals) and effect of the Crown Forest Assets Act 1989;
- Detail the impact on value of encumbrances, legal or statutory restrictions on the use or disposal of the Land and/or conditions to be placed on the land under the standard terms of Treaty Deeds of Settlement;
- The impact of planning and other controls imposed by the Resource Management Act 1991 and any planning and regulatory controls imposed by local authorities;
- Discussion as to current market conditions and the economic climate;
- Legal and practical access issues, status and value of roading infrastructure;
- Identify and quantify sensitivity factors within the valuation methodology;
- Valuation methodology and discussion of assessed value in relation to the market evidence;
- Any other relevant factors taken into account.
- meet the requirements of:
 - The Property Institute of New Zealand's Valuation Standards, including the minimum requirement set out in Section 5 of the "New Zealand Institute of Valuers Valuation Standard 1: Market Value Basis of Valuation"; and
 - other relevant standards, insofar as those requirements are relevant.
- include an executive summary containing:
 - a summary of the valuation along with key valuation parameters;
 - a summary of key issues affecting value, if any;
 - the name of the valuer and his or her firm; and
 - the signature of the valuer and lead valuer if applicable.
- attach appendices setting out:
 - a statement of valuation policies;
 - a statement of valuation methodology; and

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- relevant market and sales information.
- 8. Each valuer must submit to his or her principal a draft valuation report prior to submission of the final reports, so that the principal can provide comment.
- 9. Each valuer will provide the final report to his or her principal once the draft has been reviewed and comments received.

10. TIMING

- (a) Principals appoint respective valuers;
- (b) Principals jointly appoint an Arbitrator;
- (c) Valuers agree on specified issues (30 Business Days from the Valuation Commencement Date);
- (d) Valuers to meet and discuss their respective reports (50 Business Days from the Valuation Commencement Date);
- (e) Valuers submit draft reports to respective principals (55 Business Days from the Valuation Commencement Date);
- (f) Principals provide comments to respective valuers (60 Business Days from the Valuation Commencement Date);
- (g) Valuers finalise reports and deliver to their respective principals (70 Business Days from the Valuation Commencement Date); and
- (h) The Principals exchange final valuation reports (71 Business Days from the Valuation Commencement Date).

11. DEFINITION

Business Day means the period of 9am to 5pm on any day other than:

- (a) Saturday, Sunday, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, Labour Day, and Waitangi Day;
- (b) a day in the period commencing with 25 December in any year and ending with the close of 15 January in the following year; and
- (c) the days observed as the anniversaries of the provinces of Wellington and Hawke's Bay.

Valuation Commencement Date means the date by which disclosure has been provided by the Crown to the Claimant as outlined in Paragraph 2 of the Valuation Process.

ATTACHMENTS

2 CROWN AND NGAATI HINERANGI PROCESS FOR RESOLVING OVERLAPPING CLAIMS

The following groups have been identified as having interests in the Ngaati Hinerangi area of interest:

- Raukawa.
- Ngāti Haua.
- Tauranga Moana Iwi Collective.
- Ngāti Pūkenga.
- Ngāti Ranginui.
- Ngāi Te Rangi (along with Ngā Potiki).
- Pare Hauraki Collective.
- Ngāti Hako.
- Ngāti Maru.
- Ngāti Tamatera.
- Ngāti Tara Tokonui.

Table 10 – Process for resolving overlapping claims within Ngaati Hinerangi area of interest

Process Timeframe	Activities	
Sign terms of negotiation	<p>Overlapping claims strategy agreed between the Crown and Ngaati Hinerangi Crown letters to groups with shared interests – sent by/on 3 February 2015</p> <ul style="list-style-type: none"> • update on negotiations status • process going forward • contact details • note Crown's understanding of Ngaati Hinerangi's area of interest • provide Ngaati Hinerangi's area of interest 	
Make Crown offer <ul style="list-style-type: none"> • <i>Interest discussions</i> 	<p>Overlapping claims strategy report to Ministers Iwi and Crown meet with groups (jointly or separately)</p> <ul style="list-style-type: none"> • discuss general settlement timeframes and the overlapping claims process, Schedule further meetings • discuss boundaries and the nature of the interests within the boundaries <p>Crown and iwi discuss engagement with and interests of overlapping claimants at [timeframe] meetings Send initial Crown letter to overlapping groups; sent 3 February 2015. Contents include:</p> <ul style="list-style-type: none"> • Key timeframes, proposed engagement process going forward • Crown's understanding of Ngaati Hinerangi's area of interest • Request for information by Ngaati Hinerangi on overlapping iwi interests by 27 October 2015, and by the Crown by 25 November 2015. • Invitation to discuss 	<p>Letters of support from overlapping groups</p>

Process Timeframe	Activities	
<ul style="list-style-type: none"> <i>Crown Offer</i> 	Initial Crown offer made subject to resolution of overlapping claims	
<p>Draft agreement in principle</p>	<p>Send comprehensive Crown letter</p> <p>Content includes:</p> <ul style="list-style-type: none"> Crown policy on overlapping claim resolution Key timeframes Proposed engagement going forward Proposed submission process going forward: Summary of site specific Crown offer redress offered within the Ngaati Hinerangi area of interest OTS contact details for overlapping claims work stream lead and where to send submissions. <p>Overlapping claims report to the Minister for Treaty of Waitangi Negotiations (forward a copy to the Minister for Māori Development)</p>	
<ul style="list-style-type: none"> <i>Prior to the signing of the agreement in principle</i> 	<p>Letters of support from groups collated</p> <p>Resolve remaining issues</p> <p>Report to the Minister for Treaty of Waitangi Negotiations on resolution of overlapping claims (forward a copy to the Minister for Māori Development)</p> <ul style="list-style-type: none"> [Letters advising overlapping iwi of decision on overlapping claims] 	
	SIGN AGREEMENT IN PRINCIPLE	12 December 2015